

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of Safeway Cabs, ) APPLICATION NO. TR-155  
Inc., Omaha, seeking authority )  
to amend the Omaha taxicab ) GRANTED AS MODIFIED  
rates. )  
ENTERED: OCTOBER 11, 2006

### APPEARANCES:

For the Commission:  
Mark Breiner  
300 The Atrium Building  
1200 N Street  
Lincoln, Nebraska 68508

### BY THE COMMISSION:

By application filed August 7, 2006, Happy Cab, Checker Cab and Yellow Cab of Omaha, Nebraska seeks approval to amend the Omaha taxicab rates as follows:

Description	Current Rates	Proposed Rates
I. Standard Fare		
A. First 1/6 mile (Initial Drop Charge)	\$ 1.95	\$ 1.95
B. Ea. Add'l 1/6 mile	.30	
Ea. Add'l 1/8 mile		.25
II. Senior Citizen Fare:		
A. First 1/6 mile (Initial Drop Charge)	\$1.95	\$ 1.95
B. Ea. Add'l 1/7 mile	.20	
Ea. Add'l 1/6 mile		.25
III. Out-of-town Fare:		
A. Rate per mile	\$ 2.00	\$ 2.25
IV. Waiting Time:		
A. Per each 45 seconds	\$ .15	
Per each 36 seconds		\$ .25
V. Flat Rates Between Eppeley Airfield and Hotels/Motels based on proposed standard fare.		
VI. Cab Hired by the Hour	\$20/hour	\$25/hour
VII. Time and mileage charge	N/A	Waiting Time plus Meter Fare

Notice of the application appeared in the Daily Record, Omaha, on August 10, 2006. No protest or intervention was filed. A hearing on the application was held on September 20, 2006 at the State Office Building in Omaha. Notice of this hearing was sent by U.S. Mail on September 7, 2006 to the interested parties.

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. TR-155

PAGE TWO

Mr. Daniel Deveney, a representative of the applicants, stated to the Commission that the requested increase in taxi rates is an approximate five percent increase over the current charges. He stated that the increase was designed to offset costs that have increased for the applicants.

Mr. Deveney did inform the Commission that the proposed increase was based, in part, on the high gasoline prices that they experienced over the past six months but that those prices have receded since the application was proposed.

Mr. Deveney set forth that the applicant has purchased a new dispatch system which incurs an additional cost of \$8,000 per month. They also are anticipating cost of living increases as well.

Mr. Deveney reviewed the rate schedule and it was pointed out that the senior rate was an increase of ten percent, as opposed to the overall increase of five percent for most other rates. He stated that this is a function of the programming for the meter. He also stated that the applicants were attempting to follow the guidelines as set forth by the Commission to apply for smaller, more frequent increases rather than the larger increases that have been requested less frequently in the past.

Upon examination by Commissioner Boyle, Mr. Deveney did state that the applicants did not foresee requesting an increase in 2007. The applicants stated that they believed that this request would be sufficient for their operations for the next couple of years.

Upon examination by Commissioner Rod Johnson, Mr. Deveney stated that the applicants drivers are lease operators and that the requested increase would go directly to the drivers. Mr. Deveney also stated, however, that the applicants would be increasing the lease charges to its drives in the next few years due to their increased costs such as the new dispatch system. Mr. Deveney also reviewed the applicants policy towards cleanliness and maintenance. They plan to have all vehicles be newer than ten years old by next year, and retire them after 250,000 miles. They perform monthly maintenance on all vehicles at their facility.

Commissioner Vap inquired if the applicants did a background check on their drivers. Mr. Deveney stated that they run a check through ADP, which would include a national check as well as a local check. They also check with Adult Protective Services and Child Protective Services as well.

Upon further examination by Commission Boyle, it was determined that the Commission should enter into the record the costs of gasoline as of the time of the last grant of an increase in August of 2005.

Mr. Deveney responded to examination by Commission staff that there was no consensus from the drivers as to the proposed increase. He also detailed that the new dispatch system are GPS enabled as well as give more detailed information to the drivers. He further stated that the increases in costs should result in an increase in the lease rates to the drivers in the fall of 2007.

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

The Commission has reviewed the application, the evidence presented as well as other factors such as the cost of gasoline. The Commission does note and commends the applicants for appearing before it on a timely basis with more reasonable increases than those proposed in the past. The increase proposed will be easier on the customers as well as be useful to the applicants and its drivers on a better timeline than requests that have been made in the past.

An examination of records shows that the price of gasoline at current levels has dropped from what it was last year. In August of 2005, records show that the price of gasoline was at approximately \$2.40 per gallon. This is higher than the approximately \$2.20 per gallon price as of the time of this order. The Commission is aware that the price of gasoline was much higher during the summer, and has receded from over \$3.00 per gallon to the current levels. There is no method to know what the price of gasoline will be in the future to aid the Commission in its determinations in the current matter.

The applicant has experienced an increase in costs with the purchase of the new dispatch system. This should provide for better service with faster dispatch and more safety with the GPS portion of the system.

The Commission also notes that any increase granted to the applicants will go directly to the drivers. As the drivers of the applicant are lease operators, the applicant receives its income through the lease arrangement and the drivers receive the increase.

# SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. TR-155

PAGE FOUR

The Commission finds that the overall increase is reasonable. The drop charges are remaining the same. The standard fare would rise five percent. The out-of-town fare

would rise around two percent. The most significant change proposed was in the senior rate, which would rise ten percent under the proposal. After discussion with Commission staff, it was determined that the proposal for the senior rate should be change from 15 cents for each additional 1/11<sup>th</sup> mile (or \$1.65 per mile) to 20 cents for each additional 1/8<sup>th</sup> mile (\$1.60). Due to the operation of the meter, this change as set forth requires that the waiting time be changed from thirty cents per forty-three seconds to sixty cents per eighty-six seconds. This change allows the meter to accurately charge waiting time.

The Commission finds that the rates as modified above should be approved effective October 16, 2006.

## O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the Application to amend the Omaha Taxi rates filed by Happy Ca, Yellow Cab and Checker Cab be approved, effective October 16, 2006, as modified:

Description	Rates
I. Standard Fare	
A. First 1/6 mile (Initial Drop Charge)	\$ 1.95
B. Ea. Add'l 1/7 mile	\$0.30
II. Senior Citizen Fare:	
A. First 1/6 mile (Initial Drop Charge)	\$ 1.95
B. Ea. Add'l 1/8 mile	\$0.20
III. Out-of-town Fare:	
A. Rate per mile	\$ 2.25
IV. Waiting Time:	
A. Per each 86 seconds	\$ .60
V. Flat Rates Between Eppley Airfield and Hotels/Motels based on standard fare.	
VI. Cab Hired by the Hour	\$22/hour
VII. No Service Charge	\$7.50
VIII. Time and Mileage Charge	Waiting time plus meter fare
IX. Traffic Delay Waiting Time	Same as IV. above

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

Application No. TR-155

PAGE FIVE

MADE AND ENTERED at Lincoln, Nebraska, this 11th day of October, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*David L. Uy*  
*Anne C. Boyle*  
*Lowell C. Johnson*

//s// Lowell C. Johnson

*Lowell C. Johnson*  
Chairman

ATTEST:

*John B. Pollak*  
Executive Director