MBTA

Fare and Service Proposals

Overview

MassDOT Board Finance Committee

January 3, 2012
# Summary

<table>
<thead>
<tr>
<th></th>
<th>Scenario 1</th>
<th>Scenario 2</th>
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<tbody>
<tr>
<td><strong>Overall Fare Increase</strong></td>
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<td></td>
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<tr>
<td>(all fare media types)</td>
<td>43%</td>
<td>35%</td>
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<tr>
<td><strong>Current / Proposed Fares</strong></td>
<td></td>
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<tr>
<td>Bus CharlieCard</td>
<td>$1.25 / $1.75</td>
<td>$1.25 / $1.50</td>
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<tr>
<td>Rapid Transit CharlieCard</td>
<td>$1.70 / $2.40</td>
<td>$1.70 / $2.25</td>
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<tr>
<td>RIDE</td>
<td>$2.00 / $4.50</td>
<td>$2.00 / $3.00</td>
</tr>
<tr>
<td>RIDE Premium Territory</td>
<td>$12.00</td>
<td>$5.00</td>
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<tr>
<td>Parking</td>
<td>28%</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Service Eliminations or Reductions</strong></td>
<td>Commuter rail, bus, light rail, ferry, RIDE service area</td>
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</tr>
<tr>
<td><strong>Ridership Impact</strong></td>
<td>34-49 million annual trips</td>
<td>53-64 million annual trips</td>
</tr>
<tr>
<td>% of total current ridership</td>
<td>9 to 13%</td>
<td>14 to 17%</td>
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Background

2007: Most recent MBTA fare increase

2009: Fare increase process initiated; terminated after receipt of $160m in state funds

Operating Efficiencies: Continuous Effort
- Increased non-fare revenue
- Reduced head count vs. budget
- Orange and Red Line: Single Person Train Operation
Need and Process

- Projected FY13 operating deficit: $185m
  - Accomplished $24m in efficiencies and savings (energy, operations, health care)
  - Remaining FY13 deficit of $161m
- Staff and Rider Oversight Committee reviewed fare and service alternatives in October
- Impact analysis performed during December
- Public process mid-January to early March
MBTA Non-Fare Revenue Growth


$40,000,000 | $50,000,000 | $60,000,000 | $70,000,000 | $80,000,000 | $90,000,000 | $100,000,000

January 3, 2011
Systemwide Capital Investment and Service Improvement

<table>
<thead>
<tr>
<th>2007</th>
<th>2008</th>
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| • Green Line – Elimination of weekday single car trains, increasing passenger capacity 5-9%  
• Introduced “T Alerts” subscription announcements allowing customers convenient access to information about delays.  
• North Station concourse area’s 20,000 square-foot expansion opened  
• Renovated Charles/MGH Station and implemented accessibility features including elevators and escalators. | • Blue Line capacity increased 29-50% with the introduction of six-car train operation.  
• Installed 15 new passenger waiting shelters on Green Line–Commonwealth Ave Branch  
• 50% of bus fleet equipped with bike racks  
• Opened secure “Pedal & Park” bike facility at Alewife Station. |
Systemwide Capital Investment and Service Improvement

**2009**
- Silver Line: New SL4 route between Dudley and South Station
- Student passes hours extended from 8:00 pm until 11:00 pm
- Added GPS to bus fleet
- Real-time bus data available
- Added all MBTA service to Google Transit
- Renovated Ashmont, Arlington and Maverick Stations including new elevators.

**2010**
- Commuter Rail: Service expanded to T.F. Green Airport in Rhode Island
- Launched the “App Showcase” website, enabling access to real-time information
- Real-time subway data opened
- Weekday capacity on Route 28 increased by 24% with 60-foot articulated buses.
- Renovated Kenmore and Copley Stations including new elevators.
Systemwide Capital Investment and Service Improvement

2011

- Orange: Service increased 5% weekdays, 10% Saturdays 33% Sundays.
- Commuter rail: Two new locomotives, five additional leased to expand capacity.
- Silver Line: Service in the South Boston Waterfront district increased 8%
- 3-car trains on Green Line
- Renovated Science Park/West End Station and State Street Station including new elevators.

