

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the ) APPLICATION NO. LR-282  
Prescription of Reasonable Rates )  
and Charges for Motor Carriers )  
Passengers and Property for Hire )  
Subject to the Provisions of ) GRANTED AS AMENDED  
Neb. Rev. Stat. (Reissue 2006), )  
Chapter 75, Articles 1 and 3. )  
ENTERED: OCTOBER 2, 2007

BY THE COMMISSION:

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

On July 23, 2007, VIP Limobus, L.L.C., Omaha, Nebraska filed an application for authority to establish open class-shared ride rates as follows:

Shared Ride Shuttle Service Between Airport and:

Omaha:

<u>Zone</u>	<u>First Passenger</u>	<u>Each Addt'l Passenger in same party</u>
1	\$12	\$6
2	\$16	\$8
3	\$20	\$10
4	\$24	\$12
5	\$28	\$14

Note 1: Passengers originating or terminating outside of Zone 5 will be charged the Hourly Rate.

Note 2: Baggage charge in excess of two pieces of stowed baggage and one piece of carry-on baggage per person will be assessed a rate of \$5.00 per piece.

Note 3: Passenger departing airports, scheduled or non-scheduled, between the hours of 12:00 a.m. and 4:00 a.m. will be assessed an additional \$10.00 plus an additional \$15.00 per hour (\$3.75 per quarter hour) while waiting for passengers to arrive.

Note 4: Passengers canceling the reservation less than two (2) hours prior to the requested pick-up time will be charged the standard Zone Rate.

Van Shuttle Service between Zones exclusive of Airport:

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Passengers traveling between zones charged the difference in zones traveled (e.g. Travel from a point in Zone 2 to Zone 4 would be charged a Zone 2 price).

Passengers originating or terminating outside of Zone 5 will be charged the Hourly Rate.

## Omaha Zones:

Zone 1: Zip Codes 68110, 68102, 68111

Zone 2: Zip Codes 68104, 68132, 68106, 68105, 68108

Zone 3: Zip Codes 68112, 68152, 68134, 68114, 68124, 68122

Zone 4: Zip Codes 68142, 68164, 68154, 68114, 68137, 68127, 68117, 68107, 68157, 68147, 68005

Zone 5: Zip Codes 68113, 68123, 68133, 68128, 68138, 68136, 68135, 68130, 68118, 68116

## Lincoln Zones:

Zone 1: Zip Codes 68524, 68531, 68521, 68508, 68528

Zone 2: Zip Codes 68532, 68522, 68502, 68503, 68510, 68506, 68504, 68514, 68517, 68507

Zone 3: Zip Codes 68527, 68520, 68526, 68516, 68512, 68523

Outside Zone 3 for Lincoln will be charged the hourly rate.

## Fuel Surcharge:

Gas per Gallon	Surcharge
\$0.01-0.00	0%
\$1.00-1.25	1%
\$1.25-1.50	2%
\$1.51-1.75	3%
\$1.76-2.00	4%
\$2.01-2.25	5%
\$2.26-2.50	6%
\$2.51-2.75	7%
\$2.76-3.00	8%
\$3.01-3.25	9%

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Surcharge to increase 1% for each additional \$0.25 increase on gas price.

Emergency action was denied on August 1, 2007.

A hearing on this matter was held on September 18, 2007, at 1:30 p.m. in the Commission Hearing Room. Notice of the hearing was sent to all interested parties on September 10, 2007.

E V I D E N C E

One witness was called by the Applicant. William Alford is president and owner of VIP Limobus, L.L.C. He stated that the proposed rates would be used in his open class/shared ride service that is designed primarily to serve the local hotels in airport transportation. Mr. Alford stated that many hotels are in support of his service as some do not currently provide the service and some other hotels want to discontinue service that they currently provide.

The rates are based in amount and in area on those charged by a similar provider, A & B Shuttle, in Omaha, according to Mr. Alford. The proposed rates use ZIP Codes rather than a geographic area for ease in on-line reservations, as well as ease in calculation of the amount of the trip. Mr. Alford stated the design of the service is that all trips would be prearranged via the internet and paid by credit card.

After questioning that detailed the proposed rates for Omaha and Lincoln, Mr. Alford stated that he believed that the rates as proposed were in the public interest. He also represented to the Commission that the rates were compensable for VIP Limobus.

Upon cross-examination by Commissioner Schram, Mr. Alford stated that incoming passengers would not be taken from an airport to a hotel. The system is designed for prearranged, credit card payment transportation only, and to provide a cash payment option could be a violation of its authority.

Upon cross-examination by Commissioner Landis, Mr. Alford detailed that all reservations were to be made on-line via the internet. The reservation system would present the passenger with a summary of his total charge for the transportation, including a specific detail of the fuel surcharge in place at the time of the booking.

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Mr. Alford also stated that the areas set forth for Lincoln are essentially the same in time and duration as for a similar trip on Omaha.

Upon cross-examination by Commission staff, Mr. Alford stated that his system is proactive in its handling of airline cancellations. Passengers that have flights cancelled will not be subject to a cancellation charge if the passenger is not able to be picked up as prearranged due to a flight cancellation.

Upon review by the Applicant, it was presented to the Commission that an inadvertent error had been made in the filing regarding transportation charges for passengers outside of Zone 5 in Omaha and Zone 3 in Lincoln. The Applicant requested that the Application be amended to show a \$29.50 charge in Note 1 instead of the hourly rate charge as in the application.

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

The Applicant is a certificated common carrier which holds Certificate B-1641, which authorizes in the supplement relevant to this proceeding the transportation of passengers in open class service by 12 passenger or larger bus between points in Nebraska over irregular routes. RESTRICTIONS: The transportation of railroad train crews and their baggage is not authorized. The transportation of passengers by limousine is not authorized.

The service that is the subject of this application is a new one for the Applicant. The Applicant stated to the Commission that hotels have indicated that the shared ride portion addressed here is urgently needed. The Applicant states that the general public will be provided with a shared ride shuttle service that is needed.

The Commission finds that the rates and services as amended are reasonable and competitive with those already in use by services that are similar to those to be provided by the Applicant. The Commission further finds that the rates are compensatory for the Applicant and should provide a reasonable rate of return for the Applicant to institute and continue to provide the service.

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 amended effective October 11, 2007.

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O R D E R

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective October 11, 2007, VIP Limobus, L.L.C., Omaha, Nebraska, be, and it is hereby, authorized to establish open class rates for its use as follows:

Shared Ride Shuttle Service Between Airport and:

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Omaha Zones:

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Zone 3: Zip Codes 68112, 68152, 68134, 68114, 68124, 68122

Zone 4: Zip Codes 68142, 68164, 68154, 68114, 68137, 68127,  
68117, 68107, 68157, 68147, 68005

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68504, 68514, 68517, 68507

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gas price.

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MADE AND ENTERED at Lincoln, Nebraska, this 2<sup>nd</sup> of October, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:



//s// Rod Johnson  
//s// Frank E. Landis

Chairman



ATTEST:



Deputy Director