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April 3, 2014

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

VIA HAND DELIVERY

**RE: Lyft, Inc.
Application for Motor Common Carrier of Persons in Experimental Service
Docket No. A-2014-_____**

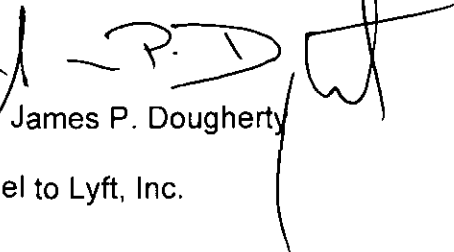
Dear Secretary Chiavetta:

Please find enclosed for filing with the Pennsylvania Public Utility Commission ("PUC" or "Commission") Lyft, Inc.'s ("Lyft"), Application for Motor Common Carrier of Persons in Experimental Service for the Commonwealth of Pennsylvania. Also enclosed is a check in the amount of \$350.00 to cover the requisite filing fee.

Please date stamp the extra copy of this transmittal letter and Application, and kindly return them to our messenger for our filing purposes.

Sincerely,

McNEES WALLACE & NURICK LLC

By 
James P. Dougherty

Counsel to Lyft, Inc.

JPD/leh
Enclosures

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Secretary
Pennsylvania Public Utility Commission
400 North Street, Second Floor
Harrisburg, PA 17120
(717) 772-7777
www.puc.pa.gov

**Application for Motor Common Carrier of Persons in
Experimental Service**

THIS APPLICATION IS TO BE USED WHEN PROVIDING A NEW, INNOVATIVE, OR EXPERIMENTAL TYPE OF TRANSPORTATION WHICH IS NOT CHARACTERIZED IN THE SCHEME OF CLASSIFICATION IN ACCORDANCE WITH 52 PA. CODE § 29.13.

1. Legal Name of Applicant (Individual, Partnership or Corporation)

Lyft, Inc.

2. Trade Name (Attach a copy of fictitious name registration if applicable)

Lyft

3. Do you currently hold PUC Authority? X NO Previous Authority? X NO

**4. Are you a business entity registered with the PA Dept. of State?
If YES, provide your PA Corporation Bureau Entity ID Number
(see checklist and indicate type of business entity registered)**

Lyft is a For Profit Corporation registered with the PA Department of State. Lyft's PA Corporation Bureau Entity ID Number is 4255720. Lyft's Corporate Officers and Directors are:

Corporate Officers:

Logan Green, CEO, CFO and Secretary
John Zimmer, President
Travis VanderZanden, COO

Directors:

Logan Green
John Zimmer
Scott Weiss
Geoff Lewis

5. Physical Address (do not use PO Box)

Lyft, Inc.
548 Market Street #68514
San Francisco, CA 94104
Phone: 415-264-5462
County: San Francisco

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6. **Mailing Address (if different from Physical Address)**

Same as Physical Address.

7. **Attorney (if applicable)**

James P. Dougherty (Pa ID No. 59454)
Barbara A. Darkes (Pa ID No. 77419)
Adeolu A. Bakare (Pa ID No. 208541)
McNees Wallace & Nurick LLC
100 Pine St., P.O. Box 1166
Harrisburg, PA 17108-1166
Phone: 717-237-5249
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8. **Does applicant hold interstate operating authority?**

Lyft does not hold interstate operating authority.

9. **Describe the service area proposed by this application**

See Attachment A.

10. **Certification:**

Applicant is currently offering a pioneer intrastate transportation program between limited points in Allegheny County, Pennsylvania. Applicant demands no compensation for this service. Applicant is providing coupons that enable prospective riders to obtain transportation on certain routes, as service may be available. To the extent that any ride is outside the parameters of such coupons, passengers may still use the service, without payment to Applicant. Passengers may, at their discretion, make a donation to Applicant at the conclusion of the ride. Applicant offers a suggested donation amount, but such donations are not mandatory. Because Applicant desires to evolve its service and offer such transportation for compensation, Applicant seeks the requisite authorization from the Pennsylvania Public Utility Commission.

Applicant certifies that it understands the requirements of the Pennsylvania Public Utility Commission, especially as they relate to safety and insurance and that it may be subject to civil penalties, suspension or cancellation of the Certificate for failure to comply with Commission requirements.

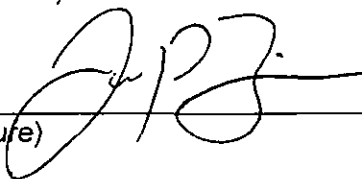
Applicant further certifies that it understands that it is subject to an annual assessment based upon its reported Pennsylvania intrastate revenues; said assessment to help defray expenses incurred in regulating Motor Common Carriers of Persons in Experimental Service; and acknowledges that failure to report revenue and pay its annual assessment may result in civil penalties, suspension or cancellation of the certificate.

