

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

FINANCIAL PROGRESS REPORT

Fiscal Year 2023 Quarter 4



COMPETITIVE
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Q4 FY2023 AT-A-GLANCE

During Q4 FY2023, Metro opened its 98th Metrorail station at Potomac Yard, launched its first-ever reduced fare initiative to assist low-income customers, re-opened the Yellow Line following a massive reconstruction project, unveiled the next phase of its Better Bus Network Redesign, and took a crucial step in its transition toward a zero-emission bus fleet.

Metro's operating expenses through Q4 FY2023 were \$2,194.2 million, favorable by \$53.0 million to budget due to savings in Benefits & Capital Cost Allocation, Services, Paratransit and Materials. While passenger revenue remained below budget, losses were offset through non-passenger revenue in advertising, joint development, and infrastructure. Ridership continued to increase through June, exceeding expectations for Metrorail and Metrobus.

On April 14, the Board of Directors approved the \$4.8 billion capital and operating budget for FY2024, enabling Metro to invest in more frequent rail and bus service and a better customer experience. This budget simplifies fares for customers, creates a new low-income fare program, caps MetroAccess fares, furthers the Better Bus initiative, and enhances safety measures.

Metro reopened its Yellow Line service on May 7 following an eight-month rehabilitation project to repair the deteriorating 1970's tunnel and bridge. The \$384 million project replaced more than 1,000 individual steel plates, mitigated water intrusion in the tunnel, upgraded the fire suppression system on the bridge, and replaced miles of critical communication cables used by multiple regional partners.

On May 19, Metro opened its 98th Metrorail station located at Potomac Yard, providing new train service access to rapidly developing areas along the Blue and Yellow lines. The Potomac Yard-VT Station is less than 15 minutes from the nation's capital and offers connections to other regional transportation systems.

As part of its FY2024 budget, Metro initiated its first-ever reduced fare program to assist low-income customers and advance transit equity and affordability. Launched on June 20, Metro Lift offers a 50 percent discount on Metrorail and Metrobus for eligible customers in DC, Maryland and Virginia who qualify for the US Department of Agriculture's Supplemental Nutritional Assistance Program (SNAP).

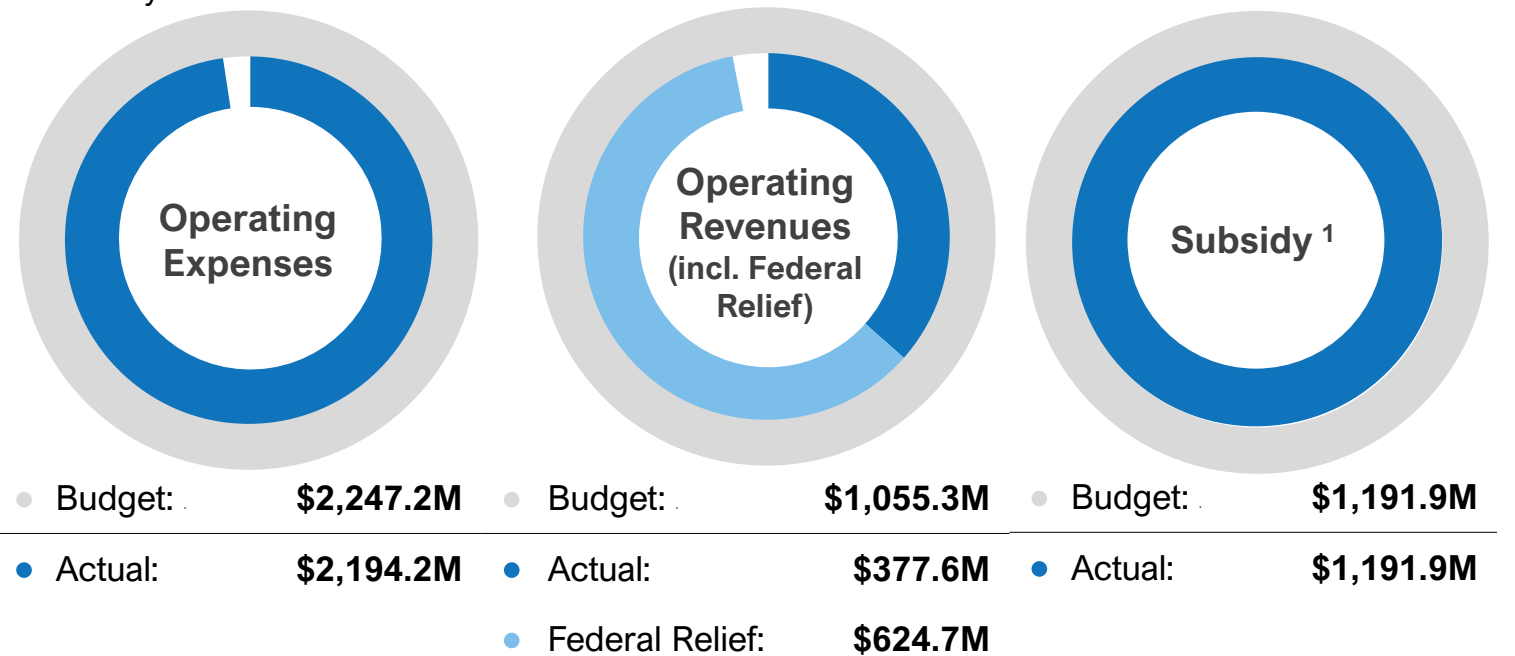
In support of our Better Bus Network Redesign, between April 17 and June 5 Metro hosted community-focused events across the region and launched an interactive website allowing customers to explore the reimagined bus network and provide input. These Better Bus events included in-person workshops, community pop-up events, virtual sessions, and interactive tools. The bus network envisioned under the draft proposal includes expanding the high frequency service network from 36 routes to approximately 100 routes with higher frequency, longer service hours, and more direct connections.

In June 2023, Metro was awarded a \$104 million federal grant to support the purchase of 100 zero-emission electric buses and technological changes at Cinder Bed Road Bus Division, moving one step closer to converting all nine bus garages and transitioning to a completely zero-emission bus fleet.

OPERATING RESULTS

The following highlights Metro’s system-wide financial performance through the fourth quarter of fiscal year 2023.

Operating expenses were \$2,194.2 million or \$53.0 million below budget. Operating revenues were \$377.6 million (excluding federal relief), below budget by \$4.9 million and funding 17 percent of operating expenses. Total revenue was \$1,021.0 million including federal relief used as revenue replacement and jurisdictional allocations. Metro received federal relief revenue totaling \$643.4 million, of which \$624.7 million was used to offset decreased revenue and \$18.7 million replaced jurisdictional contributions that were reduced as a result of the pandemic. Passenger revenue was below budget by \$9.4 million through the fourth quarter. Losses were offset by federal relief funding and non-passenger advertising, joint development and infrastructure revenue. Additionally, savings from capital cost allocation, services, paratransit and materials helped offset lower passenger revenues. Metro’s net subsidy¹ is on budget for the fiscal year.



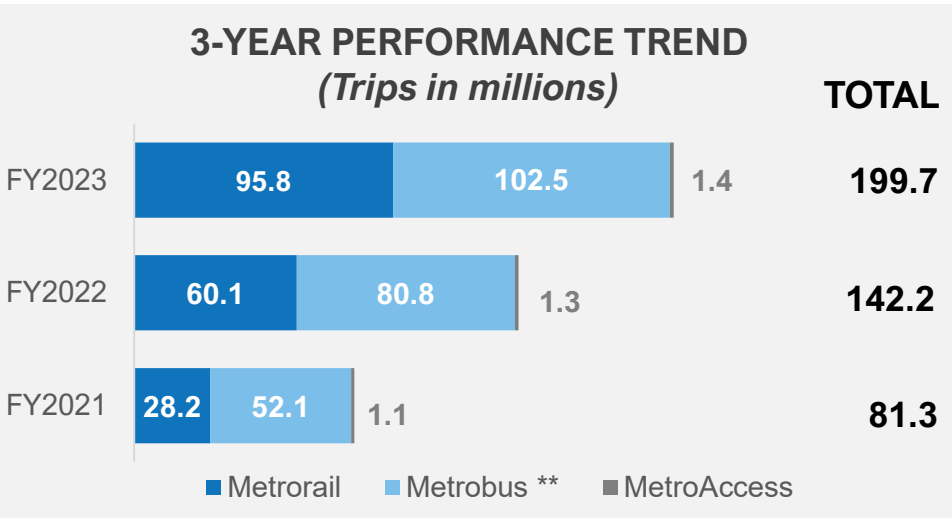
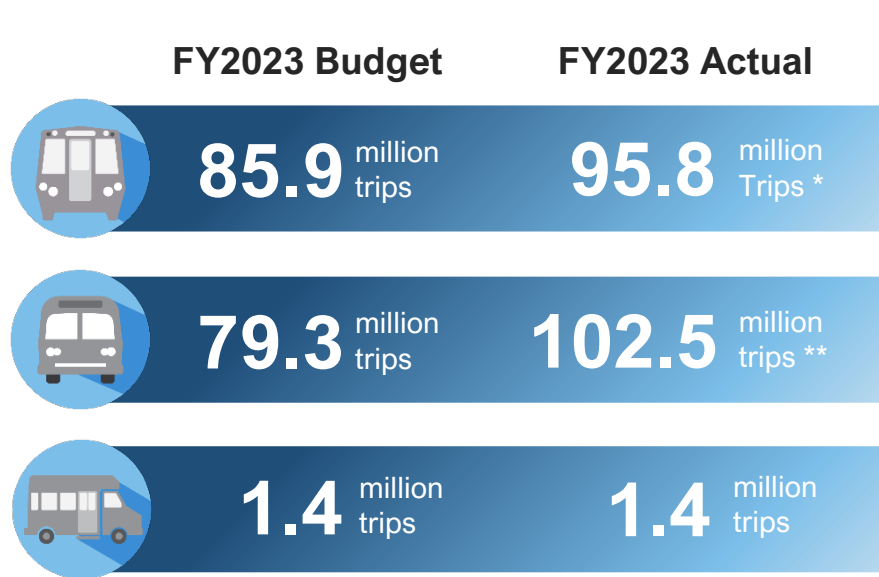
¹Subsidy refers to operating expense less operating revenues and Federal relief and does not reflect/equal actual jurisdictional subsidy payments.



RIDERSHIP

Actual ridership for Metrorail, Metrobus, and MetroAccess combined as 199.7 million trips through Q4 of FY2023.

Through Q4, total ridership was 40 percent above the prior year, and Metrobus ridership continued to exceed Metrorail ridership. Rail ridership totaled 95.8* million trips, which was an increase of 35.7 million or 59 percent from prior year. The rail variance to budget was 9.9 million trips, favorable by 12 percent. Bus ridership, using automated passenger counts (APC), totaled 102.5 million trips through Q4, 23.2 million trips or 29 percent above budget and 21.7 million or 27 percent above prior year. Ridership on MetroAccess through the fourth quarter was 1.4 million trips, 1.5 percent below budget and 7 percent above prior year.



