## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Prescription ) APPLICATION NO. LR-227 of Reasonable Rates and Charges for )

Motor Carriers Passengers and ) GRANTED 
Property for Hire subject to the )

Provisions of Neb. Rev. Stat. ) ENTERED: MAY 7, 2002 (Reissue 1996), Chapter 75, Articles 1 and 3.

BY THE COMMISSION:

## OPINION AND FINDINGS

On December 21, 2001, Omaha Limousine Co., LLC, dba Omaha Limousine, Omaha, Nebraska, filed an application for authority to amend its existing rates through an approximate 18% rate reduction and establish rates for airport transfers, holidays/special events, a 4 passenger SUV, a 6 passenger limousine, and a 24 passenger SUV.

Notice of the application was published in <u>The Daily Record</u> Omaha, Nebraska, on February 1, 2002, pursuant to the Commission's rules. The application was not protested.

Applicant is a certificated common carrier which holds
Certificate B-1548. The certificate authorizes the transportation of
passengers and their baggage by limousine between points in Douglas,
Sarpy, Washington, and Lancaster counties, and between points in said
counties on the one hand, and, on the other hand, points in Nebraska
over irregular routes. RESTRICTION: Restricted to the operation of
limousines with a capacity of 12 passengers or more. Supp 1;
Transportation of passengers by luxury or stretch limousine service in
Nebraska intrastate commerce between points in Douglas, Sarpy,
Washington and Lancaster counties over irregular routes. RESTRICTION:
The transportation of passengers by vans is not authorized.

According to the Applicant, the proposed rates were submitted to establish rates for the recently acquired 4 and 24 passenger SUVs, the 6 passenger limousine, and additional services to be offered. The proposed rates will cover the cost of insurance, fuel, and vehicle maintenance. The company recently changed its insurance company and philosophy. The previous insurance policy carried an extremely high deductible. The current insurance policy is for first dollar coverage. As a result of this change, the premium increased 200%. The proposed rates are believed to be sufficient to produce a reasonable profit and still maintain a quality service. Although the proposed rates are a reduction, the rates do not include driver salary, benefits, or other employee related expenses. Driver compensation is derived from gratuities. The driver, therefore, is an independent contractor who bears the tax and benefit consequences of a self-employed person.

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Adding a gratuity on to the proposed rates, the proposal becomes an increase averaging 4.6%. Applicant's current rates were authorized in December 1999. The Consumer Price Index for the last two years has increased 5.1%. The proposed rates including the driver gratuity are competitive with other limousine companies operating in the metropolitan Omaha area.

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.

## ORDER

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that Omaha Limousine Co., LLC, dba Omaha Limousine, Omaha, Nebraska, be, and it is hereby, authorized to amend its limousine rates as per the attached rate schedule which by reference hereto becomes a part hereof.

MADE AND ENTERED at Lincoln, Nebraska, this 7th day of May, 2002.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

ATTEST.

//s//Anne C. Boyle
//s//Lowell C. Johnson

//s//Frank E. Landis

//s//Gerald L. Vap