

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2386

IN THE MATTER OF:

Served December 21, 1982

Application of BLUE LINES, INC., )  
for Authority to Increase Rates )

Case No. AP-82-12

By Order No. 2376, served September 29, 1982, the Commission suspended WMATC Tariff No. 3 of Blue Lines, Inc., which otherwise would have become effective on October 1, 1982. The suspension was ordered to permit a determination of the propriety of certain operating expenses, to require the filing of additional information regarding the number of passengers taking each of applicant's tours, to enable us to determine the effect of the proposed rate increase on a weighted basis, and to evaluate the effect of changing several tariff rules and regulations.

Upon review of the supplemental material filed by applicant, including modification of certain tariff rules and regulations, the Commission has determined that applicant would suffer a loss under existing rates. We find that the new rates should produce a just and reasonable return in accordance with the provisions of Title II, Article XII, Section 6 of the Compact. While the projected operating ratio is slightly higher than the 93.5 percent benchmark cited in the Compact, Title II, Article XII, Section 6(a)(4), this properly takes into consideration applicant's desire to maintain its competitive position in the industry. Accordingly, the suspension will be terminated and the proposed rates, as contained in applicant's revised WMATC Tariff No. 3 tendered with the previously-filed supplemental material and set forth below, will be allowed to take effect upon expiration of the suspension period, Wednesday, December 29, 1982.

SPECIAL OPERATIONS

<u>Tour</u>	<u>Current Fare</u>		<u>Approved Fare</u>		<u>Group Discount Per Capita</u>	
	<u>Adults</u>	<u>Children</u>	<u>Adults</u>	<u>Children</u>	<u>Current</u>	<u>Approved</u>
BC	\$10.00	\$ 5.00	\$12.00	\$ 6.00	\$ 7.00	\$10.60
BCA	16.00	8.00	18.00	9.00	10.00	14.40
CAM	18.50	9.75	19.50	10.75	11.50	16.20
AD	27.50	14.00	29.50	15.50	17.50	24.20
N	10.00	5.00	12.00	6.00	7.00	10.60
K	9.00	4.50	12.00	6.00	7.00	10.60

CHARTER OPERATIONS

	<u>Current Fare 1/</u>		<u>Approved Fare 1/</u>	
	<u>Charter</u>	<u>Sightseeing</u>	<u>Charter</u>	<u>Sightseeing</u>
Van Per Hour	\$17.50	\$22.50	\$29.00	\$29.00
	or 70¢/mile			
Bus	19.00	22.50	32.00	35.00
	or 90¢/mile			

We note that among applicant's expenses is an amount for bus rental which includes a driver along with the bus. The practice of renting a bus and driver is contrary to Commission regulations inasmuch as the result is often nothing more than the "rental" of operating rights to a carrier which does not possess WMATC authority and which has not been determined to have appropriate insurance or to have met minimum safety standards. 2/ In future rate cases an expense for bus rental with driver will be disallowed in calculating operating expenses to arrive at a carrier's operating ratio. Furthermore, if the Commission has reason to believe that Blue Lines is continuing the practice of renting equipment along with drivers, rather than using its own drivers, or that the carrier is leasing equipment without complying with Commission Regulation No. 69 governing the leasing of equipment, an investigation of these practices will be instituted and the carrier's certificate may be suspended or revoked.

Applicant will be directed to post the fares authorized by this order in its vehicles as notice to the public of this action.

**THEREFORE, IT IS ORDERED:**

1. That the application for authority to increase rates by Blue Lines, Inc., is hereby granted.
2. That the suspension of WMATC Tariff No. 3 of Blue Lines, Inc., is terminated upon expiration of the suspension period on Wednesday, December 29, 1982, at 11:59 p.m.
3. That Blue Lines, Inc., is hereby directed to post continuously and conspicuously for a period of one week in each of its


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1/ Both current and approved charter fares involve a minimum charge for four hours. An additional one hour charge for garage time is included for service provided in a bus.

2/ See Commission Regulation No. 69-08.

vehicles notice of this action and the fares authorized thereby, no later than one day from the date of service of this order.

BY DIRECTION OF THE COMMISSION, COMMISSIONERS CLEMENT, SCHIFTER AND AND SHANNON:



WILLIAM H. MCGILVERY  
Executive Director