

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the)	APPLICATION NO. TR-117
Prescription of Reasonable)	
Rates and Charges for Motor)	DENIED ON AN EMERGENCY BASIS
Carriers Passengers and)	
Property for Hire Subject to)	
the provisions of Neb. Rev. Stat.)	ENTERED: MARCH 28, 2000
(Reissue 1996), Chapter 75,)	
Articles 1 and 3.)	

BY THE COMMISSION:

OPINION AND FINDINGS

On March 22, 2000, Safeway Cabs, Inc., Omaha, Nebraska filed an application for authority to amend the taxi fares in Omaha through the establishment of a per trip fuel surcharge as follows:

When Fuel Price Exceeds:

\$1.30/Gallon

Fuel Surcharge Is:

\$0.25/trip

Emergency action is requested.

Applicant is an authorized common carrier which holds Certificate No. B-287. The authority granted permits the transportation of passengers and baggage of passengers in the City of Omaha and vicinity.

In support of its application, the following statement is made:

"The cost of gasoline has risen dramatically over the past several weeks. The cost of a barrel of crude oil has now gone over the \$30.00 per barrel mark. This is more than double the price of a barrel from one year ago and is higher than at any time since the Gulf War in 1991. The result is the cost of gasoline at the pump reaching \$1.40 per gallon or more. This is a rise of over 18 percent in the last few weeks. Analysts are predicting that the price of crude oil, due to the concerted efforts of OPEC, will not drop until sometime after the summer demand has passed shortly after Labor Day. Therefore, the cost of gasoline, now having gone over \$1.40 per gallon, will not be expected to fall over the next few months.

"If the latest estimates turn out to be correct, the current level of prices for gasoline have not stopped rising. It is now estimated that the costs will peak at somewhere between \$1.60 and \$1.70 per gallon. Our current proposal is as follows:

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"Any time the price of a gallon of gas exceeds \$1.30, there will be a \$.25 surcharge.

"Safeway Cabs will make every effort to control costs so that no surcharge is necessary under the \$1.30 per gallon level. After that amount the surcharge is necessary. The latest forecasts do call for gasoline to rise to as much as \$1.70 per gallon, but this number appears to be the high-end estimate and should not be reached in the immediate future.

"We would request that this structure be current and continuous, with the granting of the authority allowing us to increase or decrease the surcharge according to the schedule permitted without further necessity for proceedings before the Commission."

Although the fuel surcharge requested was for and on behalf of Safeway Cabs, Inc., its application would apply to all taxicab companies who have authority to operate within the city of Omaha. By Commission order entered on January 26, 2000, the taxi rates in Omaha were increased approximately 15%. A portion of the justification for the general rate increase was fuel related.

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 denied on an emergency basis and that the application be processed in accordance with the Commission's regular procedures and Section 75-119, R.R.S., 1996, as amended.

ORDER

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that the matter docketed in Application No. TR-117 be, and it is hereby, denied on an emergency basis and that said matter be processed in accordance with the Commission's regular procedures and Section 75-119, R.R.S. 1996, as amended.

MADE AND ENTERED in Lincoln, Nebraska, this 28th day of March, 2000.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

James J. Hinson

Aune C. Boyle

Frank E. Landis

//s//Frank E. Landis
//s//Daniel G. Urwiller

Frank E. Landis
Chairman

ATTESTS:

Robert R. Logsdon
Executive Director