

MBTA

Fare and Service Proposals

Overview

MassDOT Board Finance Committee
January 3, 2012



Summary



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



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

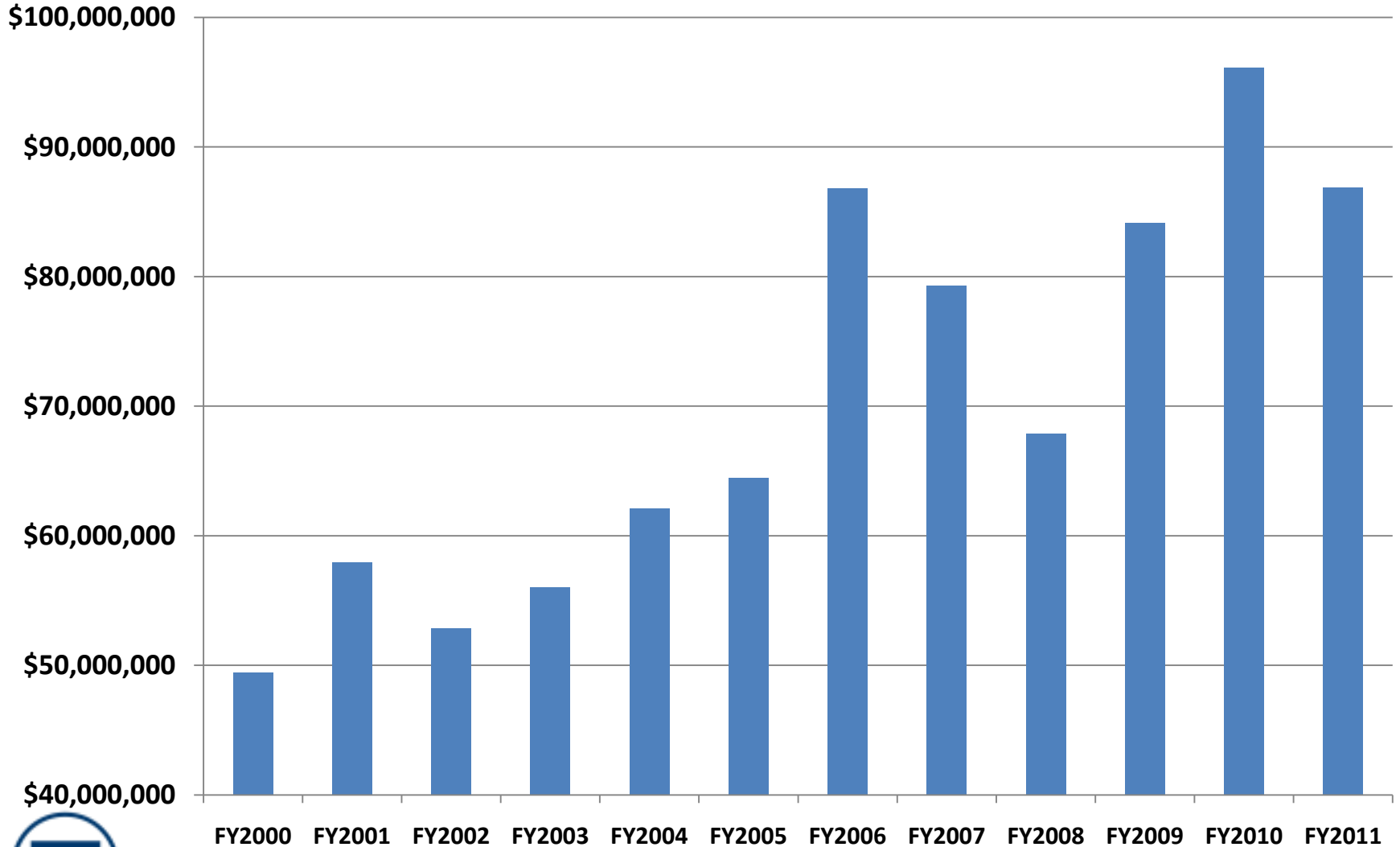


Need and Process

- 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



Systemwide Capital Investment and Service Improvement

2007

- 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.

