

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 2353

IN THE MATTER OF:

Served July 28, 1982

Application of AIRPORT LIMO, INC., )  
for a Certificate of Public )  
Convenience and Necessity to )  
Conduct Special Operations -- )  
Mayflower and Shoreham Hotels )

Case No. AP-82-07

By application filed April 9, 1982, Airport Limo, Inc., seeks a certificate of public convenience and necessity to transport passengers, in special operations, between Dulles International Airport, Herndon, Va., on the one hand, and, on the other, the Mayflower Hotel, 1127 Connecticut Avenue, N. W., and the Shoreham Hotel, 2500 Calvert Street, N. W., both in the District of Columbia. Pursuant to Order No. 2333, served May 6, 1982, a period for filing protests was observed and the unopposed application was prosecuted at a public hearing held June 22, 1982.

Under permanent authority, applicant provides scheduled service between Dulles, on the one hand, and, on the other, the Sheraton Washington, Washington Hilton and Capitol Hilton hotels. Recently, it commenced similar service pursuant to temporary authority from this Commission to and from the Mayflower and Shoreham hotels. Service operates generally between 5 a.m. and 12 midnight, 7 days a week. All hotels are serviced by a single route, and company witnesses stated that no increases in operating time or variable costs would result from commencing service to the Mayflower and Shoreham hotels.

Approximately 12 persons a day have been using the proposed service under temporary authority, thereby improving Airport Limo's equipment utilization and profit margin. The rates to be charged correspond with those previously approved for hotels proximate to those under consideration herein. At present, Airport Limo operates 15 buses and 38 vans; it is not anticipated that additional equipment will be needed to continue the proposed service.

Applicant's comptroller sponsored a pro forma income statement, an actual income statement and a balance sheet showing the financial position of the company. Recent operations have been profitable, and, as indicated above, a grant of this application should improve Airport Limo's profit picture.

The front office manager of the Mayflower testified that average occupancy is in excess of 300 guests a night. That number is expected to increase significantly as renovation of the hotel is completed. Between the hearing date and October 1982, it is projected that the number of available rooms will increase from 393 to 726. From 5 to 10 percent of the hotel's guests arrive in the Metropolitan District via Dulles. The only other public transportation available at the hotel for these people is taxicab service which is approximately four times as expensive as Airport Limo's service. Because of the price differential this witness believes that scheduled bus (or van) service is of significant benefit to the hotel's guests and also makes the hotel more competitive, especially in attracting group functions. The witness believes that service under temporary authority has been satisfactory.

The security director of the Shoreham stated that between 600 and 650 people a night occupy the 770-room facility. Prior to the advent of service under temporary authority only taxicab service was available at the Shoreham. The witness considers taxicab service to be unsatisfactory because of its comparatively high price and because there were occasions when no cabs were available in front of the hotel. Having scheduled service available should help the hotel to attract group functions. Service under temporary authority has apparently been satisfactory for the approximately six persons a day who now utilize Airport Limo from the Shoreham.

Title II, Article XII, Section 4(b) of the Compact provides that

. . . the Commission shall issue a certificate to any qualified applicant therefore . . . if it finds, after hearing held upon reasonable notice, that the applicant is fit, willing and able to perform such transportation properly and to conform to the provisions of this Act and the rules, regulations, and requirements of the Commission thereunder, and that such transportation is or will be required by the public convenience and necessity.

We find that Airport Limo has met these statutory criteria, and that the application should be granted.

Airport Limo has on file with the Commission suitable evidence of insurance and affidavits of compliance with our regulation governing identification of motor vehicles. Applicant has not been the subject of any fitness investigation and the evidence of record (including that officially noticed from Case No. AP-81-24 pursuant to Commission Rule No. 23) shows that applicant operates suitable equipment and has

regular maintenance and safety programs. We further note that applicant's financial situation, toward which some criticism has been directed in the past, appears to be improving. In any event, no additional financial commitment is necessary to continue implementation of the subject service.

The testimony of the witnesses from the two hotels indicates uncontrovertedly that scheduled service to and from Dulles is a material convenience for hotel guests and, to a somewhat lesser extent, to others who live or work in the vicinity of the hotels.

THEREFORE, IT IS ORDERED:

1. That the above-described application of Airport Limo, Inc., is hereby granted.

2. That Airport Limo, Inc., is hereby directed to file two copies of an appropriate tariff or tariff supplement within 30 days from the date of service of this Order, said tariff or tariff supplement to be effective upon its acceptance by the Executive Director.

3. That, unless Airport Limo makes such filing within the time prescribed therefor, or within such additional time as may be authorized by the Commission, the grant of authority herein shall be void, and the application shall stand denied in its entirety upon the expiration of the said compliance time.

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

  
WILLIAM H. MCGILVERY  
Executive Director