

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2191

IN THE MATTER OF:

Served January 30, 1981

Investigation of WHITE HOUSE)
SIGHTSEEING CORPORATION, et al.,)
to Determine Compliance with WMATC)
Safety Regulations and to Evaluate)
Common Control and Corporate Status)

Case No. MP-79-07

The only issues remaining in this proceeding are the adjustment and amortization methodology for the "Commission Ordered Reserve" account which the carrier was directed to create for the repayment of unlawfully collected fares. All other issues were disposed of in Order Nos. 2156 and 2177.

By Order No. 2177, the Commission established \$27,112.12 as the amount to be included in the Commission Ordered Reserve. White House has submitted additional financial data indicating that the correct reserve amount should be \$27,035.50 and an appropriate adjustment shall be ordered below. White House shall establish an account with such title and amount as a liability on its books and make a corresponding decrease to its retained earnings.

In a related proceeding, Case No. AP-80-28 White House issued its WMATC Tariff No. 3 which is designed to produce an operating ratio of 93.6 percent. The rates established in that tariff will not be increased until the Commission Ordered Reserve is fully amortized. During this period, the Commission will retain jurisdiction to make such adjustments to the account and the carrier's rate structure as may be warranted.

Should the carrier's operating ratio exceed 93.6 percent in any calendar year, White House may, concurrently with the filing of its annual report for 1981 and years subsequent, petition the Commission to offset the Commission Ordered Reserve by the difference between the carrier's actual earnings and the earnings necessary to produce an operating ratio of 93.6 percent. The Commission, of course, reserves the right to audit, in whole or in part and at the carrier's expense, White House's submissions and supporting documents and to disallow any expenses deemed to be unjust or unreasonable. Any petition should be

fully documented and must separately show all salaries, payments and distributions made to the directors, stockholders and officers of the corporation and their families. For this purpose, any person acting as agent, trustee, fiduciary or alternate shall be deemed a stockholder, director or officer in place of his beneficiary. In calendar years where White House's operating ratio is less than or equal to 93.6 percent, no adjustment of the reserve account shall be allowed.

THEREFORE, IT IS ORDERED:

1. That White House Sightseeing Corporation is hereby directed to adjust the non-cash reserve account entitled "Commission Ordered Reserve" to show an amount of \$27,035.50 until otherwise ordered by the Commission.

2. That no increases of the rates published in the carrier's WMATC Tariff No. 3, issued November 21, 1980, shall be made, published or approved during the existence of the Commission Ordered Reserve account.

3. That, for any calendar year beginning with 1981 in which the carrier's WMATC operating ratio exceeds 93.6 percent, White House Sightseeing Corporation may, concurrently with the filing of its annual report for said year, file a fully documented petition for adjustment of the Commission Ordered Reserve account as described hereinabove.

4. That, in all other respects, this proceeding is hereby discontinued.

BY DIRECTION OF THE COMMISSION, COMMISSIONERS SCHIFTER, SHANNON AND CLEMENT:


WILLIAM H. MCGILVERY
Executive Director