

# SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

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## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska	) Docket No. B-1989
Public Service Commission, on	)
its own motion, to require	)
Ambassador Transportation,	) SHOW CAUSE SUSTAINED AND
LLC, Omaha, to show cause why	) CERTIFICATE B-1989 REVOKED
its Certificate of Public	)
Convenience and Necessity	)
should not be revoked.	) Entered: October 19, 2021

BY THE COMMISSION:

On August 10, 2021, the Nebraska Public Service Commission ("Commission"), on its own motion, entered an Order requiring Ambassador Transportation, LLC ("Ambassador"), Omaha, to show cause why its Certificate of Public Convenience and Necessity should not be revoked for failure to provide proof of current liability insurance. Hearing was scheduled for September 14, 2021.

On September 14, 2021, a show cause hearing was held in the Commission Hearing Room and virtually via WebEx. Mr. Dillon Keiffer-Johnson and Ms. Jamie Reyes appeared on behalf of Commission Staff. No appearances were made on behalf of Ambassador.

## E V I D E N C E

### *Testimony*

Ms. Jamie Reyes, Director of the Commission's Motor Transportation Department ("Department") made a statement on behalf of the Department. Ms. Reyes stated that Ambassador Transportation is authorized to provide point-to-point transportation in open class service within Douglas county over irregular routes with HHS designation under Certificate B-1989.<sup>1</sup>

Ms. Reyes explained that all common carriers are required to file proof of liability insurance that meets the minimum coverage amounts set by Commission rules. She further explained that no certificate of authority remains in force unless a carrier complies with this requirement.<sup>2</sup> Ms. Reyes noted that pursuant to Commission Rules, the required minimum liability a carrier must have is based upon the rated seating capacity of the vehicles operated.<sup>3</sup> She stated that Commission rules also require that carriers file proof

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<sup>1</sup> Hrg. Transcr. 8:6 - 8:18 (September 14, 2021).

<sup>2</sup> *Id.* at 8:22 - 9:5.

<sup>3</sup> *Id.* at 9:6 - 9:16.

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that such insurance minimum is acquired on forms prescribed by the Commission. Ms. Reyes stated that a Form E certificate of insurance is required to be filed by an insurance company on behalf of a carrier to show that a proper insurance policy is in place.<sup>4</sup> She further explained that if a carrier's insurance policy is going to lapse, an insurance company will file notice with the Commission, referred to as a Form K Cancellation Notice, at least thirty (30) days prior to the cancellation to inform the Commission of the potential lapse.<sup>5</sup>

Ms. Reyes stated that the department received a Form K insurance cancellation notice for Ambassador. She explained that, as the department does any time a Form K is received, a letter was sent along with a copy of the Form K to Ambassador. The letter outlined the time frame by which Ambassador had to submit proof of insurance or to make other arrangements with their authority.<sup>6</sup> Ms. Reyes noted that the department did not receive a response to the letter sent to Ambassador nor was a response received after the department attempted other avenues of outreach.<sup>7</sup>

Ms. Reyes explained that the show cause order setting the hearing was sent by certified mail, return receipt requested, to the address the department had on file for Ambassador. Ms. Reyes mentioned that this was the same address the department had sent Ambassador's 2021 annual renewal information, which was completed by Ambassador. Ms. Reyes stated that the return receipt for the show cause order was returned as undeliverable and unable to forward.<sup>8</sup> Ms. Reyes explained that as a last resort, the department attempted to personally serve a representative of Ambassador. She stated that an outreach was made to the Nebraska Department of Health and Human Services ("DHHS") to determine if there was a different address where Ambassador could be contacted. Ms. Reyes stated that DHHS provided the department with an alternative address and phone number. She stated that voicemails were left at this new number, but no calls were returned. Ms. Reyes further explained that Commission Investigator Greg Rocke was sent out to the address DHHS provided to attempt personal service of Ambassador; however, his efforts were futile.<sup>9</sup>

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<sup>4</sup> *Id.* at 9:17 - 9:24.

<sup>5</sup> *Id.* at 9:25 - 10:5.

<sup>6</sup> *Id.* at 10:6 - 10:22.

<sup>7</sup> *Id.* at 10:23 - 11:4.

<sup>8</sup> *Id.* at 11:5 - 11:15.

<sup>9</sup> *Id.* at 11:16 - 13:3.

