

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 15,108

IN THE MATTER OF:

Served October 8, 2014

CAR PLUS TRANSPORTATION LLC,)
Suspension and Investigation of)
Revocation of Certificate No. 2054)

Case No. MP-2014-099

This matter is before the Commission on respondent's response to Order No. 14,893, served July 3, 2014.

I. BACKGROUND

Under the Compact, a WMATC carrier may not engage in transportation subject to the Compact if the carrier's certificate of authority is not "in force."¹ A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.²

As of January 31, 2014, Commission Regulation No. 58 required respondent to insure the revenue vehicles operated under Certificate No. 2054 for a minimum of \$5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

The \$3 million, excess of \$2 million, WMATC Insurance Endorsement on file for respondent expired on January 31, 2014, without replacement. Order No. 14,893 noted the automatic suspension of Certificate No. 2054 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 2054, and gave respondent 30 days to replace the terminated endorsement and pay the \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 2054.

Respondent submitted a \$3 million, excess of \$2 million, WMATC Insurance Endorsement on July 10, 2014, with an effective date of December 31, 2013, and respondent paid the \$100 late insurance fee on July 24, 2014.

Also on July 24, 2014, respondent submitted an application to add a 15-person seating capacity restriction to Certificate No. 2054. The Commission conditionally approved the application in Order

¹ Compact, tit. II, art. XI, § 6(a).

² Compact, tit. II, art. XI, § 7(g).

No. 14,939 on July 25, 2014.³ Adding the seating capacity restriction to Certificate No. 2054 confines respondent's operations to vehicles with a seating capacity of 15 persons or less, including the driver, and reduces to \$1.5 million respondent's minimum insurance obligation under Commission Regulation No. 58.

The conditions of approval in Order No. 14,939 included the requirement that respondent file one or more WMATC Endorsements showing a minimum of \$1.5 million in coverage. Respondent filed a \$1.5 million WMATC Endorsement on July 14, 2014, with an effective date of June 1, 2014. Respondent has satisfied the other conditions of approval, as well, and Certificate No. 2054 has been reissued this day as amended consistent with the terms of Order No. 14,939.

II. ORDER TO LIFT SUSPENSION AND CONTINUE INVESTIGATION

During the course of this proceeding, it was discovered that on May 30, 2013, when the minimum insurance requirement for Certificate No. 2054 was still \$5 million, and the Commission had on file for respondent a \$2 million primary WMATC Endorsement and \$3 million excess WMATC Endorsement, respondent filed a \$1.5 million primary WMATC Endorsement with an effective date of June 1, 2013. Under Regulation No. 58-07(e), this had the effect of terminating coverage under the \$2 million primary endorsement already on file, leaving respondent without WMATC insurance coverage for the portion of any property damage and bodily injury claims in excess of \$1.5 million but less than \$2 million - thus creating a \$500,000 gap and causing the automatic suspension of Certificate No. 2054 under Regulation No. 58-12. The gap lasted from June 1, 2013, until December 31, 2013, the effective date of a \$2 million primary WMATC Endorsement filed by respondent on January 8, 2014.

Under Regulation No. 58-14:

If a carrier's operating authority is suspended under Regulation No. 58-12 and the effective date of a later-filed replacement Endorsement falls after the automatic suspension date, the carrier must verify timely cessation of operations in accordance with Commission Rule No. 28 and corroborate the verification with client statements and/or copies of pertinent business records, as directed by Commission order.

In accordance with Regulation No. 58-14, respondent will be directed to submit a statement under oath verifying cessation of operations as of June 1, 2013. The statement shall be corroborated by copies of respondent's pertinent business records.

Inasmuch as respondent has filed the necessary replacement Endorsement(s) and paid the late fee under Regulation No. 67-03(c),

³ *In re Car Plus Transp. LLC*, No. AP-14-226, Order No. 14,939 (July 25, 2014).

the suspension of Certificate No. 2054 is hereby lifted in accordance with Regulation No. 58-13.

THEREFORE, IT IS ORDERED:

1. That the suspension of Certificate No. 2054 is hereby lifted.

2. That within 30 days from the date of this order, respondent shall verify that it ceased all operations in the Metropolitan District as of June 1, 2013.

3. That within 30 days from the date of this order, respondent shall produce any and all books, papers, correspondence, memoranda, contracts, agreements, and other records and documents, including any and all stored electronically, that are within respondent's possession, custody or control and which relate to the transportation of passengers for hire between points in the Metropolitan District during the period beginning April 1, 2013, and ending on the date of this order, including, but not limited to any and all:

- a. customer contracts and invoices;
- b. calendars and itineraries;
- c. bank and credit card statements; and
- d. claims experience reports from Northland Insurance Company, Liberty Mutual Insurance Company, American Guarantee and Liability Insurance Company, and Scottsdale Insurance Company.

FOR THE COMMISSION:



William S. Morrow, Jr.
Executive Director