2008

- 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
- ScoreCard – Monthly report, making performance information available publically.
- 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



	Scenario 1	Scenario 2
Fare Increase	<ul style="list-style-type: none"> • 43% overall • 45% bus • 42% rapid transit • 43% commuter rail • 28% parking • 	<ul style="list-style-type: none"> • 35% overall • 27% bus • 38% rapid transit • 35% commuter rail • 20% parking •
RIDE	Price at 2x base CharlieTicket, \$4.50. Introduce premium territory price \$12	Price at 2x base CharlieCard, \$3.00. Introduce premium territory at \$5
Service Eliminations and Reductions	<ul style="list-style-type: none"> • Bus: 23 weekday routes, 19 Saturday routes, 18 Sunday routes • Bus: 2 private carrier routes and all Suburban Bus Program routes • Ferry: All routes • Light Rail: No weekend service on Mattapan and Green Line E Branch • Commuter Rail: No service after 10pm and no weekend service 	<ul style="list-style-type: none"> • Bus: 101 weekday routes, 69 Saturday routes, 50 Sunday routes • Bus: Reduce length of 11 routes • Bus: All private carrier routes and Suburban Bus Program routes • Ferry: All routes • Light Rail: No weekend service on Mattapan and Green Line E Branch • Commuter Rail: No service after 10pm and no weekend service

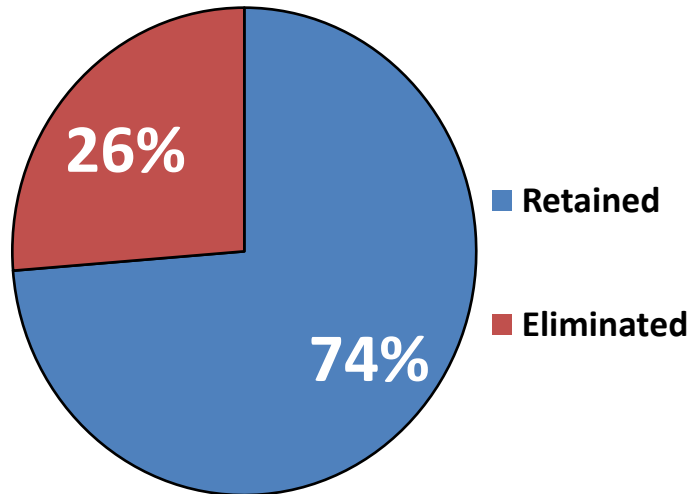
Projected Ridership and Revenue Impacts

	Scenario 1	Scenario 2
Ridership Impact	48.6 million annual trips (-13%) <ul style="list-style-type: none"> • 13.6m bus trips (-12%) • 25.6m rapid transit trips (-11%) • 6.7m commuter rail trips (-20%) • 1.3m ferry trips (-100%) • 0.4m RIDE trips (-17%) 	64.2 million annual trips (-17%) <ul style="list-style-type: none"> • 32.4m bus trips (-29%) • 23.1m rapid transit trips (-10%) • 6.3m commuter rail trips (-19%) • 1.3m ferry trips (-100%) • 0.2m RIDE trips (-8%)
Revenue	Gain \$161.5 million in annual revenue (+34%) <ul style="list-style-type: none"> • \$123.2m increase in fare revenue • \$38.3 m net operating savings 	Gain \$165.1 million in annual revenue (+35%) <ul style="list-style-type: none"> • \$86.8m increase in fare revenue • \$78.4m net operating savings

