

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5759

IN THE MATTER OF:

Served December 2, 1999

Application of SONORA SMITH,)
Trading as BLESSED TRANSPORTATION,)
for a Certificate of Authority --)
Irregular Route Operations)

Case No. AP-99-58

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. If an applicant does not make the required showing, the application must be denied under Section 7(b).

To demonstrate financial fitness, an applicant must show the present ability to sustain operations for the first twelve months under WMATC authority.¹

Applicant's statement of net worth, dated August 16, 1999, shows assets and equity of \$25,982, each, including current assets of \$4,286. Applicant's projected operating statement for the first twelve months of WMATC operations shows WMATC revenue of \$13,200; other revenue of \$7,200; expenses of \$44,754; and a net loss of \$24,354.²

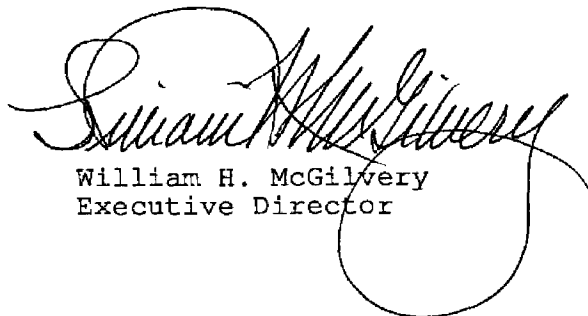
After adjusting applicant's projected net loss for non-cash outlays (\$1,700 in depreciation), and after taking into consideration applicant's \$4,286 in current assets, we see applicant is predicting her first year of operations will consume more cash than she expects it will generate -- \$18,368 more, to be precise. Applicant, therefore, has not shown the present ability to sustain operations during her first year under WMATC authority. Consequently, we are unable to find applicant financially fit on this record.

¹ In re Frantz Jean-Jacques, t/a Red Carpet Transp. Servs., No. AP-97-61, Order No. 5264 (Jan. 28, 1998).

² On the projected operating statement, applicant subtracted \$44,754 expense from \$20,400 revenue and entered a net profit of \$10,246, which calculation we corrected to the \$24,354 net loss shown here.

THEREFORE, IT IS ORDERED that the application of Sonora Smith, trading as Blessed Transportation, 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. McGilvery
Executive Director