

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the ) APPLICATION NO. BR-322  
Prescription of Reasonable Rates )  
and Charges for Motor Carriers )  
Passengers and Property for Hire ) GRANTED AS MODIFIED  
subject to the Provisions of )  
Neb. Rev. Stat. (Reissue 2003), )  
Chapter 75, Articles 1 and 3. ) ENTERED: FEBRUARY 6, 2007

BY THE COMMISSION:

### OPINION AND FINDINGS

On November 28, 2006, Laidlaw Transit, Inc., Omaha, Nebraska, filed an amendment to its application for authority to amend its charter bus rates for its use as follows:

| Description                      | Current  | Proposed |
|----------------------------------|----------|----------|
| 1. Per hour charge or            | \$35.00  | \$40.00  |
| 2. Per Mile (Loaded or unloaded) | \$1.95   | \$2.10   |
| 3. Minimum Charge                | \$105.00 | \$120.00 |

Note: Charges are based on either the mileage or the hourly rate, whichever is greater.

Applicant is a certificated common carrier which holds Certificate B-1275. The certificate authorizes the transportation of passengers and their baggage between points in Nebraska over irregular routes. The transportation of railroad train crews and their baggage is not authorized.

The Applicant last received a rate increase in April of 2005. The increase at that time averaged approximately six percent.

According to the Applicant, the proposed rates are based on increasing expenses. Expenses such as vehicle maintenance, facilities and utilities have risen. These costs have increased around 3% over the past two years.

The applicant also continues to experience increases in expenses to recruit, hire and retain employees. Its labor costs have increased for maintenance and staffing wages 6.0%, driver home to school wages increased 9.4% and driver charter wages increasing 6.0%. The Applicant states that the labor market in

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Omaha requires that these wages be paid in order to attract and maintain a good work force.

The applicant also cited the purchase of several new vehicles in the past few months. It has replaced 139 buses since the fall of 2005. These purchases were made to improve customer service.

The proposed rates represent an increase in the hourly rate of fourteen percent, in the mileage rate of 7.7% ,and the minimum charge of 23%.

The Commission is aware of several of the factors cited by the applicant in its request for a rate increase. The costs of doing business have risen for companies such as the applicant's. While the costs of gasoline have recently moderated back to levels where they were at the time of the last grant in April of 2005, there is still volatility in the gas cost.

The Commission is of the opinion that the rates requested are not supported by the expenses set forth in the application. The request by the Applicant is for increase that range between almost eight and twenty-three percent, while the costs cited by the Applicant raised mostly around six percent. Therefore, the Commission is of the opinion that the rates approved should be reduced to be more in line with the costs cited.

The Commission is of the opinion and finds that a seven percent increase in the rates is warranted by the supporting factors cited. The costs for the Applicant have increased, and it has made a significant investment in new buses. However, this modified increase is reasonable for the general public as well as the Applicant.

The rates as proposed are competitive with the rates on file for other carriers providing a similar service. The application is filed in compliance with Sections 75-308 (Rates) R.R.S. 2006 and the Commission rules.

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 effective February 16, 2007.

ORDER

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective February 16, 2007, Laidlaw Transit, Inc., Omaha, Nebraska, be, and it is hereby, authorized to amend its charter bus rates for its use as follows:

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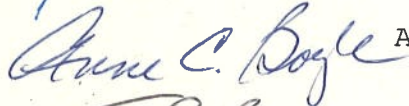

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| Description           | Rates    |
|-----------------------|----------|
| 1. Per hour charge or | \$37.50  |
| 2. Per Mile           | \$2.07   |
| 3. Minimum Charge     | \$112.50 |

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of February, 2007.

## NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman



ATTEST:

  
Executive Director

//s// Rod Johnson

//s// Frank E. Landis