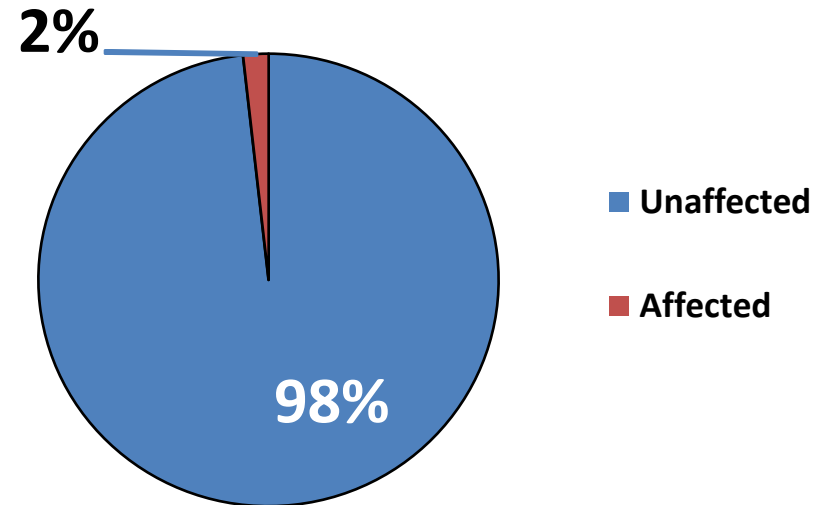


Impact: Bus Route Miles and Passengers

Scenario 1:
MBTA Bus Route Miles

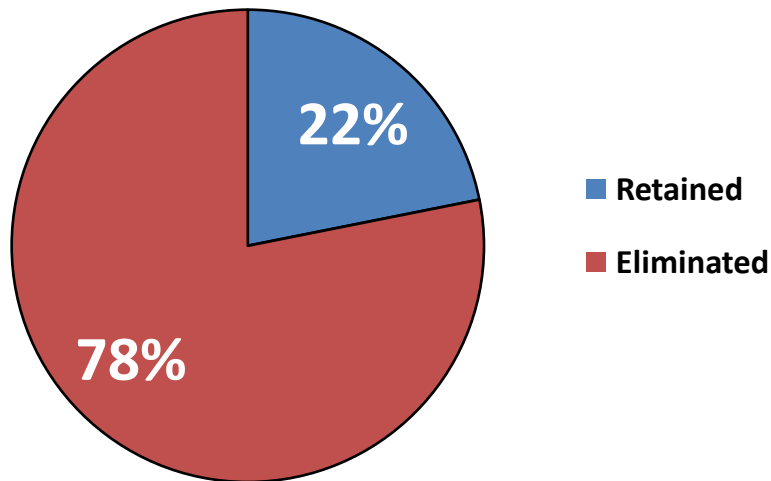


Scenario 1: MBTA Bus
Passengers

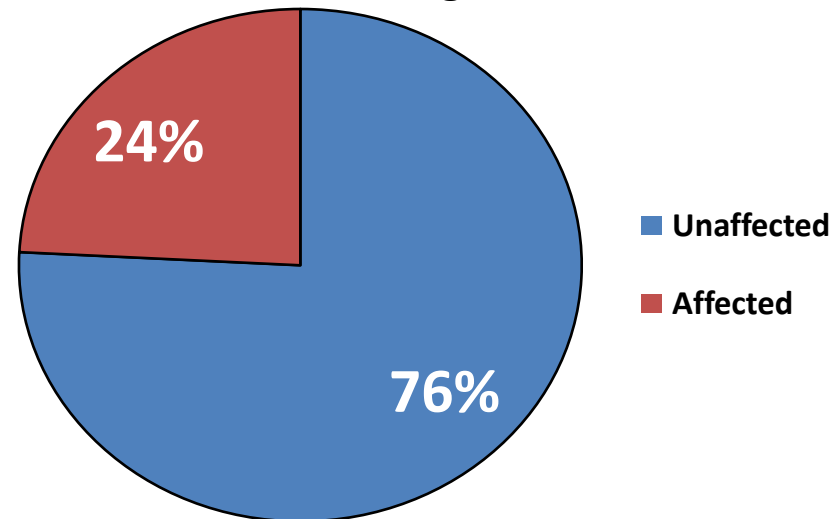


Impact: Bus Route Miles and Passengers