Verification of Application

I/We hereby state that the statement(s) made in this application is/are true and correct to the best of my/our knowledge and belief.

The undersigned understands that false statements herein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.

Lyft, Inc., by John Zimmer, its President
(Print Name)


(Signature)

4/3/2014

(Date)

The verification of the application must be completed by the applicant appearing on Line 1 of the application by the named individual, all partners if a partnership, a member (if a limited liability company), or by the President or Secretary (if a corporation).

Revised 12/1/13

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LYFT, INC. EXPERIMENTAL APPLICATION – RESPONSE TO ITEM #9

I. AREA OF SERVICE

This Application of Lyft, Inc. ("Lyft") for an experimental service proposes to operate a peer-to-peer ride-sharing network using digital software to facilitate transactions between passengers and ridesharing operators using their own vehicles to provide transportation (known as a transportation network service) between points within the Commonwealth of Pennsylvania for the purpose of enhancing access to transportation alternatives, supplementing existing public transportation, reducing single occupancy vehicle trips, vehicle ownership and usage, and assisting the state in achieving reductions in greenhouse gas emissions.

II. DEFINING THE SERVICE

A Transportation Network Company ("TNC") as referenced herein refers to a company offering transportation network service through a mobile software application, to connect individuals seeking transportation with qualified drivers (as defined by 52 Pa. Code § 29.501-508) using their own insured vehicles (consistent with 52 Pa. Code § 32.11). By way of background, the California Public Utilities Commission recently authorized the operation of TNC providers under terms substantially similar to those proposed herein. *Re Regulations Relating to Passenger Carriers, Ridesharing, and New Online-Enabled Transportation Service*, R-12-12-011, 2013 WL 5488494, at *1 (Cal.P.U.C. Sep. 19, 2013).

Lyft proposes to make available to Commonwealth of Pennsylvania residents an innovative form of prearranged transportation accessible through a mobile software application (available on both the Apple iOS and Android mobile operating systems) marketed under the trade name "Lyft."

Existing prearranged and on-demand transportation services in the Commonwealth of Pennsylvania rely on full-time professional drivers, unnecessarily limiting the scope of authorized services available to meeting fluctuating consumer demand for transportation. In addition, existing services can be costly and therefore out of reach for many consumers, and do not consistently or effectively make use of available technology to enhance safety and consumer convenience and to efficiently distribute available resources to areas of need.

III. BASIS FOR PROPOSAL

Ridesharing (*i.e.*, non-professionals with vehicles providing rides to friends, neighbors, casual acquaintances) is nothing new. Consumers have been engaging in ridesharing in substantial numbers for many decades; historically, through casual carpooling, commuter pick-up lines, employer and community rideboards, and more recently, through online marketplaces such as Craigslist.¹ It has long been recognized, within

¹ See Nelson D. Chan & Susan A. Shaheen, *Ridesharing in North America: Past, Present, and Future*, TRANSPORT REVIEWS, 32:1, 96-105 (2012) (describing long history of carpooling and other forms of ridesharing in US).

Attachment A

Pennsylvania² and more broadly, that ridesharing and the reduction in single occupancy vehicle trips provide tremendous societal benefits, including enhanced access to transportation, and reductions in traffic congestion and greenhouse gas emissions.

As evidenced by the Commission's embrace of smart meter technology for various public utility applications, the rapid development of communications and information technology can vastly improve consumer experiences with traditional regulated services. Sophisticated mobile software, mobile devices, and Global Positioning Satellite technology ("GPS") can replace and improve rideboards and casual carpool lines by connecting individuals seeking transportation with individuals willing to provide such transportation in real-time, while also adding an unprecedented level of consumer safety, customer service, and service reliability.

The TNC proposed by Lyft, accessible through the Lyft mobile application and operated by Lyft, would make use of these technological advances to allow residents of the Commonwealth of Pennsylvania in need of transportation to quickly and efficiently communicate with individuals willing to provide transportation to points within the Commonwealth using their personal vehicles. As the certificated entity, Lyft would be responsible for providing a durable record of each trip completed through the platform, including the identity of the passenger and driver, a photograph of the vehicle, and a description of each trip (*i.e.*, time and location of origination and destination, and GPS record of route taken). Lyft would further be responsible for obtaining criminal background and driving history checks for all individual drivers offering service through the Lyft platform, and Lyft would obtain an excess liability insurance policy with a liability limit of \$1,000,000 per incident. In addition to background checks, Lyft would require all individual drivers to maintain personal liability insurance in at least the amounts required by law, observe Lyft's Zero Tolerance for Drugs and Alcohol policy, and meet the standards for a qualified driver for purposes of 52 Pa. Code § 29.501-508. Drivers who fail to meet the foregoing requirements will not be permitted to use the Lyft platform as a driver.

