

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 17,281

IN THE MATTER OF:

Served October 24, 2017

Application of KTS SOLUTIONS INC.)
for Restrictive Amendment of)
Certificate of Authority No. 2315)

Case No. AP-2017-192

Application of KTS SOLUTIONS INC.)
for a Certificate of Authority --)
Irregular Route Operations)

Case No. AP-2017-057

This matter is before the Commission on applicant's request for reconsideration of the voiding of unrestricted operating authority conditionally granted to applicant in Commission Order No. 16,950, served April 13, 2017, and on applicant's October 19, 2017, request to amend the conditional grant from unrestricted authority to restricted authority.

Applicants seeking a certificate of authority must indicate on the application form whether they are seeking "Restricted" authority or "Unrestricted" authority. A carrier with restricted authority may only operate vehicles seating 15 persons or less, including the driver. A carrier with unrestricted authority may operate vehicles of any size. The application form informs applicants that the minimum insurance requirement is \$1.5 million for restricted authority and \$5 million for unrestricted authority. In this case, applicant selected "Unrestricted" authority.

Order No. 16,950 granted applicant's application for unrestricted operating authority on the condition that applicant present its vehicle(s) for inspection by Commission staff and file certain documents, including proof of insurance, within 180 days. Applicant did not fully comply within the allotted time. Applicant filed proof of only \$1.5 million of insurance instead of the \$5 million required for unrestricted authority. The conditional grant consequently became void on October 11, 2017.

Under Rule No. 27-06, the voiding of a conditional grant of authority pursuant to Regulation No. 66 is subject to reconsideration and deemed to occur on the 181st day following issuance of the conditional grant. In the event a conditional grant of authority becomes void under Regulation No. 66, the Commission's Executive Director may reopen the proceeding under Rule No. 26-05 and issue said authority if the applicant timely files an application for reconsideration and satisfies the conditions of issuance on or before the deadline for requesting reconsideration.

The deadline for requesting reconsideration in this proceeding is November 10, 2017. Applicant timely filed a request for reconsideration on October 19, 2017.

As for whether applicant has substantially satisfied the conditions of the grant, the record shows that applicant proposes commencing operations with a single six-person minivan. The record also shows that applicant's vehicle passed inspection by staff¹ on October 3, 2017. Finding that applicant has substantially satisfied the conditions of issuance, therefore depends on whether the conditional grant is amended from unrestricted authority to restricted authority, thereby lowering the minimum insurance requirement from \$5 million to \$1.5 million and rendering the \$1.5 million WMATC Endorsement filed by applicant on October 5, 2017, proof of the required minimum.

Under Regulation No. 54-08, the Executive Director may approve an application to add a seating capacity restriction to a certificate of authority. This authority has also been used to approve restrictive amendment of conditionally granted authority that has not been issued yet upon assurance that the carrier does not possess any vehicles seating more than 15 persons, including the driver.²

Although the instant request to amend was filed after applicant's 180 days had elapsed, the Commission has previously approved a restrictive amendment of a conditional grant of authority on reconsideration where no fitness issue was raised.³ Accordingly, the application shall be approved.

In consideration of the foregoing, the Commission finds that applicant has substantially satisfied the conditions of the grant, as amended to restrict applicant's operations to vehicles with a seating capacity of 15 persons or less, including the driver.

¹ Although the vehicle displayed Virginia private plates instead of for-hire plates as required by Order No. 16,950, applicant is unable to obtain for-hire plates from the Virginia Department of Motor Vehicles in the absence of any passenger carrier authority. To resolve such an impasse, the Commission's practice is to issue a certificate of authority subject to a vehicle out-of-service notice and subject to the proviso that applicant obtain for-hire plates within 30 days. See *In re Akram Ibrahim Bushra*, No. MP-2016-112, Order No. 16,445 (June 21, 2016) (describing Virginia private plate procedure).

² See, e.g., *In re Festive Limo Serv., LLC*, No. AP-17-127, Order No. 17,089 (July 17, 2017).

³ See *In re Marion Michelle Watkins, t/a Dipso Transp.*, No. AP-10-034, Order No. 12,347 (Mar. 30, 2010).

THEREFORE, IT IS ORDERED that Certificate of Authority No. 2315 shall be issued with a 15-person seating capacity restriction to KTS Solutions Inc., 12733 Torrington Street, Woodbridge, VA 22192-3017.

FOR THE COMMISSION:

A handwritten signature in black ink, appearing to read "W.S. Morrow, Jr.", written in a cursive style.

William S. Morrow, Jr.
Executive Director