

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	APPLICATION NO. MR-930
Prescription of Reasonable)	
Rates and Charges for Motor)	
Carriers of Passengers and)	GRANTED ON AN EMERGENCY BASIS
Property for Hire Subject to)	
the provisions of R.R.S. 1943,)	
and in particular Chapter 75,)	
Articles 1 and 3.)	ENTERED: APRIL 23, 1996

BY THE COMMISSION:

OPINION AND FINDINGS

On April 18, 1996, Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, Nebraska, filed an application for authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E. The fuel surcharge is to be shown as a separate line item, and it will apply on line-haul movements only. The surcharge is payable to the person who actually pays for the fuel. Additionally, the Commission will put in place a mechanism for a weekly review and adjustment of the fuel surcharge based on the following formula: A five-cent (\$.05) increase/decrease in fuel price will increase/decrease the fuel surcharge two cents (\$.02) per mile.

Emergency action is requested.

Applicant is an association of common carriers whose authority permits the transportation of household goods between points in Nebraska. Section 75-308.01, R.R.S. 1943, as amended, permits common carriers to collectively file a rate application with the Commission.

Over the past several weeks, fuel prices have escalated at an alarming rate. According to the weekly fuel survey conducted by Department of Energy for the Midwest Region the average diesel fuel price on February 5 was 110.4 cents per gallon. On March 4, the average price of diesel fuel increased to 116.5 cents per gallon; and on April 1, the average price was 120.8 cents per gallon. The average regional fuel price reported on April 15 was 130.1 cents. Local diesel fuel pricing has shown the same volatility albeit slightly higher than the regional averages. On January 19, the average fuel price in Nebraska was 110 cents per gallon. As of April 15, fuel prices ranged from 135.9 at Gretna to 141.9 in the Alliance-Scottsbluff area. Just in the last week, diesel fuel prices in Nebraska increased six to eight cents per gallon. Using the average price of diesel fuel in Nebraska on January 19 as a base and the established Commission formula, the suggested fuel surcharge is 10 cents per mile.

The escalating price of fuel is a result of fuel shortages within the system. The protracted winter, particularly on the east coast, created a diversion of fuel for heating oil purposes. Other factors creating the shortages are scheduled pipeline and refinery maintenance, high cost of crude oil and profit concerns of the oil companies.

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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 a fuel surcharge applicable on the line-haul movement and payable to the person paying for the fuel should be granted on an emergency basis effective April 24, 1996, and that fuel prices be monitored on a weekly basis and the fuel surcharge adjusted accordingly.

O R D E R

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective April 24, 1996, Official Household Goods Tariff 7-E be, and it is hereby, amended on an emergency basis to include a ten cent (\$.10) per mile fuel surcharge.

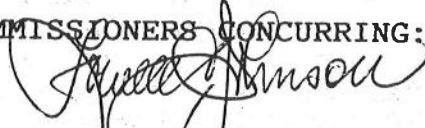
IT IS FURTHER ORDERED by the Nebraska Public Service Commission that the fuel surcharge be added as a separate line item to the transportation line-haul charge only and that the fuel surcharge be payable to the person paying for the fuel.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that the fuel surcharge be reviewed weekly (on Monday) and that the fuel surcharge be increased/decreased according to the formula stated in the opinion and findings to be effective on the following Tuesday.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that public notice of this action be published in The Daily Record, Omaha, Nebraska, pursuant to the provisions of Section 75-121, R.R.S. 1943, as amended, and the Commission's rules.

MADE AND ENTERED in Lincoln, Nebraska, this 23rd day of April, 1996.


COMMISSIONERS CONCURRING:


 //s//Rod Johnson
 //s//Frank E. Landis
 //s//James F. Munnelly
 //s//Daniel G. Urwiller

NEBRASKA PUBLIC SERVICE COMMISSION


 Chairman

ATTESTS:


 Deputy Executive Director