

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 6231

IN THE MATTER OF:

Served May 22, 2001

Application of REGIONAL NURSING)
SERVICES L.P. for a)
Certificate of Authority --)
Irregular Route Operations)

Case No. AP-2001-14

Applicant seeks a certificate of authority to transport passengers in irregular route operations between points in the Metropolitan District, restricted to transportation in vehicles with a seating capacity of less than 16 persons only, including the driver. The application is unopposed.

The Compact, Title II, Article XI, Section 7(a), authorizes the Commission to issue a certificate of authority if it finds that the proposed transportation is consistent with the public interest and that the applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission. The fitness inquiry focuses on an applicant's financial fitness, operational fitness, and regulatory compliance fitness.¹ If an applicant does not make the required showing, the application must be denied under Section 7(b).

To make a prima facie case of financial fitness, an applicant must show the present ability to sustain operations during the first year under WMATC authority.² An applicant must proffer evidence that it has secured the financing needed to implement and sustain the proposed service.³ An applicant's financial evidence must be consistent with the rest of the application.⁴ The financial evidence in this case fails to meet the test of consistency.

According to the letter transmitting the application for filing, applicant's projection of \$936,000 in WMATC revenue in Exhibit B is based on a fleet of ten vehicles. Applicant's equipment list, on the other hand, shows only three vans. The application does not explain how applicant intends to finance the acquisition of seven additional vehicles, obtain the minimum insurance required by

¹ In re Marylou's Janitorial Serv., Inc., t/a Marylou's Transp. Serv., No. AP-96-23, Order No. 4874 (June 20, 1996).

² Id. at 2.

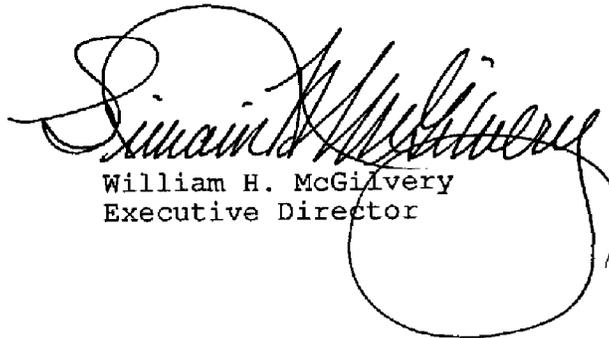
³ Id. at 2.

⁴ See In re Washington, D.C. Jitney Ass'n, Inc., No. AP-95-26, Order No. 4795 at 2-4 (Mar. 15, 1996) (inconsistencies precluded finding of financial fitness); In re Highview Bus Serv., Inc. & Courtesy Bus Rental Sys., Inc., No. AP-78-47, Order No. 1988 at 7-8 (Apr. 25, 1979) (same).

Commission Regulation No. 58, and establish an adequate reserve for contingencies with only the \$2,649 in cash shown on applicant's balance sheet.⁵ In addition, applicant's projection of \$120,000 in other revenue is based on nursing staff agency operations, but the state license for providing such services, according to a copy submitted with the application, is held by Regional Nursing Services, Inc., not Regional Nursing Services L.P., and that license expired by its own terms on April 28, 2001. Consequently, we are unable to find applicant financially fit on this record.

THEREFORE, IT IS ORDERED that the application of Regional Nursing Services L.P. for a certificate of authority, irregular route operations, is hereby denied without prejudice.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS ALEXANDER, LIGON, AND MILLER:



William H. McGilverey
Executive Director

⁵ See Exhibit A. Applicant's balance sheet also shows \$23,822 in receivables, but there is no evidence to indicate that applicant could use those receivables to acquire the remaining seven vehicles (by pledging the receivables as collateral or converting them into cash) in time to generate \$936,000 in revenue during the first year of WMATC operations.

⁶ See In re Salwa Seedahmed, t/a Control Transp., No. AP-98-28, Order No. 5434 (Oct. 19, 1998) (applicant failed to demonstrate means of acquiring vehicle, covering start-up costs and establishing adequate reserve for contingencies); Order No. 4874 at 2 (applicant failed to demonstrate means of acquiring additional vehicles and insurance); Order No. 4795 at 2-4 (applicant failed to demonstrate reasonableness of revenue projections).