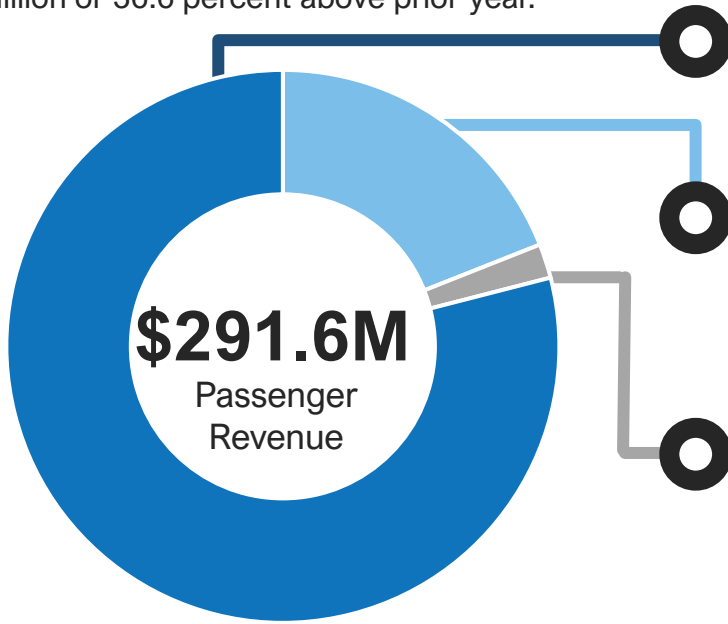
* Rail total includes 88.8 million tapped ridership and 7.0 million non-tap ridership. Prior to January 2023, Metrorail ridership reported only tapped ridership, which understated the total number of riders. The completion of the installation of new faregates in January 2023 enabled Metro to now report all ridership (tapped and non-tap). FY2023 Budget includes only tapped trips.

** Bus totals include shuttles to accommodate rail station shutdowns and other track work. Ridership is preliminary and subject to change.

OPERATING REVENUE

PASSENGER REVENUE

Passenger revenue totaled \$291.6 million, which was \$9.4 million or 3.1 percent below budget but \$78.1 million or 36.6 percent above prior year.



Metrorail – 79%

- Metrorail passenger revenue of \$231.4 million
- \$5.3 million or 2 percent below budget

Metrobus – 19%

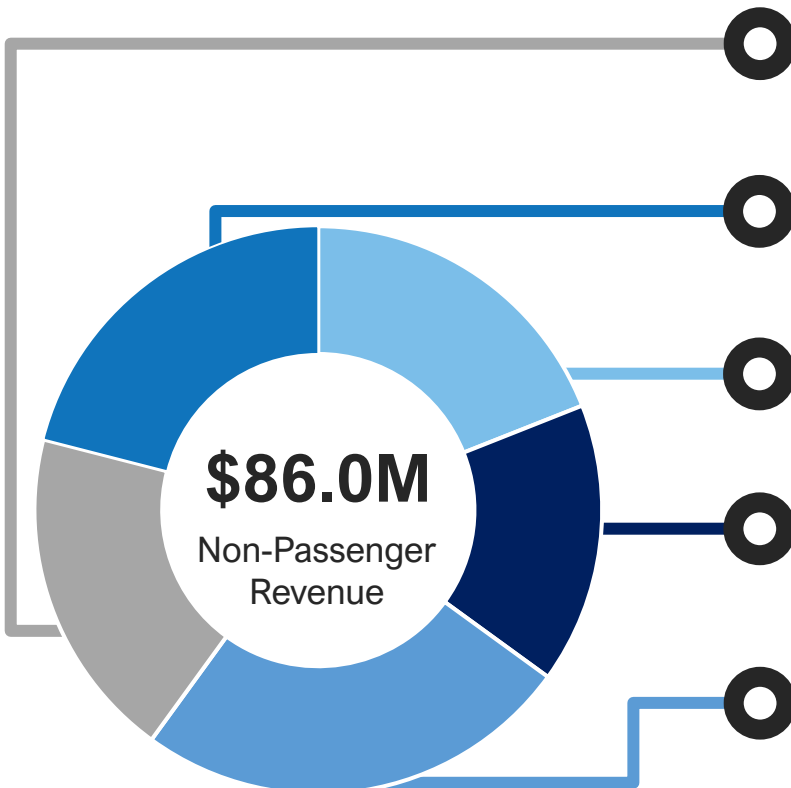
- Metrobus passenger revenue of \$55.6 million
- \$3.5 million or 6 percent below budget

MetroAccess – 2%

- MetroAccess passenger revenue of \$4.6 million
- \$0.6 million or 12 percent below budget

NON-PASSENGER REVENUE

Non-passenger revenue totaled \$86.0M million through Q4, which was \$4.5 million or 5.5 percent above budget.



Parking – 19%

- Parking revenue of \$16.2 million
- \$5.0 million or 24 percent below budget

Advertising – 21%

- Revenue of \$17.8 million
- \$3.8 million or 27 percent above budget

Fiber Optic / Infrastructure – 19%

- Revenue of \$16.9 million
- \$3.0 million or 22 percent above budget

Joint Development – 16%

- Revenue of \$13.5 million
- \$3.8 million or 40 percent above budget

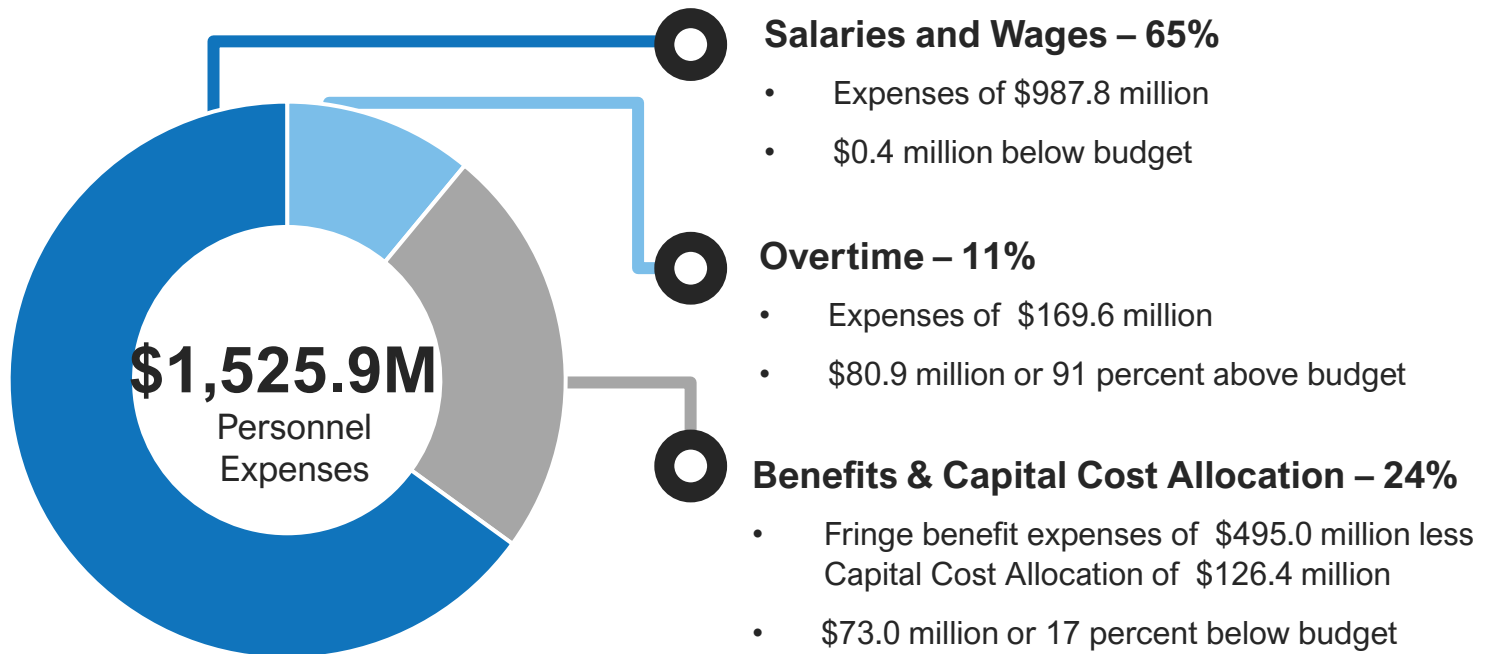
Other – 25%

- Other non-passenger revenue of \$21.5 million
- \$1.1 million or 5 percent below budget