Scenario 2:
MBTA Bus Route Miles



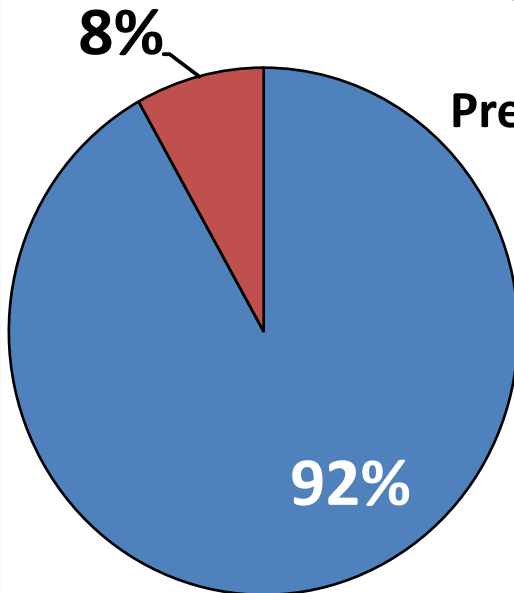
Scenario 2:
MBTA Bus Passengers



Impact: RIDE Premium Service Territory

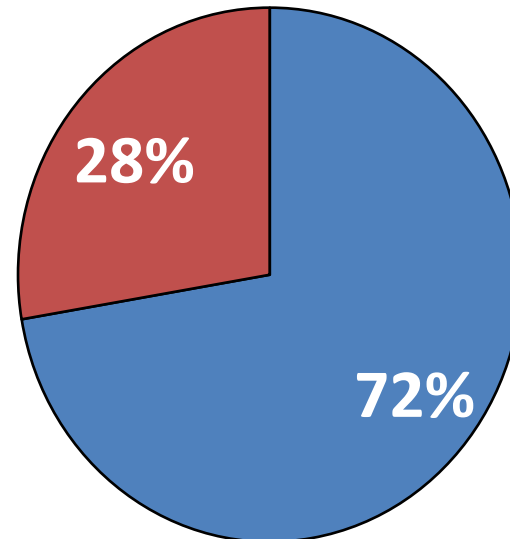
Based on year 2011 actual pick up and drop off locations