Furthermore, by providing a streamlined process for qualifying drivers to provide transportation, the proposed service would make it possible for non-professional and occasional drivers to provide transportation, enhancing access to and availability of affordable, high-quality transportation services for Commonwealth of Pennsylvania residents while ensuring the safety of riders. By providing enhanced access to transportation alternatives, the proposed service would reduce single-occupancy trips, reduce vehicle ownership, serve as a supplement to existing transportation options, and ultimately reduce greenhouse gas emissions.

² See Ridesharing Arrangements Act [55 P.S. § 695.1 (unconsolidated) *et seq.*]; Chan *et al.* *Ridesharing in North America: Past, Present, and Future*, *supra*.

IV. PROPOSAL FOR SATISFYING PUC REQUIREMENTS

The proposed service would be subject to PUC jurisdiction and obligated to satisfy the requirements of the PUC Code and Regulations as set forth below. To the extent that the proposed service is deemed inconsistent with any existing regulations, Applicant requests waiver of such regulations pursuant to the Commission's authority under 66 Pa.C.S. § 501 and 52 Pa. Code § 5.43.

A. Transportation Network Company Obligations:

- 1) As the Certificated Entity, the TNC would be responsible for ensuring compliance with relevant PUC provisions in the manner specified herein, and would be responsible for verifying the qualifications of drivers and for removing non-qualified drivers from the platform.
- 2) Only rides booked through the TNC mobile application shall be recognized by the TNC and drivers utilizing the TNC platform. Under no circumstances shall a driver using the TNC platform solicit or accept street-hails or passengers from taxi stands.
- 3) The TNC shall maintain electronic records for each trip completed through the platform, including the identity of the passenger and driver, a description of the vehicle, the amount paid or donated, if any, the time and location of origination and completion, and a GPS record of the precise route taken.
- 4) Following transmission and acceptance of the ride request, the TNC application will provide the passenger with an "in-app" confirmation of acceptance, a picture of the driver and vehicle, and a link allowing the passenger to communicate to the driver any special requests or instructions.
- 5) Upon completion of a trip, the TNC shall transmit an electronic receipt to the passenger's email address or mobile application documenting the origination and destination of the trip and a description of the total amount paid or donated, if any.
- 6) The TNC shall comply with 52 Pa. Code § 3.381 (Applications for transportation of property, household goods in use and persons), § 3.382 (Evidentiary guidelines for applications for passenger and household goods in use of authority), and § 3.383 (Applications for temporary authority and emergency temporary authority) to the extent that § 3.381 imposes requirements on applications for Motor Common Carrier of Persons in Experimental Service, except that Lyft proposes to satisfy 52 Pa. Code § 32.11 (a) and (b) and 52 Pa. Code § 3.381(e), regarding insurance coverage and proof of insurance coverage, by:
 - a) Requiring that any individual wishing to offer transportation as a driver on the TNC platform provide proof of current personal liability insurance coverage in at least the amounts specified in 75 Pa.C.S. § 1702 and 75 Pa.C.S. § 1711;

Attachment A

- b) Submitting to the PUC a Uniform Motor Carrier Bodily Injury and Property Liability Certificate of Insurance (Form E) evidencing the following coverages in the following amounts:
 - i) An Excess Liability Policy providing no less than \$1,000,000 coverage per incident, which responds to a driver's liability to passengers, other drivers, pedestrians and other third parties arising from an accident, and which is designed to provide coverage in the event that a driver's personal insurance does not respond or covers only a portion of the driver's liability associated with an accident;
 - ii) An Excess Uninsured and Underinsured Motorist Policy providing no less than \$1,000,000 bodily injury coverage per incident, which responds when a driver is in an accident with a third-party driver who is uninsured or underinsured and is ultimately at fault for bodily injury caused to the Lyft driver, Lyft passengers, or third parties.
- 7) The Commission shall be entitled to inspect records to investigate compliance with the requirements of this addendum and the provisions of the Pennsylvania Code identified herein; provided, that any records disclosed to the Commission shall not be subject to disclosure to a third party by the Commission, including through a request submitted pursuant to the Pennsylvania Right to Know Law or the federal Freedom of Information Act.
- 8) The TNC would be subject to an annual assessment based upon its reported Pennsylvania intrastate revenues; said assessment to help defray expenses incurred in regulating Motor Common Carriers of Persons in Experimental Service.
- 9) The TNC shall establish a driver-training program designed to ensure that each driver safely operates his or her ride-sharing vehicle prior to the driver being able to offer service.
- 10) The TNC shall maintain a website that provides a customer service telephone number or email address.
- 11) The TNC shall be subject to PUC jurisdiction. For clarification, a TNC is not a "call or demand service," "taxicab service," or "limousine service" for purposes of 53 Pa.C.S. § 5701 *et seq.*
- 12) The TNC shall not be required to comply with the provisions of Title 52 of the Pennsylvania Code not specifically addressed herein.

