

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

DOCKET NO. 04L-292CP

RE: IN THE MATTER OF THE APPLICATION OF SAN MIGUEL MOUNTAIN VENTURES, LLC. DOING BUSINESS AS TELLURIDE EXPRESS TO PUBLISH A FUEL SUPPLEMENT TO PASSENGER TARIFF NO. 11 TO BECOME EFFECTIVE ON LESS-THAN-STATUTORY NOTICE.

**COMMISSION ORDER REJECTING TARIFF CHANGES
ON LESS-THAN-STATUTORY NOTICE**

Mailed Date: June 17, 2004
Adopted Date: June 16, 2004

I. BY THE COMMISSION:

A. Statement

1. On June 3, 2004 San Miguel Mountain Ventures, LLC. doing business as Telluride Express filed an application for authority to publish a fuel supplement increase to Passenger Tariff Number 11 to become effective on less-than-statutory notice. Telluride Express provides passenger service between points in the Telluride, Colorado to points in Southwest Colorado.

2. Telluride Express proposes a one-dollar per passenger surcharge on every trip. The surcharge has no expiration date. The proposal will result in 6.3 percent increase in revenues. No notice in the Telluride area has been published or posted.

3. In support of the application, Telluride Express states that fuel costs have increased substantially since the beginning of the year. No cost data was filed in support of the application; only a list comparing 2002 and 2004 gasoline prices was submitted. However,

Telluride Express has previously in November 2003, and April 2004 used expense increases in the rate basis in support of rate increases. A calculation using 2002 gas prices as opposed to 2004 prices could thus substantially overstate fuel expenses for the purpose of an emergency supplement.

4. Rule 31(f)(1) of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1, allows an order authorizing carriers to change tariffs on less-than-statutory notice for good cause shown. Rule 31 of the Commission's Rules of Practice and Procedure, 4 *Code of Colorado Regulations* 723-1 requires that rate increase proposals must be accompanied by statements setting forth all the circumstance, conditions, and data relied upon in justification of the proposed changes. In addition, Rule 31 also requires public notice through publication in local newspaper and submission of a copy of the newspaper notice with the Commission. If a less-than-statutory application is proposed then the notice and justification must be posted and filed concurrently with the proposed tariff.

5. The Commission finds that good cause has not been shown for the approval of the proposed one-dollar per passenger per trip rates in Supplement No. 1 to Passenger Tariff No. 11 and that the application should be rejected.

II. ORDER

A. The Commission Orders That:

1. The application of Telluride Express to publish a fuel supplement to Passenger Tariff No. 11 on less-than-statutory notice is rejected.

2. The 20-day time period provided by § 40-6-114(1), C.R.S., to file an application for rehearing, reargument, or reconsideration shall begin on the first day after the Commission mails or serves this Order.

3. This Order is effective on its Mailed Date.

**B. ADOPTED IN COMMISSIONERS' WEEKLY MEETING
JUNE 16, 2004.**

(S E A L)



THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

GREGORY E. SOPKIN

JIM DYER

Commissioners
COMMISSIONER POLLY PAGE ABSENT

ATTEST: A TRUE COPY

Bruce N. Smith
Director