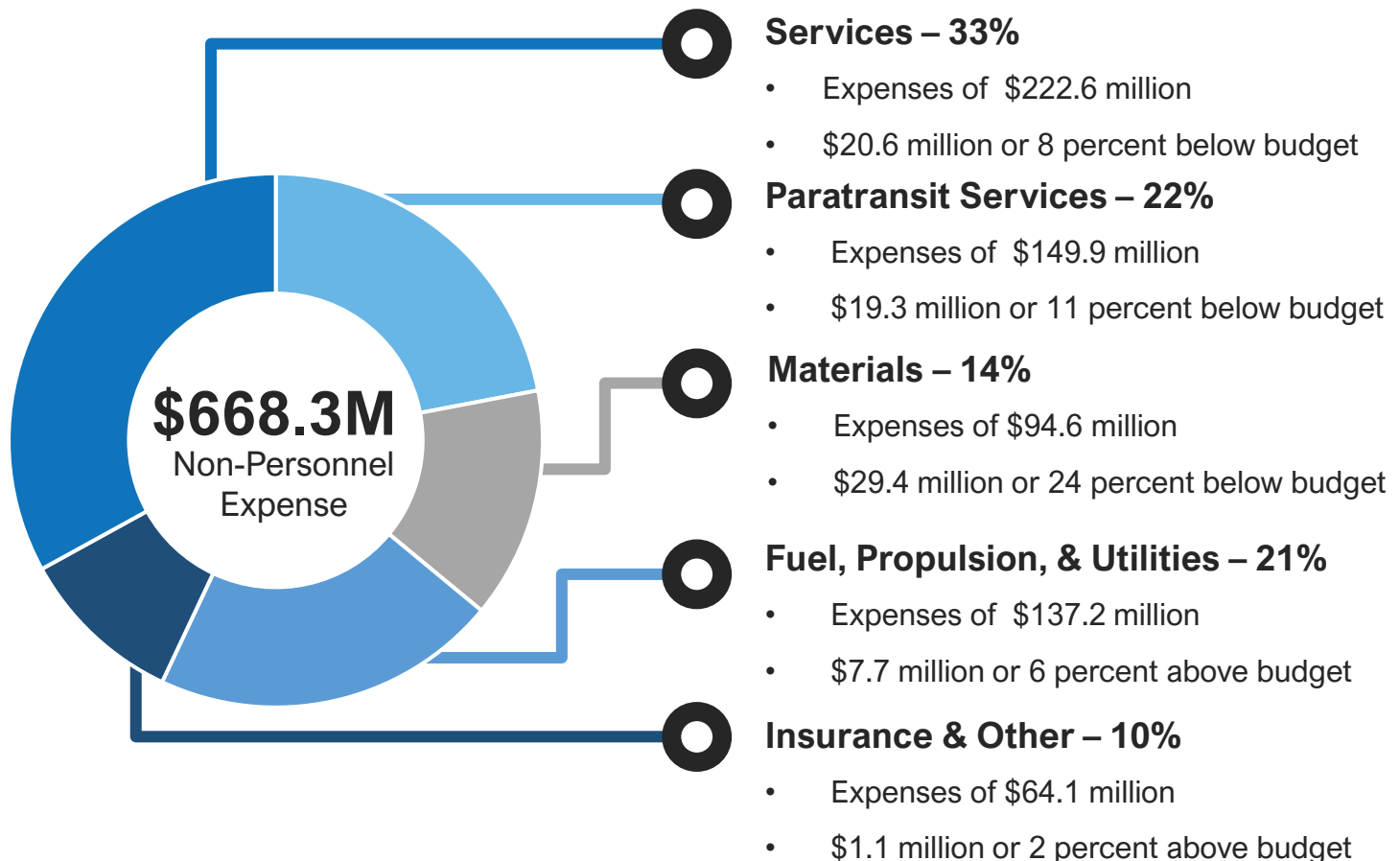
OPERATING EXPENSES

FY2023 operating expenses were \$2,194.2 million, favorable by \$53.0 million to budget due to savings in Benefits & Capital Cost Allocation, Services, Paratransit and Materials.

PERSONNEL EXPENSES



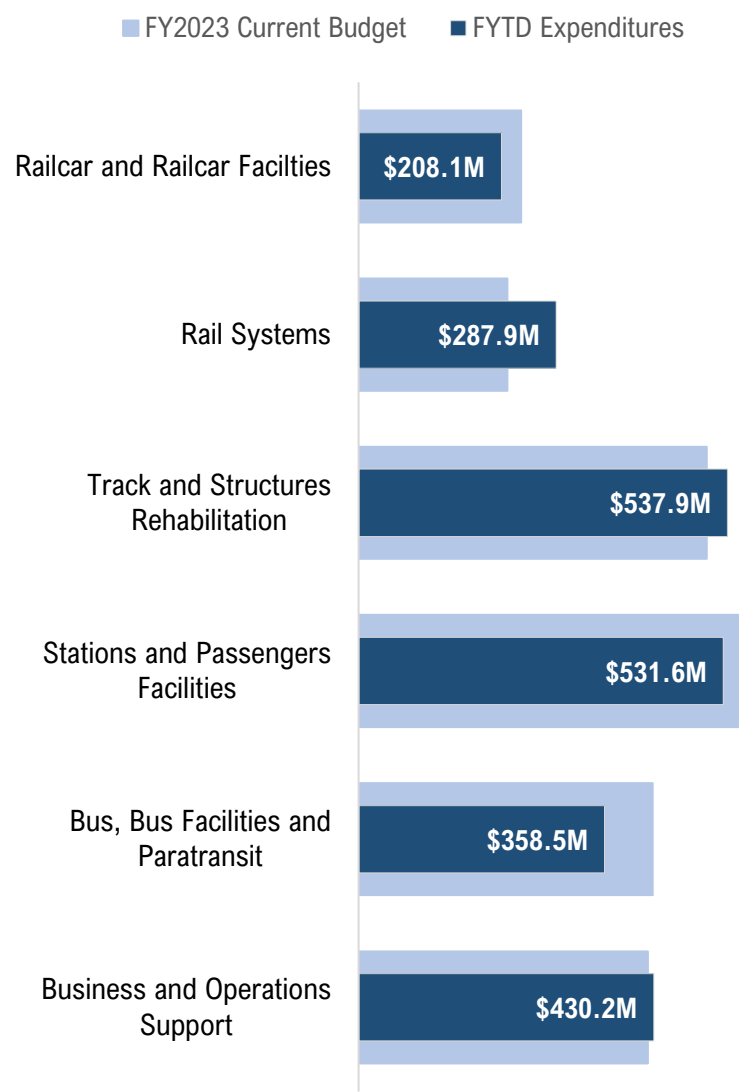
NON-PERSONNEL EXPENSES



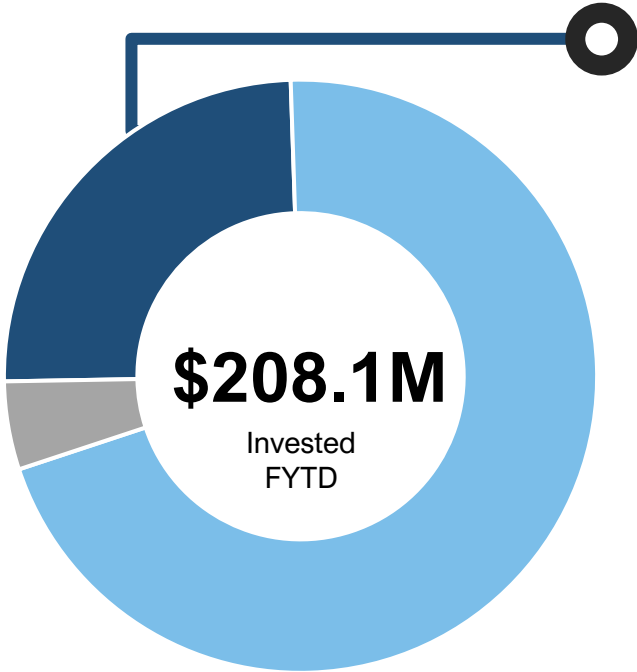
CAPITAL IMPROVEMENT PROGRAM

Metro invested \$2.35 billion in the Capital Improvement Program through Q4.

The capital improvement program for FY2023 addresses existing needs while also aiming to prevent the creation of new backlogged needs. This program is focused on advancing projects that enhance the state of good repair, reliability, and customer experience, all while prioritizing safety.



RAILCAR AND RAILCAR FACILITIES



Acquisition – \$51.5M

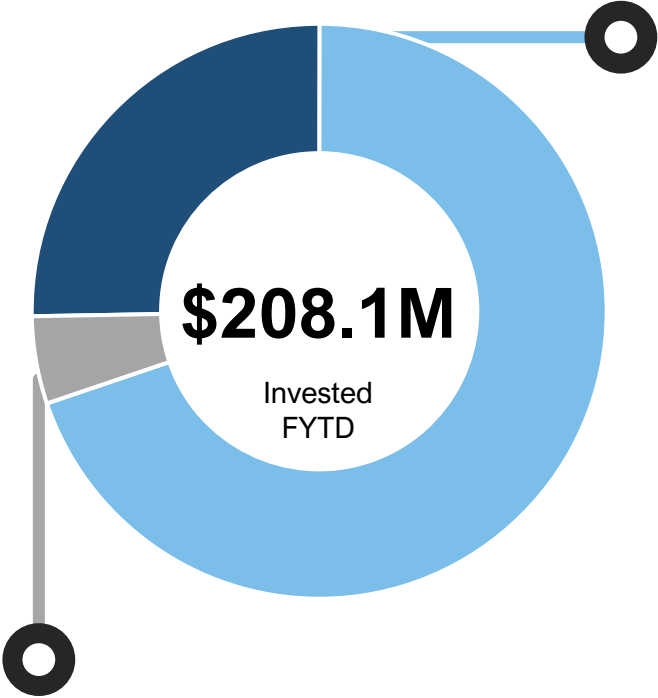
The 8000-series railcars are being developed with a focus on enhancing the customer experience through the incorporation of amenities such as digital screens with real-time information and electrical outlets. The new railcars are designed to be safer and more dependable, featuring improved ventilation, increased energy efficiency, and advanced security features. They are being designed to replace the aging 2000- and 3000-series railcars, which have been in service since the 1980s. In Q4, Metro decided to add open gangways to mated pairs of 8000-series railcars, and switch from stainless steel to aluminum carshells.

The National Transportation Safety Board (NTSB) investigation into the October 2021 7000-series derailment continues, with the full report expected later in 2023. In April 2023, the Washington Metrorail Safety Commission (WMSC) concurred with Metro's Final Return to Service plan, which extends the interval between wheelset measurements to 15 days, with permission to move to 30 days later in the spring. Metro's program to replace the wheelsets was submitted to WMSC in March and WMSC replied with no technical objections in June. Metro plans to replace all the wheelsets on the 7000-series fleet.

In Q4, Metro also completed the two-year warranty period for the 7000-Series railcar project and completed software upgrades to add the five new stations of Silver Line Phase 2.



Pictured: Hitachi, Metro's vendor for the 8000-series railcars, stated that the 300,000-square-foot facility about 70 miles northwest of Washington will be its main railcar factory in North America.



Maintenance Facilities – \$10.0M

Metro is designing new train wash systems to be installed at seven locations. The new systems will improve the reliability of trains undergoing scheduled maintenance, increase maintenance efficiency, and reduce employee injuries by incorporating updated safety features. The design also incorporates LEED (Leadership in Energy and Environmental Design) standards.



Maintenance & Overhaul – \$146.6M

The Rail Vehicle Scheduled Maintenance Program (SMP) is in place to keep various subsystems of railcars, including the car body, propulsion and control system, friction brakes, auxiliary power, truck assemblies, couplers, side doors, and HVAC systems, in good working condition.

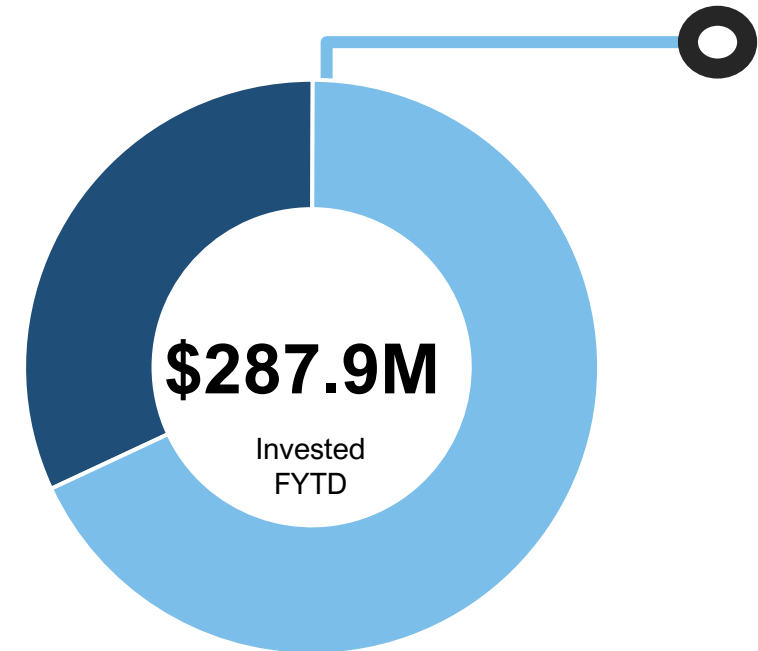
Completion of the coupler campaign for the 6000-series has been delayed by problems with parts provided by the vendor. Notwithstanding the overall delay, 46 coupler assemblies have been replaced through Q4.

