

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) APPLICATION NO. TR-163
Prescription of Reasonable)
Rates and Charges for Motor) GRANTED AS AMENDED
Carriers Passengers and) ON AN EMERGENCY BASIS
Property for Hire Subject to)
The provision of Neb. Rev.)
Stat.(Reissue 2006), Chapter)
75, Articles 1 and 3.) ENTERED: MAY 28, 2008

BY THE COMMISSION:

OPINION AND FINDINGS

On May 21, 2008, Happy Cab Company, Yellow Cab Company, Checker Cab Company and Cornhusker Cab Company, Omaha, Nebraska, filed an application for authority to amend the taxi fares in Omaha through the amendment of the current per trip fuel charge as follows:

<u>When fuel price exceeds:</u>	<u>Current</u>	<u>Proposed</u>
\$1.30/Gallon	\$0.25/trip	
\$1.90/Gallon	\$0.50/trip	
\$2.20/Gallon	\$0.65/trip	
\$2.50/Gallon	\$0.80/trip	
\$2.80/Gallon	\$0.95/trip	
\$3.10/Gallon	\$1.10/trip	
\$3.40/Gallon	\$1.25/trip	
\$3.70/Gallon	\$1.40/trip	
\$4.00/Gallon	\$1.55/trip	
When over \$4.00/gallon		Surcharge increase \$0.15 for every \$0.30 increase in the cost of gasoline.

Emergency action is requested.

Applicants are certificated common carriers which hold certificates for transportation of passengers and their baggage by taxi within Omaha.

In support of the application, Lori Mitchell, a manager for the applicants, states that the current fuel surcharge peaks at \$4.00 per gallon. The projected price

of gasoline is anticipated to increase to a figure over that amount in the immediate future. Gasoline was averaging over \$3.80 per gallon as of the time of the application and are not expected to fall back anytime in the near future. This increase hits the drivers and the companies with greatly increased expenses.

At the time of the entry of the order that approved the current gasoline surcharge, the Commission noted that the cost of a barrel of oil had recently exceeded \$70 per barrel due to Hurricane Katrina and the resulting damage to oil production facilities and refineries on the Gulf Coast. At that time, the price of gasoline has surged to over \$3.25 per gallon. Currently, the price of a barrel of oil has surpassed \$135 per barrel and the cost of a gallon of gasoline has increased to over \$3.80 per gallon. As was experienced previously, the cost of a gallon of gasoline is not expected to recede from this amount in the immediate future.

The Commission has approved of fuel surcharges in the past as a method to address situations such as a thirty percent increase in fuel costs in three days as in 2005 or an increase of over ten percent in a matter of two weeks now. The proposed fuel surcharge schedule is an extension of the current fuel surcharge schedule, which the Commission has granted to other companies in the past in circumstances such as presented here. The rate of increase as proposed is the same as that currently in effect.

The Commission finds that an emergency situation does exist that requires the granting of this application on an emergency basis. The extension of the fuel surcharge is reasonable, and should be granted.

The requested fuel surcharge will apply to all taxicab companies who have authority in the city of Omaha. The increase in cost to the applicant and its' drivers is significant, and needs to be addressed quickly.

The application is filed pursuant to Section 75-121, R.R.S. 2003 as amended.

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 on an emergency basis effective May 30, 2008.

ORDER

IT IS, THEREFORE, ORDERED by the Nebraska Public Service Commission that effective September 8, 2005, the Omaha taxi rates be, and it is hereby, amended as follows:

When fuel price exceeds:

\$1.30/Gallon	\$0.25/trip
\$1.90/Gallon	\$0.50/trip
\$2.20/Gallon	\$0.65/trip
\$2.50/Gallon	\$0.80/trip
\$2.80/Gallon	\$0.95/trip
\$3.10/Gallon	\$1.10/trip
\$3.40/Gallon	\$1.25/trip
\$3.70/Gallon	\$1.40/trip
\$4.00/Gallon	\$1.55/trip

Over \$4.00/gallon:

Surcharge increase \$0.15 for every \$0.30 increase in the cost of gasoline.

IT IS FURTHER ORDERED by the Nebraska Public Service that notice of this amendment to their rates be conspicuously displayed within each vehicle and all passengers be notified that the fuel surcharge is in addition to the regular meter fare.

IT IS FURTHER ORDERED by the Nebraska Public Service Commission that the fuel surcharge be paid to the individual or individuals paying for the fuel.

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. 2003, and the Commissions Rules.

MADE AND ENTERED at Lincoln, Nebraska this 28th day of
May, 2008.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chair

ATTEST:

Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION


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//s// Anne C. Boyle
//s// Frank E. Landis