

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1186

IN THE MATTER OF:

Served December 3, 1971

Application of D. C. Transit )  
System, Inc., to Add Route )  
M-3. )

Application No. 675

Application of D. C. Transit )  
System, Inc. to Abandon Its )  
D. C. Downtowner Minibus Serv- )  
ice. )

Application No. 676

Docket No. 228

On April 16, 1971, we issued Order No. 1131 authorizing D. C. Transit System, Inc. (Transit) to discontinue its Downtowner Minibus Service.

Revenues from the Minibus had for some time fallen far short of covering the out-of-pocket costs. Several months before our April 1971 order, in Order No. 1052, we had concluded that an increase in the fare to 20 cents from 10 cents would have destroyed the service, as the proposed fare would have cut the minibus ridership by one third. Another source of funding for the minibus which we had hoped might be developed was a direct operating subsidy paid by the downtown merchants who benefit directly from the minibus service. However, that subsidy was not forthcoming.

By April of 1971, in addition to the continuing financial problem presented by the minibus, it had become quite apparent that the minibuses themselves were mechanically decrepit and increasingly unreliable. Had the minibus service offered any prospect of even meeting out-of-pocket costs, we might have considered requiring the company to replace the vehicles. However, we did not feel that the ratepayer, with all of the burdens he is now required to carry to sustain public transportation in this community, should be asked to incur the additional burden of a new minibus fleet.

At the same time we authorized the abandonment of the Downtowner Minibus Service, we authorized the so-called M-3 Shoppers' Special. This service would be operated with regular transit vehicles and was designed to serve the downtown shopping area at a ten-cent fare as well as to link the downtown shopping area with the Southwest Employment area and the Connecticut Avenue office building area. The hope was that by combining the two types of service on one route, enough patronage would be generated to provide adequate financial sustenance to the service. The M-3 was to be instituted at the same time the Minibus was abandoned.

However, because there was substantial interest expressed by representatives of both government and private groups in developing some substitute for the Downtowner Minibus, we delayed the effective date of the service changes until June 1, 1971, to allow those who would, to come forward with alternatives.

Prior to the June 1 deadline, the District of Columbia Government indicated that it would undertake to secure grants from the Department of Transportation for a demonstration program for bus service in downtown Washington which would provide, in part, a new service to the downtown shopping area. DOT in turn responded positively to the City's initiatives. We, therefore, extended the effective date for discontinuance of the Minibus and institution of the M-3 service to August 1, 1971. (Order No. 1143, issued May 27, 1971) In doing so, however, we stated that due to the continuing financial loss and the continuing deterioration in the condition of the Minibus fleet, we could not and would not require that the Minibus be operated indefinitely. Further extensions, we said then, would only be allowed if some very firm estimates were given as to the time for inauguration of the new service under the demonstration program. Moreover, we pointed out that even if such firm commitments were made, but the time for inauguration of the new service was too distant, a hiatus between the existing service and the new service might be required.

As the August 1 discontinuance date approached, we were informed that the District of Columbia had submitted to the Urban Mass Transit Administration an application for Federal assistance for the purchase of 15 medium size buses to be

used in the demonstration program. The City asserted that the new vehicles would be available by February 1, 1972, and requested that the Minibus be extended until that time. However, because no very positive assurance could be given in July that the vehicles would in fact be in operation by February 1, 1972, it was suggested that if by October 15, 1971, it was determined that the new service would not be in operation by February 1, 1972, then the Minibus would be terminated earlier than February. Therefore, in Order No. 1159, we extended the time for the abandonment of the Minibus to February 1, 1972, on the condition that we receive by October 15, 1971, a firm commitment that the new service would in fact be in operation by the February date. Absent such a commitment, the Minibus service was to be discontinued forthwith.

On October 15, 1971, we received a letter from the Government of the District of Columbia indicating that the project was proceeding well but that it would not be possible to begin the new service on February 1, 1972, as had been hoped. According to the City's estimate, it appeared "more likely" that the date for the delivery of the new vehicles would be March 15, 1972. In these circumstances, the City requested that a time for the termination of the Downtowner Minibus be fixed, but on a date after the year-end holiday season or preferably even to the time the new demonstration can be begun.

We are not inclined, as we have repeatedly pointed out, to continue this service indefinitely. We note that seven months have elapsed since we first authorized the discontinuance of the Minibus and the institution of the M-3 service and that while good and substantial progress has been made toward the provision of some alternative service there is still a high degree of uncertainty as to when that service might be available. We note that the March 15, 1972, date was still only an estimate. Information obtained since the October 15 letter from the City Government indicates that the contract for the acquisition of new vehicles has not yet been let. This means, in our opinion, that the March 15 estimate is totally unrealistic and that new service is not likely to be initiated until some substantially later date. In these circumstances, we will not further extend the Minibus service.

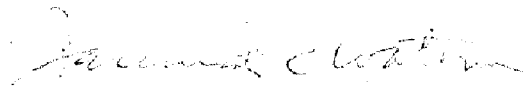
Because we are just coming into the holiday shopping period, we think it is appropriate to adopt the City's suggestion that the Minibus be operated at least through the holiday season. Therefore, we will authorize the discontinuance of the Downtowner Minibus Service, effective January 8, 1972, to accommodate the holiday and post-holiday shoppers.

As to the M-3 Shoppers' Special Service, which we authorized in Order No. 1131, we will withdraw our authorization altogether. A new service of this type, in order to be successful, must be appropriately promoted, and even with adequate promotion can be expected to lose money in its early stages. As things stand now, the M-3 Shoppers' Special can only be an interim service pending the inauguration of the demonstration program. It seems wasteful to us that a major program of promoting a new service should be undertaken knowing that new service will be shortlived. Furthermore, the demonstration program, as we understand it, incorporates the concept of the M-3 Shoppers' Special with respect to rates and the route, and an attempt by Transit to begin the new service with the large transit vehicles might prejudice the demonstration using more suitable, smaller vehicles.

THEREFORE, IT IS ORDERED:

1. That the authority granted to D. C. Transit System, Inc. in Order No. 1131 for the institution of the M-3 Shoppers' Special be, and it is hereby, withdrawn.
2. That the effective date for discontinuance for the Downtowner Minibus authorized in Order No. 1131 as amended by Order Nos. 1143 and 1159 be, and it is hereby, established at January 8, 1972.
3. That D. C. Transit System, Inc. post notice in all of its buses of the discontinuance of the Minibus service on or before December 8, 1971.

BY DIRECTION OF THE COMMISSION:

  
JEREMIAH C. WATERMAN  
Chairman