Railcar Series	FY2023 Rehabilitation Plan	FYTD Progress
2000	74	34
3000	2	0
6000	4	4
7000	22	0

Regular and ongoing preventive maintenance of the rail fleet, including weekly, monthly, and semi-annual inspections, repairs, and upgrades, is anticipated to increase availability and performance of railcars. Further details on the reliability of the rail fleet can be found in Metro's Performance Report.

In Q4 FY2023 work continued at East Falls Church for the Automatic Wayside Inspections project, with completion of the installation expected in Q1. In the Railcar HVAC Improvement project, all filtration testing and UV-C lighting testing were successfully completed, fulfilling all requirements.

In addition, the Converter Function Module Updates project reached a significant milestone with the software upgrade now 100 percent complete, and all associated work orders closed.



Signals & Communications – \$193.2M

In Q4, Metro made progress on the radio system upgrade project. Construction continued on four above ground antenna sites to further support the enhanced system. Additionally, testing and installation activities continued on the 7000-, 2000-, and 3000-series railcars and on non-revenue railcars, ensuring smooth integration of the new radio equipment.

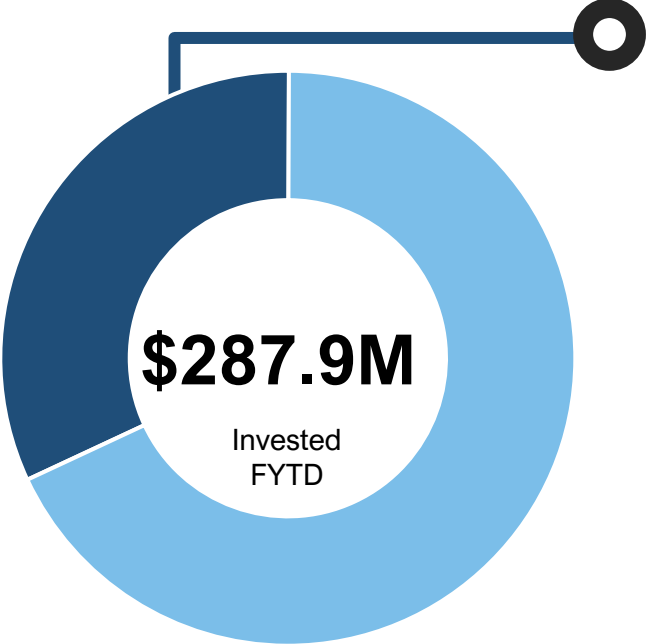
On-going fiber optic cable installations continue, with progress made on Blue and Orange lines.

In Q4, work continued on the Return to Automatic Train Operation (ATO) project. The Automatic Train Control (ATC) State of Good Repair program is progressing with integrated testing on the Red Line. The Train Control Room Renewal project has received approval of the main design package, design quality management plan, and preliminary hazard analysis.

ATC equipment can improve efficiency of operations by providing train position information, communication between the train and wayside, control of train speed and spacing of trains.

Asset	FY2023 Plan	FYTD Progress	Completion Percentage
SOGR Switch Replacement	29	47	162%
SOGR Cable Replacement	60	41	68%
SOGR High-Current Bond Installation	50	31	62%
SOGR Cable Meggering *	45	62	138%

* number of locations



Power – \$94.7M

In Q4, Metro made further progress on the four-year effort to replace equipment at 12 Traction Power Substations (TPSS) and nine Tie Breaker Stations. For the Blue Line contract, work continued on one TPSS. One traction power substation was completed on the Orange Line. The team focused on closing out the contract, including tasks such as test reports, manuals, and as-builts.

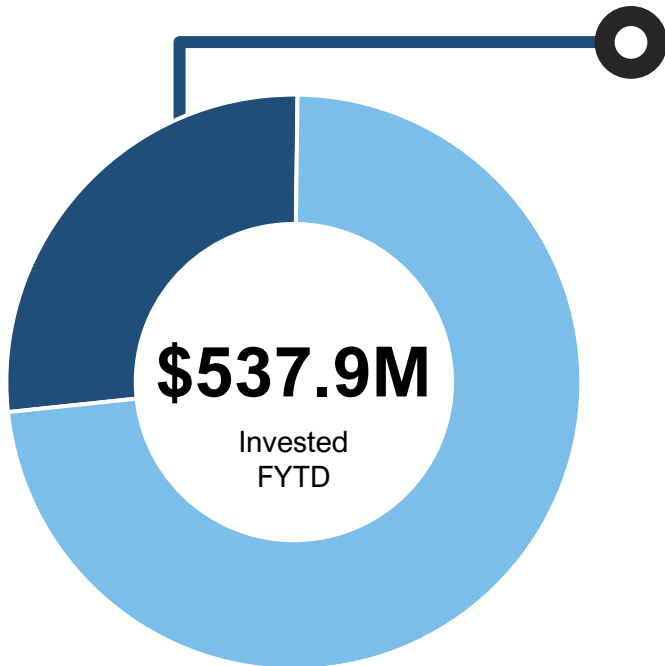
Upgrades to the rail power system will allow the operation of more eight-car trains in passenger service, minimize potential speed restrictions and reduce the risk of safety incidents.

Asset	FY2023 Plan	FYTD Progress	Completion Percentage
SOGC Cable Installations (LF) ¹	18,000	39,930	222%
Cable Additions (LF) ^{1,2}	6,000	2,995	50%
Cable Meggering	2,200	2,048	93%
Uninterruptable Power Supply Replacement	24	12	50%

- 1. In Q4, all cable installations (Replacements and Additions) were completed under CIP0253 and are included in this line. Prior to Q4, Additions were completed under CIP0076, and reported separately in the line below
- 2. In support of 100 percent eight-car trains



TRACK AND STRUCTURES REHABILITATION



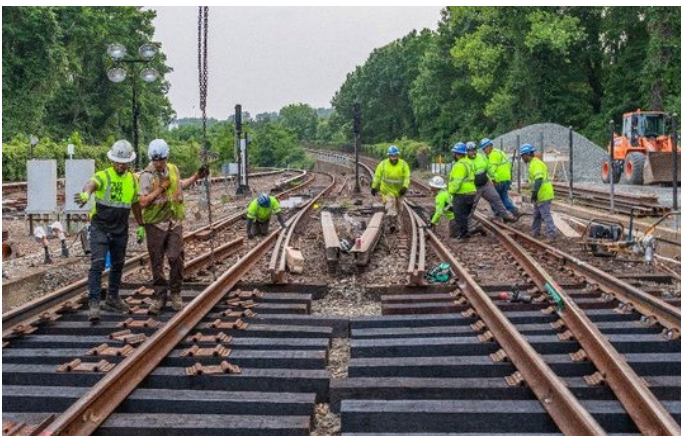
Fixed Rail – \$164.8M

The Track Rehabilitation Program ensures a safe and reliable rail system through the repair and replacement of track and structures components.

Metro uses comprehensive track condition data to identify and rate component defects, which are grouped by location (operable segment) and prioritized by the following codes:

- Priority Code A (Highest): Segments likely to have critical needs within one year or with pending corrective action requirements.
- Priority Code B (Medium): Segments with components nearing end of useful life and could become critical in upcoming years.
- Priority Code C (Lower): Segments without any critical issues but with components that are due for replacement in the near future.

Q4 was the start of summer shutdowns for track work. Four Orange Line stations (Vienna to West Falls Church) were shut down from June 3 through June 25. Two of these stations (East Falls Church and West Falls Church) reopened on June 26, with the remainder opening July 16. The steel rail between Ballston-MU and Vienna was replaced after 40 years, and fiber-optic cables were installed. These improvements help modernize our system and ensure safety and reliability. In Q1 FY2024, a Green Line shut down of the four northern end-line stations will take place in order to complete rehabilitation work.



TRACK AND STRUCTURES REHABILITATION (CONTINUED)

Current Priority A Segments¹

Operable Segment	Component	Planned Scope	Completed FY2022	Completed FY2023 YTD	Total Completed	% Completed
A03-A06 Dupont Circle - Van Ness-UDC	Grout Pad Rehabilitation (LF) ¹	3,000	0	128	128	4%
A10-A11 Bethesda - Medical Center	Grout Pad Rehabilitation (LF)	3,500	0	1,923	1923	55%
A10 Medical Center	Turnouts ²	2	None planned	0	0	0%
B03-B04 Union Station - Rhode Island Ave	Crosstie Replacement ³	300	0	280	280	93%
B07 Takoma	Turnouts ²	1	0	0	0	0%
B08-B09 Silver Spring - Forest Glen	Grout Pad Rehabilitation (LF)	1,500	0	940	940	63%
B08-B09 Silver Spring - Forest Glen	Direct Fixation Fasteners ³	1,000	0	239	991	99%
B08 Silver Spring	Turnout	1	1	1	1	100%
B10 Wheaton	Turnouts	2	2	2	2	100%
C02-D02 McPherson Sq - Smithsonian	Grout Pad Rehabilitation (LF) ⁴	600	None planned	47	47	8%
C08-C10 Pentagon City - National Airport	Crosstie Replacement ⁵	200	None planned	0	0	0%
D08-D13 Stadium-Armory - New Carrollton	Grout Pad Rehabilitation (LF) ⁶	800	None planned	800	800	100%
D08-D13 Stadium-Armory - New Carrollton	Turnouts ⁶	2	None planned	2	2	100%
K05-K08 East Falls Church - Vienna	Hay Rail Replacement (LF) ⁷	18,720	None planned	101,898	101,898	544%
K05-K08 East Falls Church - Vienna	Crosstie Replacement (LF) ⁸	200	None planned	197	197	99%

1. Grout pads between A03-A06 evaluated by Structures and no longer determined a priority
2. Repairs made to A10 interlocking on hold until replacement can occur in FY2024. B07 Partial Rehab completed in Q2
3. Priority A work completed. The remaining segment work has been downgraded to Priority B
4. Grout Pad Rehabilitation is rescheduled for Q2 FY2024
5. Crosstie Replacement cancelled during FY2023 Q4 and rescheduled for FY2024 Q3
6. Work completed during the D-Route Summer Shutdown in Q1
7. Hay Rail replacement ahead of schedule in Q4, including work planned for FY2024
8. Priority work completed during the K-route summer shutdown in Q4

