

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Uniform Cover and Calendar Sheet

<b>1. <u>REPORT DATE:</u></b> March 24, 2006	<b>2. <u>BUREAU AGENDA NO.</u></b> APR-2006-TSM-0028*
<b>3. <u>BUREAU:</u></b> Transportation & Safety	
<b>4. <u>SECTION(S):</u></b> M. C. S. & E.	<b>5. <u>PUBLIC MEETING DATE:</u></b> April 20, 2006
<b>6. <u>APPROVED BY:</u></b> Director: Hoffman: 3-3846 Mgr/Spvr: Minder: 7-1168 Legal Review:	
<b>7. <u>PERSONS IN CHARGE:</u></b> Bingaman 3-5946	<b>9. <u>EFFECTIVE DATE OF FILING:</u></b> April 24, 2006
<b>8. <u>DOCKET NO.:</u></b> A-00023233 R-00061472	

10. (a) **CAPTION** (abbreviate if more than 4 lines)  
 (b) Short summary of history & facts, documents & briefs  
 (c) Recommendation

(a) **YELLOW CAB COMPANY OF LEBANON, INC.**  
**INCREASE IN RATES**

**DOCUMENT  
 FOLDER**

(b) Yellow Cab Company of Lebanon, Inc. (carrier) furnishes call or demand service in Lebanon County, as more thoroughly described in the Commission Order granting authority at A-00023233, Folder 3, Amendments A and B. Carrier has filed Tariff Call or Demand Pa. PUC No. 18 on November 15, 2005 and proposes an increase in total revenues of \$11,512. Carrier's owner, M. M. Miller, is also owner of Super Cab, Inc., Application Docket No. A-00099450 and submitted data for both companies concurrently. Upon discovery that Mr. Miller was not maintaining separate financial records for both companies, he was instructed to do so immediately. Mr. Miller was given the opportunity to submit data reflecting the percentage of revenue and expense from each company. Data reveals that Yellow Cab Company of Lebanon, Inc. receives 47% of the business. The rate increase has been proposed to cover a loss of \$8,463 and reduce the operating ratio from 113% to 96%. The carrier proposes changing its call or demand metered increment from 1/6<sup>th</sup> mile to 1/7<sup>th</sup> mile and changing the rate as follows: First 1/6<sup>th</sup> mile from \$1.60 to first 1/7<sup>th</sup> mile for \$2.50; each additional mile 1/6<sup>th</sup> mile from \$.30 to each additional 1/7<sup>th</sup> mile for \$.40. The current rates have been in effect since May 9, 1997. Carrier has calculated that the increase will produce additional PUC revenues of \$11,512. There are no outstanding fines or assessments.

(c) The Bureau recommends that Tariff Call or Demand Pa. PUC No. 18 be approved to become effective on April 24, 2006 and that carrier's owner be ordered to maintain separate financial records for each of his companies.

**11. MOTION BY:** Commissioner Chm. Holland

Commissioner Shane - Yes  
 Commissioner Pizzingrilli - Yes  
 Commissioner Fitzpatrick - Yes

**SECONDED:** Commissioner Cawley

**CONTENT OF MOTION:** Staff recommendation adopted.

*[Handwritten initials]*



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

April 20, 2006

604032

A-00023233  
R-00061472

YELLOW CAB COMPANY OF LEBANON INC  
28 E CUMBERLAND STREET  
LEBANON PA 17042

DOCUMENT  
FOLDER

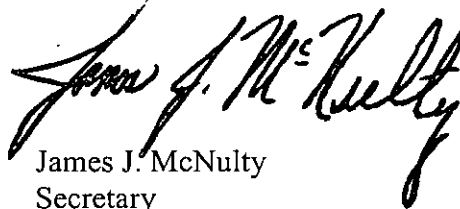
Pennsylvania Public Utility Commission  
v.  
Yellow Cab Company of Lebanon, Inc.

To Whom It May Concern:

This is to advise you that the Commission in Public Meeting on **April 20, 2006** has adopted an Order in the above entitled proceeding.

An Order has been enclosed for your records.

Very truly yours,



James J. McNulty  
Secretary

Rpb  
Encls  
Cert. Mail

**DOCKETED**  
MAY 8 - 2006

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, Pennsylvania 17105-3265

Public Meeting held April 20, 2006

Commissioners Present:

Wendell F. Holland, Chairman  
James H. Cawley, Vice Chairman  
Bill Shane  
Kim Pizzingrilli  
Terrance J. Fitzpatrick

DOCUMENT  
FOLDER

**Pennsylvania Public Utility Commission**

v.

**Yellow Cab Company of Lebanon, Inc.**

A-00023233  
R-00061472

**ORDER**

**DOCKETED**  
MAY 8 - 2006

**BY THE COMMISSION:**

Yellow Cab Company of Lebanon, Inc. (carrier) furnishes call or demand service in Lebanon County, as more thoroughly described in the Commission Order granting authority at A-00023233, Folder 3, Amendments A and B. Carrier has filed Tariff Call or Demand Pa. PUC No. 18 on November 15, 2005 and proposes an increase in total revenues of \$11,511. The rate increase has been proposed to cover a loss of \$8,463 and reduce the operating ratio from 113% to 96%.

The carrier proposes changing its call or demand metered increment from 1/6<sup>th</sup> mile to 1/7<sup>th</sup> mile and changing the rate as follows: First 1/6<sup>th</sup> mile from \$1.60 to first 1/7<sup>th</sup> mile for \$2.50; each additional mile 1/6<sup>th</sup> mile from \$.30 to each additional 1/7<sup>th</sup> mile for \$.40. The current rates have been in effect since May 9, 1997.