**Scenario1: RIDE
Customers in
Premium Service Fare
Territory**



- Fare Increase from \$2.00 to \$4.50
- Premium Service Fare at \$12.00

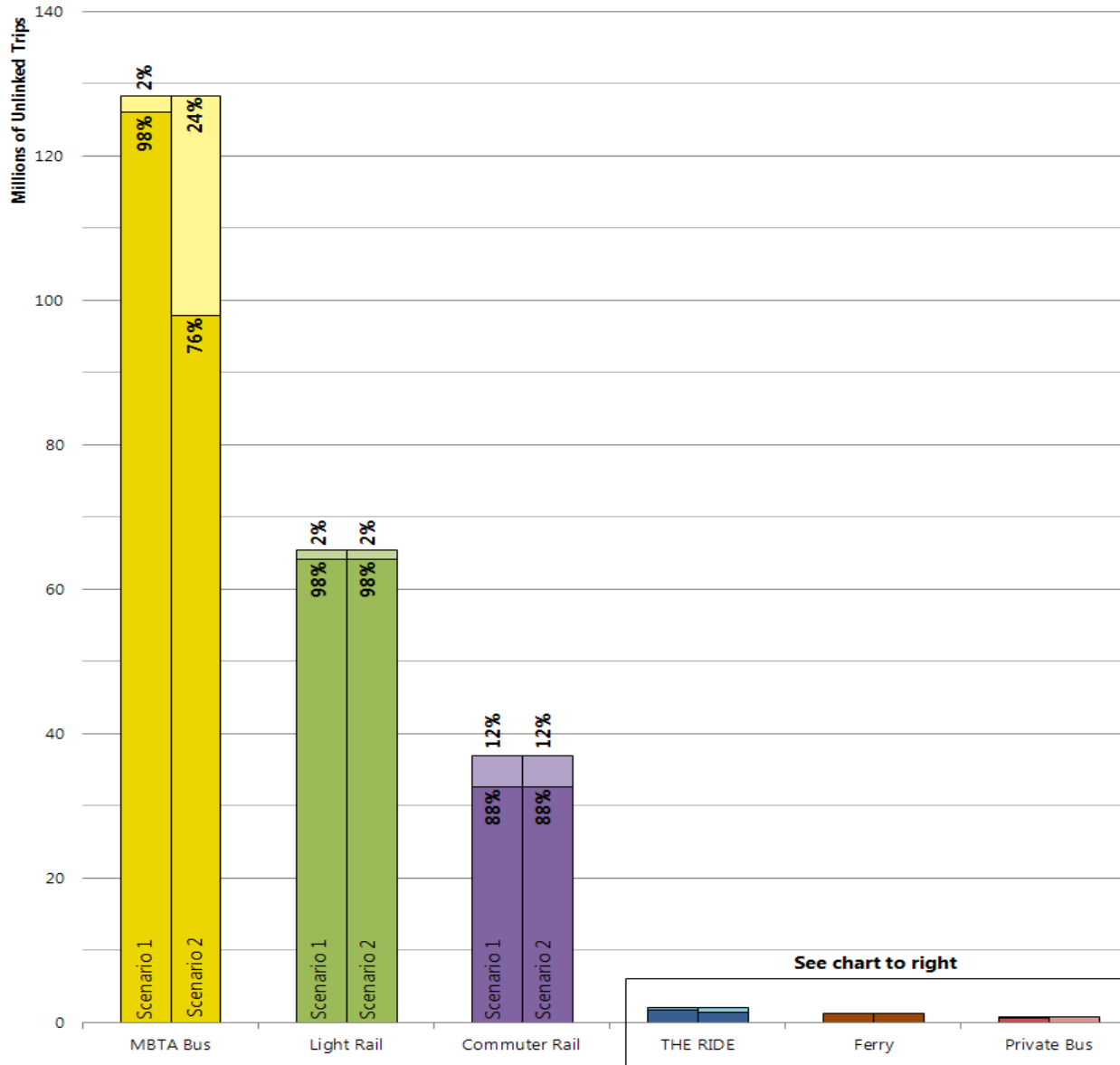
**Scenario2: RIDE
Customers in
Premium Service
Fare Territory**



- Fare Increase from \$2.00 to \$3.00
- Premium Service Fare at \$5.00



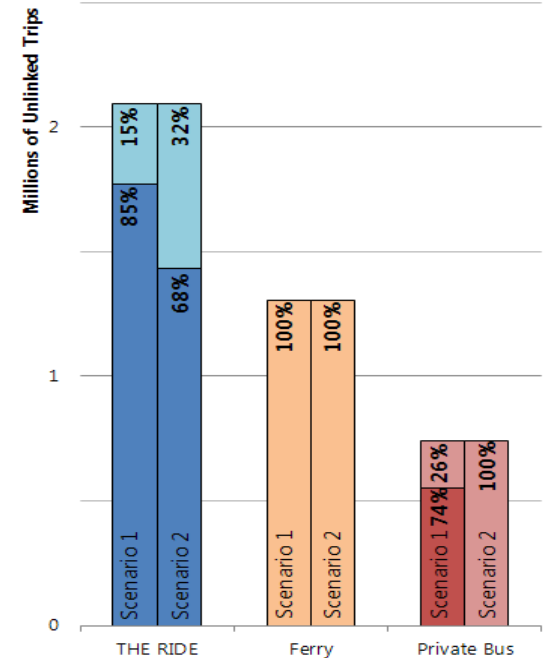
Projected Ridership Impact from Service Reductions



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.



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
- Information materials to:
 - Legislators
 - Community groups
- Outreach
 - Newspapers
 - Email lists
 - Organizations
 - At stations
 - On MBTA vehicles
- Impact analysis on mbta.com
- 20+ Public meetings
- Sign language interpretation available at public meetings
- Braille, large print and audio
- Written materials in multiple languages
- Meetings at accessible locations near public transportation service



Public Process