TRACK AND STRUCTURES REHABILITATION (CONTINUED)

Track Rehabilitation Work by Component Activity

Component Activity	FY2023 Plan	Total FYTD Complete	Completion Percentage
Crossties Replaced ¹	12,000	8,799	73%
Third Rail Insulator Replacement	3,000	3,543	118%
Joint Elimination ²	600	488	81%
Running Rail Renewal ³	14.5	27.0	186%
Third Rail Rehabilitation	3,000	6,290	210%
Track Stabilization	200	422	211%
Turnouts Rehabilitated ⁴	8	5	63%
Aerial Structure Bolts Torqued	40	21	53%
Direct Fixation Fasteners Replaced ⁵	11,000	6,920	63%
Track Surfacing	17.3	26.0	150%

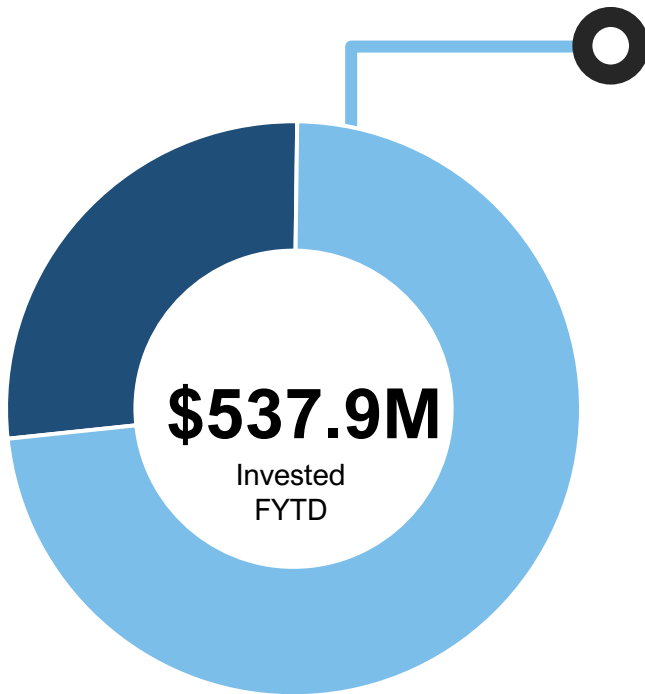
1. Tie Replacement Group redirected to WMSC action items, diverting team from planned crosstie replacement
2. Joint Elimination goal adjusted for FY2024
3. Hay Rail Replacement ahead of schedule for FY2023, including rail planned for FY2024
4. In Q2, six turnouts were reported in error as completed; one of the six turnouts was repaired but full rehabilitation of that turnout will be completed in FY2025
5. Procurement delays slowed work through FY23; activity is scheduled to start in FY2024

Structures Rehabilitation Work by Component Activity

Component Activity	FY2023 Plan	Total FYTD Complete	Completion Percentage
Concrete Restoration (SF)	950	1,175	124%
Deck Joint Replacement (LF) ¹	0	416	N/A
Drain Rodding (LF)	50,000	79,448	159%
Grout Pad Rehabilitation (LF)	4,800	12,756	266%
Leak Mitigation ²	1,500	1,297	86%
Track Bed Cleaning (LF)	297,405	349,152	117%
Track Signage Replaced	250	876	350%

1. No goal set for FY2023; Structures replacing deck joints as needed
2. Infrastructure addressed some of the potential tunnel leaks during FY2023 tunnel rehabilitation projects

TRACK AND STRUCTURES REHABILITATION (CONTINUED)



Structures – \$373.1M

The Structural Rehabilitation – Package A project is a comprehensive initiative aimed at addressing structural issues in various areas of the transportation system. The project includes repairs to the Minnesota Avenue aerial structure, the Grosvenor aerial structure, the West Hyattsville aerial structure, and six segmental bridges. Additionally, it includes the rebuild of the Rockville platform canopy and associated lighting, speaker systems, and surveillance cameras. This phase of the project will address priority structural issues across the system, ensuring the safety and reliability of the infrastructure for the benefit of the riders and the community.

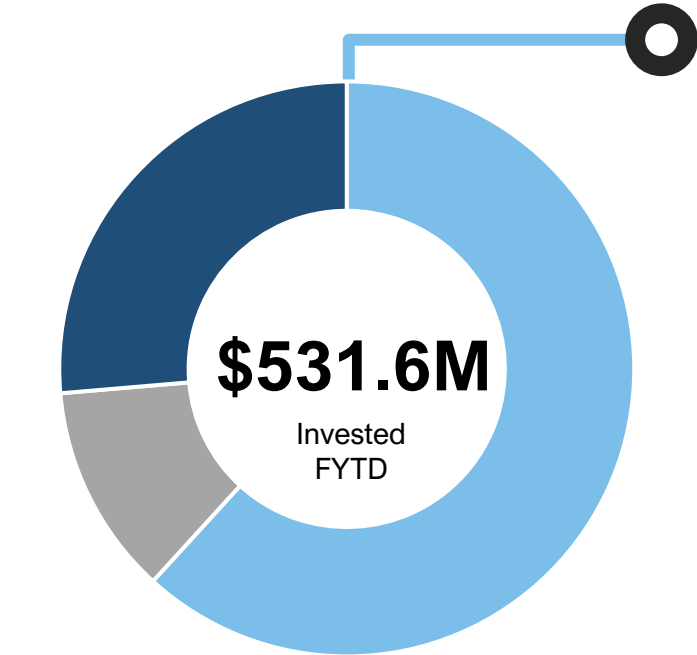
The Yellow Line tunnel reopened on schedule on May 7, 2023. Finalization of contract close out work continued in Q4. This project addressed the structural degradation of the Yellow Line Tunnel and Bridge, both constructed over 40 years ago, shutting down the Yellow Line from L'Enfant to Huntington for nine months.

Construction of mezzanine platforms over Metrorail tracks on the Red Line between Woodley Park and Cleveland Park stations is ongoing. This infrastructure is designed to support upgraded ventilation fans and electrical systems, providing increased station and tunnel safety in emergency situations such as smoke or fire. The ventilation improvements are a pilot project; Metro will review the impacts and costs of the tunnel ventilation improvements to determine feasibility for expansion of the project to additional locations.

In Q4, the Tunnel Leak Mitigation project continued on the Red Line segment near Silver Spring and Forest Glen stations, with work crews conducting drilling and grouting using waterproofing material. The updated forecast for the completion of the Red Line from Silver Spring to Forest Glen is fall 2023, with work moving to other Red Line locations thereafter.



STATIONS AND PASSENGER FACILITIES



Platforms & Structures – \$306.1M

Continuous single tracking occurred in Q4 to allow access for workers to address feeder cables that travel over roofing and right-of-way at Minnesota Avenue, Deanwood, Cheverly, Landover, and New Carrollton stations. The project includes new slip-resistant tiles, brighter LED lighting, renovated bathrooms, illuminated handrails, and stainless-steel platform shelters with power outlets and digital displays. Additionally, the project rehabilitates platform structures, tiles, granite edges, and 36 other station systems. It will also renovate three aerial structures and bridges on the Orange Line.

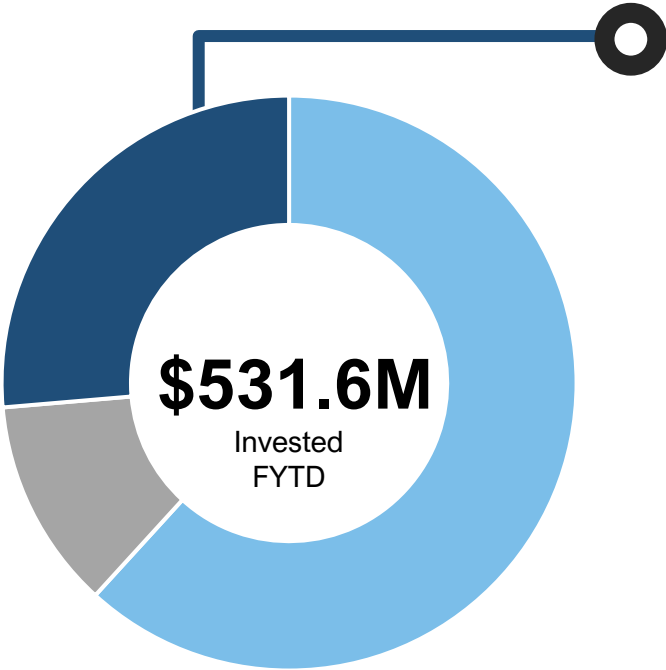
Phase 4 of the Station Entrance Canopy Installation project includes canopy installations at eight entrances and stair installations at four entrances. Work on the Smithsonian canopy is ongoing with a planned completion in the winter of 2024. Canopies provide protection for customers and station escalators from the elements reducing slip and fall incidents and mechanical wear.

Construction on Potomac Yard Station was completed, and passenger service began on May 19, 2023. This brings the total number of new stations opened in FY2023 to seven. Potomac Yard Station is the second system in-fill station after New York Ave Station (now NoMa-Gallaudet U), which opened in 2004 on the Red Line.

Wheaton garage rehabilitation is nearly complete, with bus loop, kiosk and other work finished as of Q4. Completion of the pedestrian bridge is anticipated in Q2 FY2024. Designs for parking facilities at five other stations are progressing with construction work planned for late FY2024.

Deep cleaning and refresh work occurred at Courthouse, Mt. Vernon Square, Dupont Circle, Silver Spring, and Brookland stations. This work occurs cyclically every four years to ensure that station facilities are safe, clean, and well-maintained.





Station Systems – \$158.6M

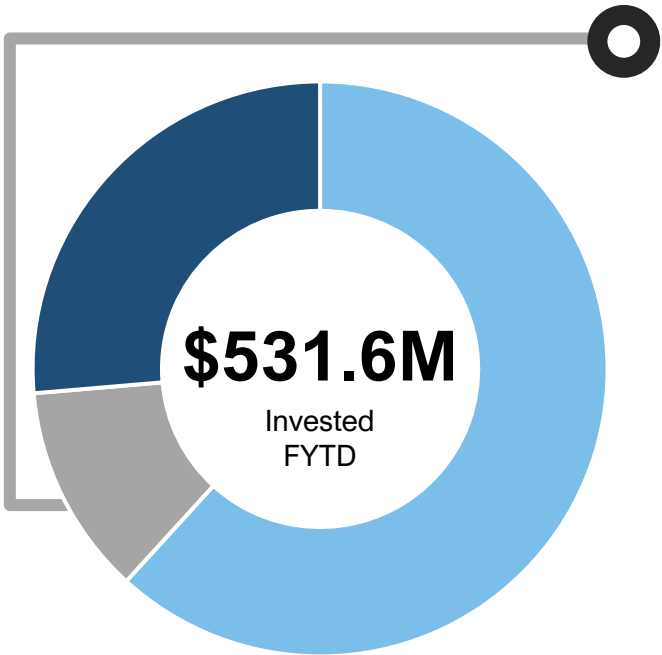
The Fare Collection Modernization Program enhances the fare collection process and enables customers to have better payment and account options, as seen in the launch of mobile SmarTrip® applications. All 124 station mezzanines have been outfitted with new, modern faregates, completing the installation throughout the system. New faregate designs are being tested in order to reduce fare evasion throughout the system. The anti-fare evasion tactics include higher doors and anti-hurdle mechanisms on the sides of faregates.