2012 and Ahead

- Preparing implementation of countdown clocks for subway
- Renovation of Government Center station, including new elevators
- Flight information for Silver Line customers at South Station, countdown clocks for Silver Line at Logan Airport
- Receipt of 90 additional ticket sales machines
- ARRA funding for key bus route improvements
Alternatives

- Fare increase
- Service reductions
- Combination
- Fare structure mix
Approach to Proposed Changes

• Fares
  • Keep bus fares below subway
  • Maintain simplicity of structures achieved in 2007
  • Incentivize use of monthly passes to reduce number of fare transactions and improve boarding speeds
  • Examine bringing senior and student fares to 50% of regular fare rather than 33% for some current fare types
  • Examine bringing all RIDE fares to 2x base fare, analyze introduction of premium fare territory
  • Eliminate underutilized or inefficient fare media (tokens)
  • Reduce opportunity for fare evasion (multi-ride punch tickets)
  • Encourage off peak ridership

• Service
  • Examine lower ridership and higher operating cost services
  • Eliminate most-redundant services (proximity)
  • Spread impact across modes where possible
  • Direct additional resources to key bus routes
## Proposed Scenarios - Overview

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<tr>
<td><strong>Fare Increase</strong></td>
<td>• 43% overall&lt;br&gt;• 45% bus&lt;br&gt;• 42% rapid transit&lt;br&gt;• 43% commuter rail&lt;br&gt;• 28% parking</td>
<td>• 35% overall&lt;br&gt;• 27% bus&lt;br&gt;• 38% rapid transit&lt;br&gt;• 35% commuter rail&lt;br&gt;• 20% parking</td>
</tr>
<tr>
<td><strong>RIDE</strong></td>
<td>Price at 2x base CharlieTicket, $4.50. Introduce premium territory price $12</td>
<td>Price at 2x base CharlieCard, $3.00. Introduce premium territory at $5</td>
</tr>
<tr>
<td><strong>Service Eliminations and Reductions</strong></td>
<td>• Bus: 23 weekday routes, 19 Saturday routes, 18 Sunday routes&lt;br&gt;• Bus: 2 private carrier routes and all Suburban Bus Program routes&lt;br&gt;• Ferry: All routes&lt;br&gt;• Light Rail: No weekend service on Mattapan and Green Line E Branch&lt;br&gt;• Commuter Rail: No service after 10pm and no weekend service</td>
<td>• Bus: 101 weekday routes, 69 Saturday routes, 50 Sunday routes&lt;br&gt;• Bus: Reduce length of 11 routes&lt;br&gt;• Bus: All private carrier routes and Suburban Bus Program routes&lt;br&gt;• Ferry: All routes&lt;br&gt;• Light Rail: No weekend service on Mattapan and Green Line E Branch&lt;br&gt;• Commuter Rail: No service after 10pm and no weekend service</td>
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# Projected Ridership and Revenue Impacts

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<tr>
<td><strong>Ridership Impact</strong></td>
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<tr>
<td>48.6 million annual trips (-13%)</td>
<td>64.2 million annual trips (-17%)</td>
</tr>
<tr>
<td>• 13.6m bus trips (-12%)</td>
<td>• 32.4m bus trips (-29%)</td>
</tr>
<tr>
<td>• 25.6m rapid transit trips (-11%)</td>
<td>• 23.1m rapid transit trips (-10%)</td>
</tr>
<tr>
<td>• 6.7m commuter rail trips (-20%)</td>
<td>• 6.3m commuter rail trips (-19%)</td>
</tr>
<tr>
<td>• 1.3m ferry trips (-100%)</td>
<td>• 1.3m ferry trips (-100%)</td>
</tr>
<tr>
<td>• 0.4m RIDE trips (-17%)</td>
<td>• 0.2m RIDE trips (-8%)</td>
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<tr>
<td><strong>Revenue</strong></td>
<td><strong>Revenue</strong></td>
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<tr>
<td>Gain $161.5 million in annual revenue (+34%)</td>
<td>Gain $165.1 million in annual revenue (+35%)</td>
</tr>
<tr>
<td>• $123.2m increase in fare revenue</td>
<td>• $86.8m increase in fare revenue</td>
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<tr>
<td>• $38.3 m net operating savings</td>
<td>• $78.4m net operating savings</td>
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Impact:
Bus Route Miles and Passengers