M. M. Miller, carrier's owner, is also the owner of Super Cab, Inc, Application Docket No. A-0099450, which also operates in the county of Lebanon. Mr. Miller submitted financial data in order to request an increase in rates for both companies concurrently. Upon examination of the data, it was discovered that Mr. Miller had not kept separate financial records for the companies, but simply divided income and expenses evenly.

Rather than requiring Mr. Miller to undergo the painstaking and time consuming task of separating all records, Staff of the Commission's Bureau of Transportation and Safety offered an alternative solution. After being instructed to maintain separate records, Mr. Miller was requested to examine the logs of both companies for the period of August through September of

2005 and determine each company's percentage of the total volume of business. The analysis revealed that, on average, 47% of the business is that of Yellow Cab Company of Lebanon, Inc. and 53% is that of Super Cab, Inc.; therefore, the financial data presented herein reflects that finding.

Carrier has calculated that the increase will produce additional PUC revenues of \$11,511. The increase was calculated by multiplying \$3 (increase in cost per average trip of 2.29 miles) times 3,837 (the number of trips in the previous year).

**INCOME AND EXPENSE STATEMENT**  
**OCTOBER 1, 2004 TO SEPTEMBER 30, 2005**  
**CARRIER PROJECTED TOTALS**

	<u>Actual</u>	<u>Adjustments</u>	<u>Projection With Adjustments</u>
<b><u>Operating Revenues:</u></b>			
Intrastate	\$63,188	\$11,511	\$74,699
<b><u>Total Revenues:</u></b>	<b>\$63,188</b>	<b>\$11,511</b>	<b>\$74,699</b>
<b><u>Operating Expenses:</u></b>			
Maintenance	\$10,998		\$10,998
Transportation	34,619		34,619
Terminal or Station	6,929		6,929
Traffic Solicitation or Sales	223		223
Insurance	15,652		15,652
Administrative	1,772		1,772
Taxes and Licenses	1,458		1,458
<b><u>Total Expenses:</u></b>	<b>\$71,651</b>		<b>\$71,651</b>
<b><u>Total Income (loss):</u></b>	<b>(\$8,463)</b>	<b>\$11,511</b>	<b>\$ 3,048</b>
<b><u>Operating Ratio Before Taxes:</u></b>	<b>113%</b>		<b>96%</b>

**ANALYSIS**

The carrier proposes an increase in total revenues of \$11,511. The rate increase has been proposed to cover a loss of \$8,463 and reduce the operating ratio from 113% to 96%. Carrier has not projected increases in expenses.

The carrier proposes changing its call or demand metered increment from 1/6<sup>th</sup> mile to 1/7<sup>th</sup> mile and changing the rate as follows: First 1/6<sup>th</sup> mile from \$1.60 to first 1/7<sup>th</sup> mile for \$2.50; each additional mile 1/6<sup>th</sup> mile from \$.30 to each additional 1/7<sup>th</sup> mile for \$.40. The current rates have been in effect since May 9, 1997.

The call or demand present and proposed rates are as follows:

	Current Rate	Proposed Rate	Percent Increased
	\$	\$	%
First 1/6 <sup>th</sup> mile	1.60	n/a	n/a
Each additional 1/6 <sup>th</sup> mile	.30	n/a	n/a
First 1/7 <sup>th</sup> mile	n/a	2.50	n/a
Each additional 1/7 <sup>th</sup> mile	n/a	.40	n/a
First mile	3.10	4.90	58%
Second mile	1.80	2.80	55%
Average trip of 2.29 miles	5.50	8.50	55%

The carrier has no outstanding fines or assessments.

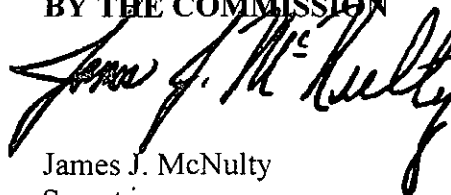
### CONCLUSION

We have determined that Yellow Cab Company of Lebanon, Inc. has submitted the documentary justification to support the proposed revenue increase of \$11,511 and that the increase is not of an excessive amount based on the operating ratio of 96%. It is our opinion that the increase will be sufficient to provide safe, dependable and continuous service to the public: THEREFORE,

### **IT IS ORDERED:**

1. That separate financial records continue to be maintained by carrier's owner.
2. That Tariff Call or Demand Pa. PUC No. 18 be approved to become effective on April 24, 2006.
3. That a copy of this order be served upon the carrier.

BY THE COMMISSION



James J. McNulty  
Secretary

(SEAL)

**ORDER ADOPTED: April 20, 2006**

**ORDER ENTERED: APR 20 2006**

2. Article Number



7160 3901 9843 1138 0963

3. Service Type **CERTIFIED MAIL**

4. Restricted Delivery? (Extra Fee)  Yes

1. Article Addressed to:

*Yellow Cab Company  
of Lebanon, Inc.  
A-00023233 et al O.*

**COMPLETE THIS SECTION ON DELIVERY**

A. Received by (Please Print Clearly)

B. Date of Delivery

*TERESA A. MILLER 4/2/06*

C. Signature

*X Teresa A. Miller*

Agent

Addressee

D. Is delivery address different from item 1?

If YES, enter delivery address below:

Yes

No