The current bus fareboxes, which are around 20 years old, are outdated and in need of replacement. Many have malfunctioning parts and are no longer produced. Fareboxes were installed in ten buses in Q4.

The Station Lighting Improvements Program, as part of the Energy Action Plan, aims to improve lighting on platforms, increase safety for customers and employees, and decrease energy consumption. The program includes upgrading escalator incline lighting and procuring edge lighting. The work is scheduled to encompass 48 stations and begin in FY2024. Additionally, designs for above-ground station site lighting at 12 priority stations are under development. Platform Edge Lighting progress is ongoing, with plans to complete Ft. Totten in Q1 FY2024. Platform Edge Lighting refers to the lights along the platform edge that flash to indicate a train is incoming. Improvements to these lights will modernize the system and improve accessibility.



Pictured: Anti-Hurdle Saloon Doors Prototype Faregate



Vertical Transportation – \$66.9M

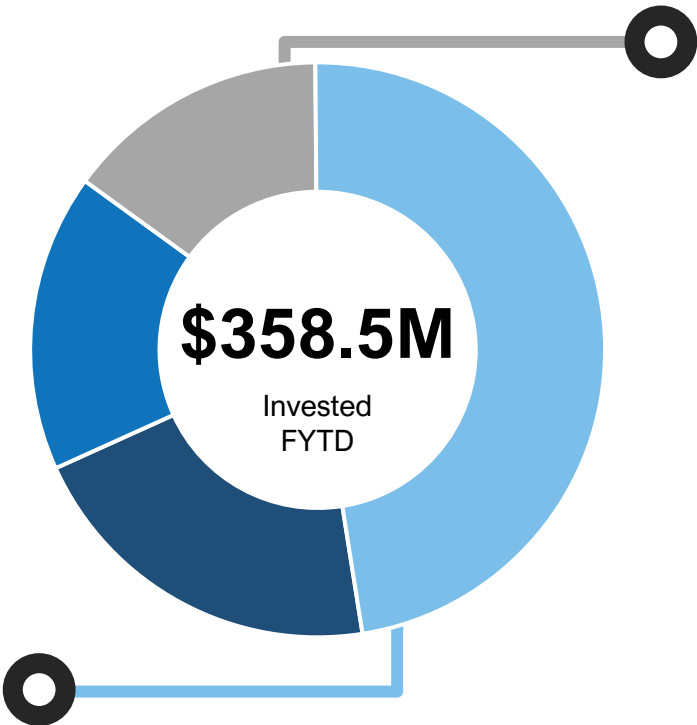
One elevator was rehabilitated in Q4 at Brentwood. Four escalators were rehabilitated across the system at McPherson Sq., Fort Totten, Hyattsville Crossing, and West Hyattsville. Metro is currently conducting cost benefit analyses and evaluating escalator lifecycle management options to determine how best to address operational, safety, and State of Good Repair needs. Eight escalators were replaced in Q4.

These investments support performance goals by providing dependable and comfortable vertical transportation experience for our customers. Metro’s Performance Report shows the elevator and escalator availability trend data.

Activity	FY2023 Plan	FYTD Progress	Completed in Contract	Remaining in Contract
Elevators Rehabilitated	5	7	101	1
Escalators Rehabilitated	28	19	48	0
Escalators Replaced	33	33	56	74



BUS, BUS FACILITIES AND PARATRANSIT



Acquisition – \$53.3M

New buses contribute to improved customer experience and operational savings by replacing less reliable and less fuel-efficient buses.

Bus Type	FY2023 Planned Deliveries	FYTD Progress
Clean Diesel 40-ft. ¹	100	54
Battery Electric Bus 60-ft.	2	1

1. The bus manufacturer is projecting 95 buses by September 2023.

In Q4, the first battery-electric bus (BEB) was delivered and is expected to enter service in Q1 of FY2024. Battery-electric buses are a critical component to achieving sustainability goals as they emit no pollutants and run entirely from battery power. BEBs have the added benefit of being quieter than a diesel bus which will improve customer experience in transit. The remaining buses in this order are expected to be delivered in late FY2024.

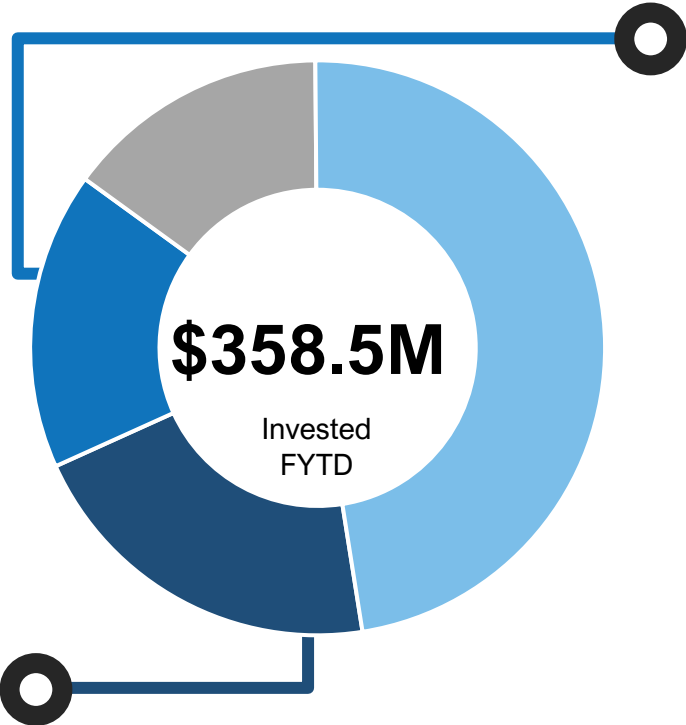
In Q4, 12 mini-vans for MetroAccess were delivered and 11 are still pending delivery; 50 sedans were received in FY2023 as planned.



Maintenance Facilities – \$193.0M

In Q4, chargers and pantographs were installed at Shepherd Parkway for 60-foot buses. Pantograph and charger installation for 40-foot buses are anticipated to be complete by Q4 FY2024. A contract and Notice to Proceed were issued for pantograph chargers to support the Battery Electric Buses expected to be delivered in FY2024. These advances in charging infrastructure aligns with the goal of having a 100 percent zero-emission bus fleet by 2042.

Demolition is ongoing at Northern Bus Garage and construction is slated to begin by Q3 FY2024. The new facility will accommodate up to 150 buses, and it will support electric bus operations and maintenance.



Maintenance & Overhaul – \$53.6M

Bus maintenance and overhaul investments are focused on maintaining the reliability and safe operating condition of equipment, as well as achieving the maximum useful life of the assets.

In Q4, 22 buses were rehabilitated, along with the rebuilding of 16 engine assemblies, 20 bus energy storage systems, 18 transmissions, and 29 fare boxes. Overall, targets for FY2023 were not met due to supply chain issues and late supply deliveries.

The investments in bus maintenance are crucial for achieving Metro's Mean Distance Between Failure (MDBF) goal for its bus fleet and for ensuring that customers receive dependable service. Metro's Performance Report contains trend data for MDBF for both the bus and Access fleets.

Passenger Facilities & Systems – \$58.7M

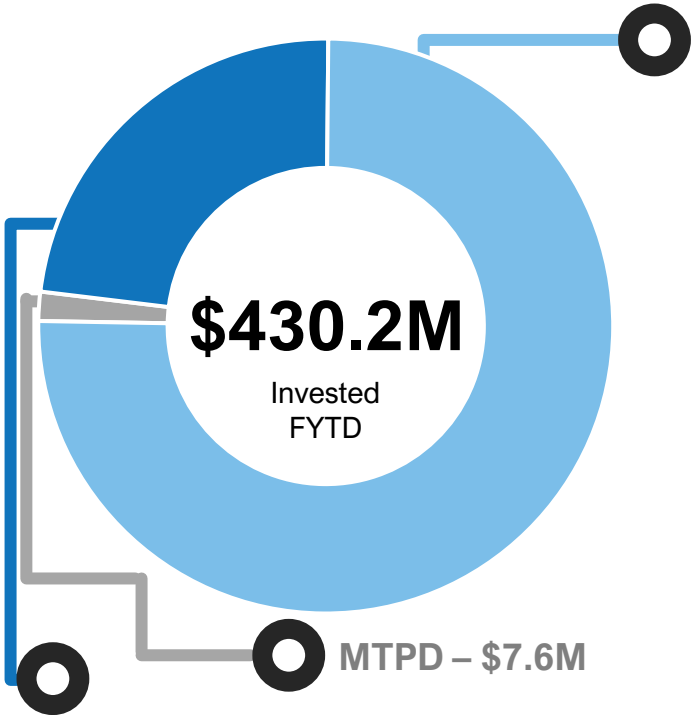
The installation of new bus shelters at College Park-UMD Station continues, with an expected completion date in Q1 FY2024. This project aims to enhance the comfort of Metrobus users and improve the dissemination of customer information.

The installation of customer electronic information displays project for better communications continued. These ‘digital paper signs’ give real time updates and improve customer experience when waiting at bus terminals.

Asset	FY2023 Plan	FYTD Progress	Completion Percentage
Bus Rehabilitations	100	53	53%
Energy Storage Systems	100	89	89%
Engine Assemblies	100	60	60%
Fare Boxes	225	91	40%
Transmission Assemblies	100	95	95%



Pictured: Bus repair in a garage facility



Information Technology (IT) – \$111.7M

IT investments are being made to enhance internal operations and improve customer experience. Work continued on outfitting of the new Metro Integrated Command and Communications Center (MICC) at the Eisenhower building. The MICC will help streamline communications among Metro’s various operational divisions.



Support Equipment & Services – \$310.9M

System planning is a vital part of Metro’s growth and future presence in the region. In FY2023, outreach for the Better Bus Network Redesign was completed, as well as several studies analyzing ridership. The Joint Development team developed a financial toolkit and updated the offering-solicitation template. Metro remains committed to providing technical, legal, and real estate advisory services for joint development planning and execution.

