

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 5927

IN THE MATTER OF:

Served July 7, 2000

Application of AA TRANSCARE, INC.,)
for a Certificate of Authority --)
Irregular Route Operations)

Case No. AP-2000-41

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.

Applicant proposes commencing operations with one van. Applicant's proposed tariff contains rates for transportation under the DC Medicaid program and rates for non-Medicaid transportation.

Applicant filed a balance sheet as of May 5, 2000, showing assets of \$10,500; liabilities of \$9,500; and equity of \$1,000. Applicant's projected operating statement for the first twelve months of WMATC operations shows WMATC revenue of \$172,400; expenses of \$158,200; and net income of \$14,200. Although applicant's debt/equity ratio is high, the Commission has found highly leveraged carriers financially fit where, as here, a controlling shareholder is the source of debt.¹

Applicant certifies it has access to, is familiar with, and will comply with the Compact and the Commission's rules and regulations thereunder.

Based on the evidence in this record, the Commission finds that the proposed transportation is consistent with the public interest and that 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.

¹ E.g., In re The Airport Shuttle, No. AP-94-22, Order No. 4331 (July 6, 1994); In re Seth, Inc., t/a Kids Kab, No. AP-93-40, Order No. 4243 at 1 n.1 (Feb. 9, 1994).

THEREFORE, IT IS ORDERED:

1. That upon applicant's timely compliance with the requirements of this order, Certificate of Authority No. 551 shall be issued to AA TransCare, Inc., 1900 L Street, N.W., Suite 300, Washington, DC 20036.

2. That applicant may not transport passengers for hire between points in the Metropolitan District pursuant to this order unless and until a certificate of authority has been issued in accordance with the preceding paragraph.

3. That applicant is hereby directed to file the following documents within thirty days: (a) evidence of insurance pursuant to Commission Regulation No. 58 and Order No. 4203; (b) an original and four copies of a tariff or tariffs in accordance with Commission Regulation No. 55; (c) a vehicle list stating the year, make, model, serial number, fleet number, license plate number (with jurisdiction) and seating capacity of each vehicle to be used in revenue operations; (d) a copy of the vehicle registration card, and a lease as required by Commission Regulation No. 62 if applicant is not the registered owner, for each vehicle to be used in revenue operations; (e) proof of current safety inspection of said vehicle(s) by or on behalf of the United States Department of Transportation, the State of Maryland, the District of Columbia, or the Commonwealth of Virginia; and (f) a notarized affidavit of identification of vehicles pursuant to Commission Regulation No. 61.

4. That the grant of authority herein shall be void and the application shall stand denied upon applicant's failure to timely satisfy the conditions of issuance prescribed herein.

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


William H. McGilvery
Executive Director