

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) APPLICATION NO. TR-173
Prescription of Reasonable)
Rates and Charges for Motor) GRANTED AS MODIFIED
Carriers Passengers and) ON AN EMERGENCY BASIS
Property for Hire Subject to)
The provision of Neb. Rev. Stat.)
(Reissue 2004), Chapter 75,)
Articles 1 and 3.) ENTERED: JUNE 30, 2009

BY THE COMMISSION:

OPINION AND FINDINGS

On June 26, 2009, Fremont Cab Services, L.L.C., Fremont, Nebraska, filed an application for authority to amend its rates for its operations as follows:

Description	Current Rate	Proposed
Initial fare	\$2.25	\$2.75
Mileage Charge	\$0.25/8 th	\$0.25/10 th
Waiting Time	\$0.25/min	\$0.50/min
Additional passenger charge (per passenger over 16 years of age)	n/a	\$1.00
Refusal of Service charge	n/a	\$2.75

Fuel Surcharge:

(current)

\$2.80-2.89	\$0.60
\$2.90-2.99	\$0.65
\$3.00-3.09	\$0.70
\$3.10-3.19	\$0.75

Fuel Surcharge (Proposed):

\$1.50-2.00	\$0.75
\$2.01-2.50	\$1.00
\$2.51-3.00	\$1.25
\$3.01-3.50	\$1.50
\$3.51-4.00	\$1.75
\$4.01 and over	\$2.00

Emergency action is requested.

Applicant is a certificated common carrier which holds Certificate B-1704. The certificate authorizes the

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

APPLICATION NO. TR-173

PAGE 2

transportation of passengers and their baggage by taxicab within Fremont and points in the immediate area. Health and Human Services designation: Yes.

In support of the application, Lee Pospisil of Fremont Cab Services states that costs have increased to the point where a change in the rate structure of the company is necessary. The major change that the applicant has incurred is a switch from independent contractors to employees as drivers. The applicant has been advised that such a change is a business necessity. The increase in expenses of is around \$15,000 per year.

The applicant is also experiencing other cost increases. Insurance costs for the fleet have increased as well as rent increasing \$1,200 per year. The applicant has also added additional business insurance to protect the business operations.

The applicant is also making changes to its fleet. It has replaced the three cars that it originally purchased, and has improved the fleet with the addition of a Toyota Prius as well as increasing the fleet by one unit. The improvements are with the goal of providing better service to the community while reducing maintenance costs with the newer vehicles.

The Applicant took over operations of the cab company in Fremont in October of 2007. In February of 2008, the Commission granted a fuel surcharge. The last rate increase for the Fremont cab company was granted in June of 2005.

The Applicant has requested that the initial charge be increased twenty-two percent, that the mileage be increased twenty-five percent, and that it be allowed to charge \$1.00 for additional passengers over the age of sixteen, increase its waiting time from \$0.25 to \$0.50 per minute, and to establish a refusal of service charge of \$2.75 when a passenger refuses service after it is ordered. The applicant has also requested that its fuel surcharge be changed to be in line with other fuel surcharges charged by other taxi companies.

APPLICATION NO. TR-173

PAGE 3

The applicant and Commission staff held a meeting where the application was discussed. At that meeting it was agreed that the proposal in regards to the initial charge and the mileage increase was too extensive to be granted on an emergency basis. The applicant agreed to a modification where the initial charge would be proposed to increase from \$2.25 to \$2.50 or an eleven percent increase. The increase in the mileage charge would be proposed to increase twelve percent from \$0.25 per one-eighth mile to \$0.25 per one-ninth mile. The Commission would be requested to approve the additional passenger charge, waiting time charge and the refusal charge as proposed.

After analyzing the application as modified, the Commission finds that the modifications are sufficient that the initial charge and the mileage charge are such that they can be approved on an emergency basis. With the increase in costs that the applicant is experiencing and the length of time since the last increase in rates for this service areas (2005, other than the fuel surcharge granted in February of 2008), the Commission finds that an emergency does exist such that the modified application regarding the initial charge and the mileage charge can and should be approved.

The Commission is aware of other similar companies charging waiting time and refusal charges that are similar to those sought by the applicant in this application. The Commission finds that these charges should be approved on an emergency basis as well.

The Commission also finds, however, that the change in the fuel surcharge is not warranted at this time. If the surcharge were increased to that sought by the applicant, coupled with the other increases granted on an emergency basis in this order, the percentage increase in a trip of five miles would change from eleven percent to over sixteen percent. This increase is not such that the Commission can or will approve on an emergency basis. The Commission therefore finds that the fuel surcharge should remain as currently established.

The applicant is encouraged to submit more timely requests for rate adjustments in the future. These applications filed on a more timely basis result in smaller

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

APPLICATION NO. TR-173

PAGE 4

increases for the general public as well as a better matching of costs and revenues for the applicant.

Upon consideration of the application and being fully advised in the premises, the Commission is of the opinion and finds that the application should be granted as modified starting July 3, 2009.

ORDER

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective July 3, 2009, Fremont Cab Services, L.L.C., Fremont, Nebraska, be, and it is hereby, authorized to amend its rates for its use in Certificate No. B-1702 as follows:

Description	Rate
Initial fare	\$2.50
Mileage Charge	\$0.25/9 th
Waiting Time	\$0.50/min
Additional passenger charge (per passenger over 16 years of age)	\$1.00
Refusal of Service charge	\$2.75

Fuel Surcharge:

\$2.80-2.89	\$0.60
\$2.90-2.99	\$0.65
\$3.00-3.09	\$0.70
\$3.10-3.19	\$0.75

The surcharge would increase at a rate of \$0.05 for every \$0.10 increase in fuel costs.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that the fuel surcharge be paid to the individual or individuals paying for the fuel.

IT IS FURTHER ORDERED by the Nebraska Public Service that notice of this amendment to their rates be conspicuously displayed within each taxicab.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that public notice of this action be published

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

APPLICATION NO. TR-173

PAGE 5

in the Daily Record, Omaha, Nebraska, pursuant to statute and Commission Rules.

MADE AND ENTERED at Lincoln, Nebraska this 30th day of June, 2009.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Guadel Lopez

John Johnson

Anne C. Doyle

Tim Schram

ATTEST:

Frank Landis
Chairman

John Burman
Deputy Director

//s//Frank E. Landis