

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Prescrip-)	APPLICATION NO. BR-378
tion of Reasonable Rates and)	
Charges for Motor Carriers)	
Passengers and Property for Hire)	GRANTED
subject to the Provisions of)	
Neb. Rev. Stat. (Reissue 2003),)	
Chapter 75, Articles 1 and 3.)	ENTRERED: MAY 10, 2011

BY THE COMMISSION:

On March 1, 2011, Panda Transportation, Inc., Valentine, Nebraska, filed an application for authority to amend its open class rates for its use as follows:

Description	Proposed Rates
In Town (0 to 10 miles)	\$20/person
Up to 20 Miles	\$40/person
Mileage (over 20 miles)	\$1.50/mile
Each additional passenger (over 20 miles)	\$0.75/mile
Escort/Matron	\$0.75/mile
After hours (8 p.m. to 8 a.m. and Holidays)	\$25.00
Wait time	\$7.50/15 minutes

On March 22, 2011, the Commission entered an order that denied the granting of the Application on an emergency basis. The Commission found that additional information needed to be received from the Applicant before the application could be ruled upon. The Order and application were published in the Daily Record and no protests to the application were received.

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

Applicant is a certificated common carrier which holds Certificate B-1580. The certificate authorizes the transportation of passengers, including the transportation of Health and Human Services clients and prisoners in open class service by van between points in Sheridan, Cherry, Keya Paha, Brown, and Rock counties, on the one hand, and on the other hand, points in Nebraska over irregular routes. RESTRICTION: Service for trips originating in Adams and Hall counties is not authorized.

The Applicant states that the requested increase in the rates are primarily based upon increases in operating costs. The Applicant cites that they have experienced these significant increases in costs since their last rate increase in 2006.

Information provided to the Commission by a sworn affidavit filed by the Applicant states that the Applicant has incurred increases of twenty-five to forty percent in maintenance costs since 2006. These expenses include general services of vehicles, tires and maintenance. The Applicant cited that the cost of oil changes increased approximately twenty-five percent just since 2009.

The Applicant also stated that it has experienced similar increases in costs related to other operating expenses such as utilities, rent and insurance.

Another factor that has impacted the operations of the Applicant are increases in property taxes and a sales tax that was implemented in Valentine that have added to the increase in operating costs.

The Commission is also aware of the increasing costs of gasoline. The cost of gasoline has more than doubled from around \$1.80 per gallon in December of 2008 to almost four dollars per gallon as of the date of this order. This increase has had a substantial negative impact on the operations of passenger carriers such as the Applicant.

According to the Applicant, the proposed rates are based on projected income and expenses. The proposed rates are necessary to cover the cost of insurance, fuel, and vehicle maintenance. The proposed rates are believed to be sufficient to produce a reasonable profit and still maintain a quality service.

The Commission notes that the rates for trips within Valentine and the rates for trips outside of Valentine up to twenty miles have remained the same for almost ten years. The proposed increase in the mileage rates for trips exceeding twenty miles is about four percent. The increases in the additional passenger and escort mileage charges would put this new charge in line with similar providers. The waiting time charge that the Applicant proposes to be approved is competitive with other similar service providers.

The Commission would advise the Applicant to make more timely applications for adjustments to its rates in the future. More timely applications would result in requests that are not as drastic for the passengers of the applicant while also providing income for the applicant sooner than delaying the application for a longer period of time does.

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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.

O R D E R

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective May 20, 2011, Charles A. Ward, d/b/a Panda Transportation, Valentine, Nebraska, be, and it is hereby, authorized to amend its rates as follows:

Description	Rates
In Town (0 to 10 miles)	\$20/person
Up to 20 Miles	\$40/person
Mileage (over 20 miles)	\$1.50/mile
Each additional passenger (over 20 miles)	\$0.75/mile
Escort/Matron	\$0.75/mile
After hours (8 p.m. to 8 a.m. and Holidays)	\$25.00
Wait time	\$7.50/15 minutes

MADE AND ENTERED at Lincoln, Nebraska, this 10th day of May, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:





//s//Frank E. Landis
//s//Tim Schram


Chairman

ATTEST:


Executive Director