Metro is acquiring software for bus and rail scheduling functions that will increase flexibility and efficiency in these areas while reducing costs. In Q4, Phase 1 User Acceptance Testing was ongoing and expected to continue. Phase 3 kickoff is set for Q1 FY2024 and the project remains on schedule. Metro also developed digital baselining forms and automated measurements for its digitization efforts for Railcar Maintenance and Automatic Train Control Maintenance.

Metro continues to prioritize sustainability goals. In Q4, the procurement process was initiated for a contractor who will conduct a feasibility analysis of a customer electric vehicle (EV) charging program. Metro continues to advance solar panel infrastructure and interconnection work at Anacostia, Southern Ave., Naylor Road, and Cheverly stations.

Construction of the New Hampshire Ave. Chiller Water Treatment Facility reached 90 percent completion with ongoing equipment installation and interior finish work. The concrete pad for the Pepco transformer was completed.

Metro's fleet of service vehicles, which includes maintenance and police vehicles, is currently facing delays due to supply chain issues. However, four light or medium service duty vehicles were delivered in Q4, bringing year-to-date totals to 14 out of 17 expected vehicles delivered.

SUSTAINABILITY UPDATE

Energy Action Plan

Metro continues to increase energy efficiency, contain operating costs, modernize operations, promote innovation, and help the region meet its decarbonization and sustainability goals through implementation of the [Energy Action Plan](#). Recent project highlights include:

- Completed construction of solar canopies at Anacostia, Naylor Rd., and Southern Avenue, and began construction at Cheverly station. Anticipate energizing the first three sites by end of Q2 FY2024. The [solar carport program](#) uses an innovative lease agreement to provide 10 MW of community solar to the region, annual revenue to Metro, and station improvements to customers. When operational, the carports will generate enough clean electricity to power 1,100 homes annually – making it one of the largest community solar projects in the Mid-Atlantic and the nation
- Launched development of Decarbonization Strategy in support of Your Metro, The Way Forward: Metro's Strategic Transformation Plan
- Initiated opportunities analysis for customer electric vehicle (EV) charging at Metro stations
- Completed the new LEED-designed Eisenhower Office Building in Virginia – continuing to increase efficiency and reduce carbon emissions
- Deployed battery-electric conversion of track maintenance and grounds maintenance equipment through the Sustainability Lab, improving safety and working conditions for employees and supporting Metro's decarbonization goals



Pictured: Solar construction at Cheverly (June 2023).



Pictured: Groundbreaking ceremony at Metro's Northern Bus Garage. (January 2023)

[Zero-Emission Bus Program](#)

In Q3, Metro Board presented its first Zero-Emission Bus (ZEB) Transition plan. In Q4, the Metro Board accelerated Metro's goals to transition to a 100 percent ZEB fleet by three years - to 2042. Recent accomplishments in Q3 and Q4 include:

- Broke ground at Northern Bus Garage in Q3. Northern is being built to support a 100 percent battery-electric bus (BEB) fleet when completed
- Held groundbreaking ceremony at Bladensburg Bus Garage in Q3. Bladensburg is being built to support approximately 150 BEB when completed and will later transition to a 100 percent ZEB facility
- Secured a \$104 million FTA Low or No Emission Vehicle grant to support the procurement of approximately 100 BEBs for the National Capital Region and the conversion of Cinder Bed Road Bus Division to a full BEB facility. In partnership with Fairfax County, the facility support the county to house and charge buses for their all-electric Bus Rapid Transit service
- Advanced Metro's first phase of ZEB deployment through:
 - Completed installation of two charging units at Shepherd Parkway Bus Division
 - Accepted delivery of the first of 12 BEBs
 - Initiated ZEB mechanic and operator training development

SUSTAINABILITY UPDATE (CONTINUED)

Service and Planning

- Completed Phase 2 of the [Bus Network Redesign](#), which gathered over 8,100 comments on the draft Visionary Network. The Redesign will deliver Year 1 bus network that works better for our riders and the region, as well as a vision for what bus could and should be
- Launched [Metro Lift](#), an income-qualified reduced fare program for SNAP eligible customers to receive a 50 percent discount on any rail and bus trips
- Launched [Clear Lanes](#), a partnership with the District of Columbia, to enforce dedicated bus lanes and bus stop zones with the goal of faster and more reliable bus service
- Implemented 11 rail service improvements over the past year and adjusted service on 68 Metrobus routes to expand the reach of the Frequent Service Network to more customers and routes
- Opened [Potomac Yard-VT station](#) on the Blue and Yellow lines in Alexandria, Virginia. This is Metro's 98th station, capping a year that also added six new stations on the Silver Line in Fairfax and Loudoun Counties in Virginia

Small, Women, and Minority-owned Business Programs

- Certified 69 Minority Business Enterprises (MBE), 37 Small Businesses (SBP), and 29 Micro-Businesses (MBP)
- Hosted 10 virtual outreach events and attended 15 external outreach events to educate small minority- and women-owned businesses
- The Small Business Programs Office conducted our first in-person outreach since 2019 in Q4

Resiliency

- Launched Phase 2 of a three-phase effort to help define a Metro-wide Resiliency Program – a vulnerability assessment of selected Metro sites to inform specifications and criteria for future capital construction
- Launched System-level Climate Risk Assessment in Q4 to identify future climate vulnerabilities and the social and economic costs of climate disruptions



Pictured: Metro's new Potomac Yard-VT Metrorail Station opened in May 2023.

REAL ESTATE UPDATE

Metro proactively manages its real estate and parking assets to maximize transit access, stimulate economic development, and generate non-fare revenue and transit ridership through transit-oriented development.

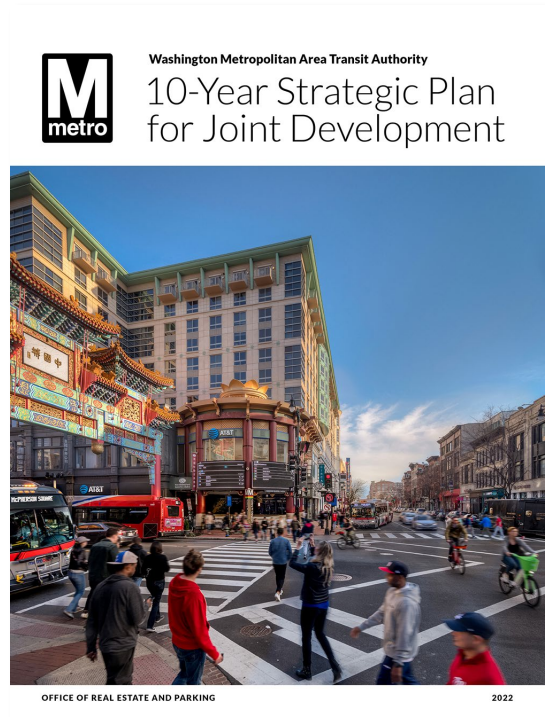
Joint Development

Metro continues to advance its joint development program, guided by its [10-Year Strategic Plan for Joint Development](#).

- Jackson Graham Building: WMATA closed on the ground lease in May 2023. Work to replace the chiller plants, which will continue to serve the Judiciary Square, Gallery Place and Archives stations, is ongoing
- Board approvals: In April, the Board authorized staff to proceed with Compact Public Hearings at six stations and Joint Development solicitations at seven stations
- North Bethesda (formerly White Flint): A Joint Development Agreement was amended in February 2018, and the developer exercised their rights to acquire Parcel H by ground lease, which was closed in Q4. Ground breaking on the Parcel H Multifamily building is expected in Summer 2023

Acquisitions

- Western Bus Garage: The Department of Justice filed for condemnation of the Lord & Taylor building adjacent to Metro property in June 2023.
- Heavy Repair and Overhaul Facility: Demolition work expected to begin at Landover site in Q2 FY2024



Dispositions

- Southern Avenue Parcel C: Purchase and sale agreement for six acres of property near Southern Avenue. Tunnel easement was updated in Q4, and sale closing is anticipated in Q1 FY2024

Incidental Use

- Rail Station ATMs: License agreement was executed in June 2023 for a new station ATM vendor

FEDERAL AWARDS UPDATE

As of June 30, 2023, Metro had 22 active awards from the Federal Transit Administration (FTA) with a combined value of \$3.1 billion. This includes Federal Fiscal Year 2022 formula funding and a supplemental \$120 million of American Rescue Plan Act (ARPA) assistance.

In Q4 of 2023, Metro received reimbursements totaling \$294.1 million for projects that include, but are not limited to, assisting the operating budget revenue shortfall through the ARPA grant (through June 30, 2023), the purchase of new buses, the construction of new bus garages, and repairing station and track infrastructure.

Metro's competitive application under the Low or No Emissions Grant Program was selected, allocating \$104 million toward the Electrification of Cinder Bed Bus Division and the procurement of battery electric buses and workforce development. Metro will begin the formal application process for the award.

Metro submitted to the FTA its application amendments for Federal Fiscal Year 2023 including a total federal request of \$457 million in formula funding and applications for \$148.5 million in PRIIA funding. An application was submitted in the amount \$173 thousand to obligate available balances from closed awards.

Active FTA Awards as of 06/30/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Updated Balance	POP End Date
DC-2017-011-01	08/15/2017	Track Inspector Location Awareness with Enhanced Transit Worker Protection ¹	\$1.9	\$1.9	\$0.0	09/30/2023
DC-2018-012-00	09/09/2018	Bus Shelters Replacement	\$3.6	\$0.0	\$3.6	06/30/2024
DC-2019-010-00	08/13/2019	FFY2019 5307/5340 Formula Funding	\$215.5	\$187.8	\$27.7	03/30/2024
DC-2020-007-00	05/27/2020	FFY19 Section 5310 Metro Access Replacement Vehicles	\$0.9	\$0.0	\$0.9	12/30/2023
DC-2020-010-01	07/10/2020	FFY20 5307 Bus Replacements & Rehabilitation, Bus & Rail Facility Improvements, and Rail Systemwide ATC & Propulsion Improvement	\$328.7	\$300.8	\$27.9	06/30/2024
DC-2020-016-00	08/13/2020	FFY2020 H.R. 1865 RSI (Section 75) Funding Railcar Acquisition & Rehab, Train Control, Vertical Improvements, Ventilation, & Platforms Phase II	\$148.5	\$148.3	\$0.20	12/30/2023
DC-2020-017-01	08/14/2020	FFY20 5337 Rail System Rehabilitation, Railcar Preventive Maintenance, Railcar Procurement and HRO Facility	\$293.8	\$227.1	\$66.7	09/30/2024

Note: Drawn numbers are from inception through 06/30/2023

1. This award must remain active until the final report is submitted.

FEDERAL AWARDS UPDATE (CONTINUED)