Scenario 1: MBTA Bus Route Miles
- Retained: 74%
- Eliminated: 26%

Scenario 1: MBTA Bus Passengers
- Unaffected: 98%
- Affected: 2%
Impact:
Bus Route Miles and Passengers

**Scenario 2:**
MBTA Bus Route Miles

- **Retained:** 22%
- **Eliminated:** 78%

**Scenario 2:**
MBTA Bus Passengers

- **Unaffected:** 76%
- **Affected:** 24%
Impact: RIDE
Premium Service Territory
Based on year 2011 actual pick up and drop off locations

Scenario 1: RIDE Customers in Premium Service Fare Territory
- 92%
  - Fare Increase from $2.00 to $4.50
  - Premium Service Fare at $12.00
- 8%

Scenario 2: RIDE Customers in Premium Service Fare Territory
- 72%
  - Fare Increase from $2.00 to $3.00
  - Premium Service Fare at $5.00
- 28%
Projected Ridership Impact from Service Reductions

Percentages of Riders Affected and Unaffected by the Proposed Service Reductions, by Scenario

Legend

Light bars show estimated number of affected riders.
Dark bars show the estimated number of unaffected riders.
Combined, these bars show the total ridership for a mode.

See chart to right
Proposed General Fare Structure Changes

- Increase CharlieTicket more than CharlieCard to further incentivize travel with CharlieCards
- Eliminate acceptance of tokens to reduce administrative costs
- Institute minimum $10 farebox cash upload to CharlieCard to improve passenger boarding speed. Maintain ability to pay single fare at CharlieTicket price with cash at farebox.

- Student Pass: Introduce 7-day price option to accompany existing 5-day pass
- Student and senior passes increased from 33% to 50% of base fare
- Commuter rail:
  - Reduce validity of all CR tickets from 180 days to 14
  - Eliminate 12-ride ticket
  - Mid-day and reverse-commute trains at 75% of peak price
  - Discount for pre-purchased tickets
Itemization of various options

**Fare increases**
- 5% yields $20M with a 0.8% decline in ridership
- 10% yields $41M with a 1.6% decline in ridership
- 15% yields $51M with a 4.2% decline in ridership
- 25% yields $79M with a 7.2% decline in ridership
- 60% yields up to $163M with a significant loss of ridership

**Service reduction alternatives across all modes**
- Examine highest costs services
- Eliminate commuter rail service after 10pm $2.7m or after 7pm $7.8m
- Eliminate commuter rail weekend service $3.0m
- Reduce all bus service by 50% after 8pm $1.6m
- Reduce rush hour service on key bus routes by 15% $560k
- Eliminate ferry subsidy $3.7m
- Reduce subway service by 1-2 trainsets on all lines $730k
## Next Steps

| Ongoing MBTA / MassDOT implementation of administrative and operational savings and one-time revenue solutions | Impact analysis on mbta.com |
| Information materials to: | 20+ Public meetings |
| – Legislators | Sign language interpretation available at public meetings |
| – Community groups | Braille, large print and audio |
| Outreach | Written materials in multiple languages |
| – Newspapers | Meetings at accessible locations near public transportation service |
| – Email lists | On MBTA vehicles |
| – Organizations | – At stations |
| – At stations | – On MBTA vehicles |

January 3, 211
Public Process

Impact Analysis

Public Release Tuesday January 3rd

Public Meetings January and February

MBTA reviews comments

Board Vote April

Final Recommendation to MBTA Board March

Implementation July 1, 2012