

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Nebraska)	APPLICATION NO. MR-1009/PI-
Public Service Commission on its)	70
own motion, initiating an)	
investigation on range)	ORDER GRANTING INCREASE
uniformity in the Official)	
Intracity Household Goods Tariff)	
22, and to develop procedures)	
for efficiently processing)	
household goods mover tariff)	ENTERED: JUNE 2, 2004
amendments.)	

BY THE COMMISSION:

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

The Nebraska Public Service Commission initiated this investigation on January 28, 2003. The Commission determined not to adopt a statewide intracity rate schedule for household goods movers, but did adopt a timeline for annual review of household goods mover rates. A committee was formed to develop a process and a standard format to be adopted by the Commission for an annual review of household mover rates.

On February 10, 2004, the Commission ordered that the affidavit developed by the committee be mailed, pursuant to Application No. MR-1009/PI-70, to all certificated household goods movers in the state of Nebraska, with a return date of March 12, 2004, being set. Upon receiving the affidavits, the Commission ordered a public hearing be held on April 14, 2004. Notice of the hearing was published in the Daily Record on March 31, 2004, pursuant to the Commission's rules. A hearing was held on April 14, 2004, in the Commission Library, Lincoln, and by video link in Omaha.

Three representatives from the household good movers industry, Ed Schneider, Earl vonRentzell, and Dennis Leslie, appeared at the hearing in Lincoln. No other individuals or representatives either in favor of or against the subject matter of the hearing appeared in either Lincoln or Omaha.

Ed Schneider testified before the Commission. He informed the Commission that Interstate Tariff 400-N was raised 3.3 percent on January 1, 2003, and an additional 2.2 percent on January 1, 2004. Packing materials was also raised by 12 percent effective March 15, 2004. He further testified that his own costs have greatly increased over the past year, with health insurance increasing 45 percent, and general liability insurance increasing 55 percent being two of the larger increases. He

requested that the Commission grant an increase of between six and eight percent. An increase of this amount would still leave intrastate moves less expensive than a comparable interstate move.

Earl vonRentzell testified that he would request an eight percent increase in the tariff. His request was based primarily on large increases in insurance costs.

Dennis Leslie asked for a ten percent increase in the tariff. His workers compensation increased twenty-four percent in 2003, and his health insurance premiums increased eight percent despite raising his deductible from \$500 to \$1,000.

Exhibit three is a summary of the seventeen affidavits that were received by the Commission on this matter. It showed that, over the past year, on average, drivers salaries increased thirteen percent, health insurance increased seventeen percent, general liability increased eighteen percent, and auto liability insurance increased sixteen percent. Workers compensation insurance costs rose twenty-one percent, packing materials increased nine percent, and fuel increased twenty-two percent in the past twelve months.

The Commission is unanimous that an increase in the tariffs subject to this matter is warranted. The majority of the Commission believes that an eight percent increase is appropriate due to the high increase in costs that the industry has experienced since its last tariff increase in 2002.

From the evidence adduced, and being fully informed in the premises, the Commission is of the opinion and finds that the tariffs should be increased effective June 12, 2004.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that effective June 12, 2004, Official Household Goods Tariff 7-F be, and it hereby is amended, as follows:

1. (Increase) Increase all rates and charges eight percent (8%) rounded up to the next ten cents (\$0.10).

2. (Exception) No increase for:
 - A. Item 1340, Valuation Charges
 - B. Item 1350, Full Value Protection Charges

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that effective June 12, 2004, Official Household Goods Tariff 22 be, and it is hereby, amended as follows:

1. (Amend) Section 3, Item 1000, Labor Charges
 - A. Omaha Area, Standard Hourly Rates: Range \$25 to \$38 per hour.
 - B. All Other Areas of Nebraska, Standard Hourly Rates: Range \$18 to \$35 per hour.
2. (Increase) Increase Section 3, Item 1100, Packing Container Charges:
 - A. Increase all container charges eight percent (8%) rounded up to the next ten cents (\$0.10).
3. (Amend) Section 4, Transportation Rates:
 - A. Change Standard Hourly Rate, as follows:

<u>Description</u>	<u>Rate</u>
Labor:	
Per Hour/per person, Omaha area	\$25.00 to \$38.00
Per Hour/per person, all other areas	\$18.00 to \$28.00
Vehicle:	
Per Hour/per person, Omaha area	\$25.00 to \$38.00
Per Hour/per person, all other areas	\$18.00 to \$28.00

4. (Increase) Section 4 Transportation Rates:
 - A. Optional Packing Charges: Increase labor charge per container eight percent (8%) rounded up to the next ten cents (\$0.10).

IT IS FURTHER ORDERED that the process adopted by the Commission be followed for 2005 on the following timeline:

The adopted affidavit will be sent out to all certificated carriers by January 14, 2005. The Affidavits are to be returned to the Commission by February 14, 2005. The Commission will then hold any hearings that are determined to be necessary in March or April of 2005.

MADE AND ENTERED at Lincoln, Nebraska, this 2nd day of June, 2004.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

D I S S E N T

I hereby respectfully dissent from the decision

The trucking industry made requests for an increase in the tariff rate subject in this hearing that ranged from six percent to ten percent. They did not provide evidence that would identify or justify a specific increase amount other than the general six to ten percent requests.

Under those circumstances, I believe that it is incumbent that the Commission consider the side of the consumer. It is the general public that will be paying the increase in the tariff, and their needs must be taken into account.

The evidence does support an increase in the tariff. In the absence of specific evidence supporting a higher number, however, I believe that a six percent increase in the tariff would be sufficient.

Anne Boyle, Commissioner