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Ms. Reyes confirmed that no contact has been made with Ambassador despite the numerous efforts of the department. She stated that DHHS has been informed of this proceeding and were checking to see if Ambassador had been active, but the department has not had any follow-up.<sup>10</sup> Ms. Reyes concluded her statement by recommending the Commission revoke Ambassador's certificate of authority due to the lapse of insurance coverage and the total lack of communication by the carrier to the department.<sup>11</sup>

Next, Mr. Greg Rocke, investigator for the Transportation department, testified for the Commission. Mr. Rocke stated his job duties include investigating reported possible criminal or regulatory violations, completing inspections of carriers, and participating in departmental audits and the service of subpoenas.<sup>12</sup> When asked about his personal service of the Commission Order, Mr. Rocke attested to the accuracy of and testified that he authored the written narrative of attempted personal service entered into the record as Commission Exhibit 4.<sup>13</sup>

In discussing the events surrounding the attempted effectuation of service for this proceeding, Mr. Rocke explained that numerous attempts were made to contact Ambassador, but all attempts were futile.<sup>14</sup> Mr. Rocke explained that over the last several months he has not noticed any of Ambassador's vehicles while he has been out. He further noted that on both times he attempted personal service, he did not observe anyone inside of the business and the business looked as if it was shut down. Mr. Rocke stated that he observed one vehicle in the parking lot, but it appeared to have been there for quite some time.<sup>15</sup>

The hearing was concluded with no representative of Ambassador Transportation appearing to testify on behalf of the company.

### *Exhibits*

Exhibits one through four were entered into evidence. Exhibit five, copies of emails between Director Reyes and representatives of DHHS discussing Ambassador Transportation's operations, was

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<sup>10</sup> *Id.* at 13:4 - 13:15.

<sup>11</sup> *Id.* at 13:16 - 14:12.

<sup>12</sup> *Id.* at 16:12 - 16:24.

<sup>13</sup> *Id.* at 16:25 - 17:8.

<sup>14</sup> *Id.* at 17:9 - 17:22.

<sup>15</sup> *Id.* at 17:25 - 18:22.

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also offered and received into evidence. The Commission further took administrative notice of Ambassador's file.

## O P I N I O N   A N D   F I N D I N G S

Ambassador Transportation is a common carrier regulated by the Commission pursuant to Neb. Rev. Stat. §§ 75-101 et. seq. and 75-301 et. seq. (Cum. Supp. 2020), and Title 291, Chapter 3 of Commission Rules and Regulations.

Neb. Rev. Stat. § 75-315 states that certificates may be revoked after notice and hearing for willful failure to comply with Nebraska statutes governing the Commission, any Commission rule or regulations, or any term, condition, or limitation of a certificate. Pursuant to Neb. Rev. Stat. § 75-307(1), certificated carriers must comply with Commission rules regarding insurance and file those policies with the Commission. Commission Rules set forth the minimum insurance requirements for motor carriers transporting passengers on a for-hire basis.<sup>16</sup>

Evidence entered into the record shows that Ambassador's insurance was cancelled on June 5, 2021, as show by the Form K Uniform Cancellation of Motor Carrier Insurance Policies entered into the record as Exhibit 1. Ambassador failed to update its insurance information after notification by the Department of the cancellation notice and has not contacted the Commission regarding its available options. No representative for Ambassador appeared at the hearing to show cause as to why its Certificate of Public Convenience and Necessity should not be revoked.

Based on the evidence presented, the Commission finds the Certificate of Public Convenience and Necessity issued to Ambassador Transportation, Omaha, should be revoked for failure to comply with Neb. Rev. Stat. § 75-307(1) and 291 Neb. Admin. Code § 03-006.

## O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Certificate of Public Convenience and Necessity issued in Application No. B-1989 to Ambassador Transportation, Omaha, be, and is hereby revoked.

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<sup>16</sup> 291 Neb. Admin. Code § 03-003.03 and 006.

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IT IS FURTHER ORDERED that any vehicle plates which have been assigned by the Commission must be returned to the Commission within ten (10) days of the effective date of this Order.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 19th day of October, 2021.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Rob Johnson*  
*Crystal Broadus*  
*Mary Kiddy*  
*Tim Schram*

*Don Watson*  
Chair

ATTEST:

*Shanice Knutson*  
Deputy Director