B. Driver Qualifications and Operating Standards

- 1) The TNC shall comply with 52 Pa. Code, Chapter 29, Subchapter F as follows:
 - a) All TNC drivers be at least 21 years of age and have a valid driver's license.
 - b) Consistent with the purpose of 52 Pa. Code § 29.504, the TNC shall obtain a driver history for the Commonwealth of Pennsylvania for the preceding three years and shall disqualify any person who has a driver history that

Attachment A

indicates: (i) more than three moving violations in the three-year period preceding such check; or (ii) a major violation in the three-year period preceding such check (including, but not limited to, attempting to evade the police, reckless driving, or driving on a suspended or revoked license).

- c) To comply with 52 Pa. Code § 29.505, the TNC shall conduct a national criminal background check for every TNC driver and shall disqualify any person who has a criminal background check that indicates a conviction within the past seven years, of driving under the influence of drugs or alcohol, or fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage and/or theft, acts of violence, or acts of terror.
 - d) To satisfy the prohibitions on use of drugs or alcohol set forth in 52 Pa. Code §§ 29.506 and 29.507, the TNC shall maintain a zero tolerance policy on the driver's use of drugs or alcohol while using the TNC platform, provide notice of the zero tolerance policy on its website, as well as the procedures to report a complaint about a driver as to whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the ride, and immediately suspend said driver upon receipt of a passenger complaint alleging a violation of the zero tolerance policy. The suspension shall last the duration of the investigation.
- 2) TNC drivers shall be required to provide proof of valid and current liability insurance on the vehicle to be used in offering ridesharing services in at least the amounts specified in 75 Pa.C.S. § 1702 and 75 Pa.C.S. § 1711.
 - 3) TNC drivers shall provide proof of both the operator's personal insurance and excess liability insurance in the case of an accident, provided, that the drivers shall have 24 hours to provide proof of excess liability insurance.
 - 4) All TNC drivers will operate as independent contractors.

C. Vehicle Qualifications

- 1) The TNC shall meet the requirements of 52 Pa. Code § 3.381(f) regarding safety ratings and fitness reviews, by requiring that each vehicle used to provide transportation through the Lyft platform undergo a 19-point safety inspection conducted by the TNC or a third party approved by PUC before being used for transportation. The inspection will review safety standards and shall specifically address the following vehicle components:
 - i.) Foot brakes;
 - ii.) Emergency brakes;
 - iii.) Steering mechanism;
 - iv.) Windshield;

Attachment A

- v.) Rear window and other glass;
 - vi.) Windshield wipers;
 - vii.) Headlights;
 - viii.) Tail lights;
 - ix.) Turn indicator lights;
 - x.) Stop lights;
 - xi.) Front seat adjustment mechanism;
 - xii.) Doors (open, close, lock);
 - xiii.) Horn;
 - xiv.) Speedometer;
 - xv.) Bumpers;
 - xvi.) Muffler and exhaust system;
 - xvii.) Condition of tires, including tread depth;
 - xviii.) Interior and exterior rear view mirrors; and
 - xix.) Safety belts for driver and passenger(s).
- 2) The inspections described in Section 1) shall be in lieu of compliance with 52 Pa. Code, Chapter 29, Subchapter E (VEHICLE EQUIPMENT AND INSPECTION) and the inspection standards set forth in 67 Pa. Code Chapter 175, except that Lyft shall be subject to inspection by enforcement officers solely to ensure compliance with Section 1) above.
- 3) Eligible vehicles shall be street-legal coupes, sedans, or light-duty vehicles, including without limitation, vans, minivans, sport utility vehicles ("SUVs"), hatchbacks, convertibles, and pickup trucks.
- 4) TNC vehicles shall not be equipped with meters or offer metered service.

The provisions of 52 Pa. Code § 29.314, regarding meters, shall otherwise not apply to vehicles in this service.