Active FTA Awards as of 06/30/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
DC-2021-003-00	03/08/2021	FFY2020 5339 (c) Low-No Metrobus Zero-Emission Fleet Program	\$4.2	\$0.2	\$4.0	06/30/2024
DC-2021-008-00	05/19/2021	WMATA FFY19 Section 5312 Public Safety Pilot Study	\$0.2	\$0.1	\$0.1	09/30/2023
DC-2021-012-00	8/17/2021	FFY2021 5312 COVID-19 Research and Demonstration Project	\$0.6	\$0	\$0.6	12/30/2023
DC-2021-014-00*	8/13/2021	FFY2021 5339 Bladensburg Bus Garage	\$10.9	\$6.1	\$4.8	06/30/2023
DC-2021-015-00	8/13/2021	ARPA Section 5307 - WMATA Operating Assistance	\$1,208.9	\$605.4	\$603.5	12/30/2024
DC-2021-017-00	9/7/2021	FFY2021 PRIIA WMATA Railcars Rehabilitation, Platform Rehab (Phase 3), Vertical Transportation, Automatic Train Control and Radio Infrastructure	\$148.5	\$116.2	\$32.3	06/30/2024
DC-2022-008-00	8/18/2022	FFY2022 Section 5339 Bus Farebox Replacements	\$10.5	\$7.1	\$3.4	12/30/2023
DC-2022-010-00*	8/26/2022	FFY2022 PRIIA WMATA Office of Inspector General	\$5.0	\$2.6	\$2.4	8/31/2023
DC-2022-011-00	8/30/2022	FFY 2021 American Rescue Plan (ARP) Additional Assistance for WMATA Operations	\$120.1	\$0.0	\$120.1	3/30/2024
DC-2022-012-00*	9/1/2022	FFY2022 Section 5337 Railcar Preventive Maintenance, Railcar Scheduled Maintenance Program and Track Preventive Maintenance Program	\$102.4	\$56.1	\$46.3	6/31/2025
DC-2022-014-00*	9/7/2022	FFY 2022 Section 5307 Bladensburg Bus Garage, Northern Bus Garage and Rail Station Revitalization Program	\$115.6	\$63.6	\$52.0	12/30/2027
DC-2022-015-00*	9/9/2022	FFY2022 5307 Bus Replacements, Van Replacements, Bus Rehabilitation, and Bus Preventive Maintenance	\$69.9	\$16.6	\$53.3	12/30/2025

Note: Drawn numbers are from inception through 06/30/2023

* Pending Amendment – table will be updated next quarter to reflect FY2024 grant amendments which include updated period of performance end dates.

FEDERAL AWARDS UPDATE (CONTINUED)

Active FTA Awards as of 06/30/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
DC-2022-016-00*	9/9/2022	FFY2022 Section 5337 Rehabilitation of Yellow Line Bridge and Tunnel, Rehabilitation of Bridge Structures and Construction of Heavy Repair Overhaul Facility	\$125.5	\$64.3	\$61.2	3/30/2026
DC-2022-017-00	9/12/2022	FFY2022 Section 5307 Station Entrance Canopies and Stairways, Rehabilitation of Parking Facilities, and Rail Station Cooling and AC Power and Switches	\$24.2	\$9.2	\$15.0	12/30/2023
DC-2022-018-00	9/14/2022	FFY2022 PRIIA WMATA Vertical Transportation, Support Facility Fire System Rehabilitation, Tunnel Water Leak Mitigation, Platform Rehab (Phase 4), Automatic Train Control and Radio Infrastructure	\$143.5	\$109.5	\$34.0	6/30/2025

FTA Awards Closed in FY2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Closed Date
DC-2021-010-00	06/01/2021	WMATA FFY21 Section 5307 CRRSAA Operating Assistance	\$713.9	9/30/2022

Note: Drawn numbers are from inception through 06/30/2023

FEDERAL AWARDS UPDATE (CONTINUED)

FTA Applications in Progress Pending Award as of 06/30/2023

Federal Award ID	Application Name	Federal Request
1398-2023-2	FFY2018 5307 Paratransit Van Replacements	\$173,841

Active Non-FTA Awards as of 06/30/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Drawn	Balance	POP End Date
EMW-2019-RA-00011	09/01/2019	DHS Transit Security Grant Program	\$4.1	\$1.1	\$3.0	08/30/2023
EMW-2020-RA-00019	09/01/2020	DHS Transit Security Grant Program	\$3.2	\$0.4	\$2.8	08/30/2024
EMW-2021-RA-00030	09/01/2021	DHS Transit Security Grant Program	\$4.4	\$0.0	\$4.4	08/30/2024
15PBJA-21-GG-04422-BWCX	12/01/2021	DOJ Body Worn Camera Program	\$0.9	\$0.9	\$0	12/30/2024

Closed Non-FTA Awards as of 06/30/2023 (Dollars in Millions)

Federal Award ID	Date of Award	Application Name	Federal Award	Closed Date
EMW-2018-RA-00028	06/01/2018	DHS Transit Security Grant Program	\$5.186	3/30/2023

APPENDIX I: OPERATING FINANCIALS & RIDERSHIP

FY2023 – Q4 Year-To-Date (\$ in millions) *

	Budget	Actual	Variance \$	Variance %
Passenger Revenue	\$301.0	\$291.6	\$(9.4)	-3.1%
Non-Passenger Revenue	\$81.5	\$86.0	\$4.5	5.5%
Total Revenue	\$382.5	\$377.6	\$(4.9)	-1.3%
Personnel	\$1,518.4	\$1,525.9	\$(7.5)	-0.5%
Non-Personnel	\$728.8	\$668.3	\$60.5	8.3%
Total Expenses	\$2,247.2	\$2,194.2	\$53.0	2.4%
Gross Subsidy	\$1,864.7	\$1,816.6	\$48.1	2.6%
Federal Relief	\$672.8	\$624.7	\$(48.1)	-7.2%
Net Subsidy **	\$1,191.9	\$1,191.9	\$0.0	0.0%
Cost Recovery Ratio ***	47%	47%		
Farebox Recovery Ratio	13%	13%		

* All figures exclude reimbursables

** Reflects \$18.7 million in federal relief for jurisdictional credits

*** Includes total federal relief funding of \$672.8 million (budget) and \$643.4 million (actual)

FY2023 – Q4 Year-To-Date (Trips in millions)

Ridership	FY2022 Actual	FY2023 Budget	FY2023 Actual	Variance Prior Year	Variance Budget
Metrorail*	60.1	85.9	95.8	59.3%	11.6%
Metrobus**	80.8	79.3	102.5	26.9%	29.3%
MetroAccess	1.3	1.4	1.4	6.7%	-1.5%
All Modes	142.2	166.6	199.7	40.4%	19.9%

* Rail total includes 88.8 million tapped ridership and 7.0 million non-tap ridership. Prior to January 2023, Metrorail ridership reported only tapped ridership, which understated the total number of riders. The completion of the installation of new faregates in January 2023 enabled Metro to now report all ridership (tapped and non-tap). FY2023 Budget includes only tapped trips.

** Bus totals include shuttles to accommodate rail station shutdowns and other track work. Ridership is preliminary and subject to change.

APPENDIX II: CAPITAL PROGRAM FINANCIALS BY INVESTMENT CATEGORY

Dollar amounts are in millions.

Capital Investments	FY2023 Current Budget	F2023 Actuals	YTD % Budget Expended
Acquisition	68.5	51.5	75%
Maintenance & Overhaul	135.7	146.6	108%
Maintenance Facilities	33.0	10.0	30%
Railcar and Railcar Facilities	\$237.2	\$208.1	88%
Power	65.6	94.7	144%
Signals & Communications	151.5	193.2	128%
Rail Systems	\$217.1	\$287.9	133%
Fixed Rail	138.6	164.8	119%
Structures	369.2	373.1	101%
Track and Structures Rehabilitation	\$507.8	\$537.9	106%
Platforms & Structures	317.9	306.1	96%
Vertical Transportation	68.1	66.9	98%
Station Systems	167.7	158.6	95%
Stations and Passenger Facilities	\$553.6	\$531.6	96%
Acquisition	75.8	53.3	70%
Maintenance & Overhaul	94.8	53.6	57%
Maintenance Facilities	197.9	193.0	98%
Passenger Facilities & Systems	60.3	58.7	97%
Bus, Bus Facilities and Paratransit	\$428.8	\$358.6	84%
IT	121.0	111.7	92%
MTPD	13.3	7.6	57%
Support Equipment & Services	287.5	310.9	108%
Business and Operations Support	\$421.9	\$430.2	102%
Total Capital Programs	\$ 2,366.4	\$ 2,354.3	99%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in YTD Utilization %)
Montgomery County			
Grosvenor-Strathmore	1,647	36%	20%
North Bethesda	1,270	12%	5%
Twinbrook	1,097	21%	2%
Rockville	524	37%	23%
Shady Grove	5,745	23%	15%
Glenmont	2,998	27%	10%
Wheaton	977	10%	2%
Forest Glen	596	39%	18%
Montgomery County Total	14,854	25%	13%
Prince George's County			
New Carrollton	1,717	41%	19%
Landover	1,185	20%	8%
Cheverly	500	12%	1%
Addison Road-Seat Pleasant	286	17%	11%
Capitol Heights	372	36%	13%
Greenbelt	3,399	28%	8%
College Park-U of MD	1,290	25%	12%
Hyattsville Crossing	1,068	13%	5%
West Hyattsville	453	54%	5%
Southern Avenue	1,299	16%	7%
Naylor Road	91	100%	77%
Suitland	1,890	14%	5%
Branch Avenue	2,768	27%	12%
Morgan Boulevard	633	29%	12%
Downtown Largo	2,200	28%	12%
Prince George's County Total	19,151	25%	11%
Maryland Total	34,005	25%	12%

APPENDIX III: WEEKDAY PARKING FACILITY USAGE (CONTINUED)

Station	Lot Capacity	YTD Paid Utilization (% of Capacity)	Variance, Year-Over-Year (Change in Utilization %)
District of Columbia			
Deanwood	194	10%	2%
Minnesota Ave	333	62%	6%
Rhode Island Ave-Brentwood	221	47%	13%
Fort Totten	408	80%	21%
Anacostia	808	10%	4%
District of Columbia Total	1,964	37%	8%
Virginia			
Huntington	2,732	19%	3%
West Falls Church-VT	2,009	18%	9%
Dunn Loring-Merrifield	1,964	11%	4%
Vienna/Fairfax-GMU	5,169	20%	8%
Franconia-Springfield	5,069	17%	5%
Van Dorn Street	361	45%	10%
East Falls Church	422	81%	41%
Ashburn	1,555	23%	23%
Loudoun Gateway	2,115	20%	20%
Herndon	3,751	5%	5%
Innovation Center	2,072	2%	2%
Wiehle-Reston East	2,300	25%	11%
Virginia Total	29,519	18%	4%
System Total	65,488	22%	8%