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June 26, 2014

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

VIA ELECTRONIC FILING

Re: Bureau of Investigation and Enforcement v. Lyft, Inc.; C-2014-2422713

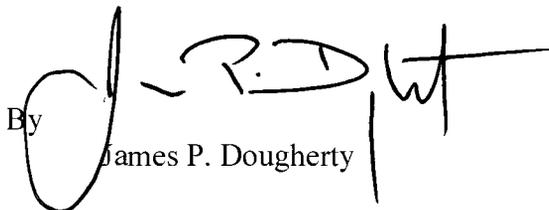
Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Motion for Stay of Lyft, Inc. in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By James P. Dougherty

Counsel to Lyft, Inc.

/mc
Enclosure

c: Administrative Law Judge Mary D. Long (via e-mail and First-Class Mail)
Administrative Law Judge Jeffrey Watson (via e-mail and First-Class Mail)
Certificate of Service

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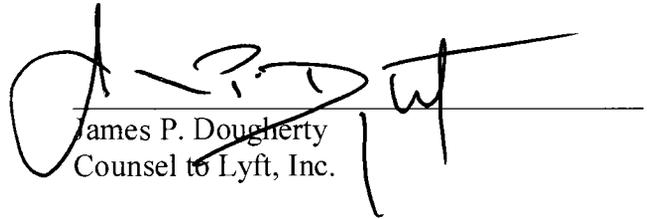
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA E-MAIL AND FIRST-CLASS MAIL

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Stephanie M. Wimer, Esq.
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Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
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James P. Dougherty
Counsel to Lyft, Inc.

Dated this 26th day of June, 2014, in Harrisburg, Pennsylvania.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

BUREAU OF INVESTIGATION	:	
AND ENFORCEMENT	:	
	:	
v.	:	Docket No. C-2014-2422713
	:	
LYFT, INC.	:	

MOTION FOR STAY OF LYFT, INC.

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Lyft, Inc. ("Lyft"), by and through its counsel, James P. Dougherty and Adeolu A. Bakare and McNees Wallace & Nurick LLC, files this Motion for Stay, pursuant to Section 5.103 of the Pennsylvania Public Utility Commission's ("Commission") regulations, 52 Pa. Code § 5.103, and in connection therewith avers as follows:

1. Lyft hereby requests a stay of the above-captioned proceeding in the interests of judicial economy and administrative efficiency to allow the Commission to address the pending Application for authority to offer experimental transportation network service in Allegheny County before adjudicating this Complaint. By filing the pending Application, Lyft has demonstrated a willingness and desire to work with the Commission and the Commonwealth to fit its innovative technology-enabled transportation network service within an existing regulatory framework that was designed for more traditional transportation services. Further, Lyft submits that many of the issues raised in the Complaint proceeding are duplicative of issues set for disposition through the Application proceeding.¹ Accordingly, judicial economy supports a temporary stay of this proceeding.

2. On June 5, 2014, the Bureau of Investigation and Enforcement ("I&E") filed a Complaint with the Commission alleging that Lyft is acting as a broker of transportation without

¹ Importantly, Lyft is currently preparing an Amended Application to clarify its compliance with the Commission's existing requirements relating to driver integrity, inspection, vehicle safety and insurance.

Commission authority. The Complaint seeks a civil penalty of \$130,000 and requests that Lyft be directed to cease offering ridesharing passenger transportation service. The Complaint was served on Lyft on June 6, 2014, and an Answer is due on June 26, 2014.

3. On June 16, 2014, I&E filed a Petition for Interim Emergency Relief ("Petition") with the Commission requesting the issuance of an Interim Emergency Order requiring Lyft to immediately cease and desist from brokering transportation service for compensation between points within the Commonwealth of Pennsylvania.

4. On June 23, 2014, Lyft filed an Answer to the Petition, requesting that the Administrative Law Judges ("ALJs") and the Commission deny I&E's request for emergency relief.

5. Previously, on April 14, 2014, Lyft filed an Application at Docket No. A-2014-2415045 requesting the issuance of a Certificate of Public Convenience to operate an experimental ridesharing network service between points in Allegheny County, Pennsylvania.²

6. In the Application, Lyft proposed to use a digital platform to connect passengers to independent drivers with whom Lyft would contract. Passengers would request transportation through the Lyft mobile application ("App") on their smart phones. Drivers would use their personal vehicles for providing transportation services.

7. Lyft's Application explained that the company offers innovative services to passengers that are not offered through traditional transportation models. By relying on a digital platform, Lyft can efficiently and economically connect passengers with drivers in situations where traditional transportation models have proven ineffective. This service is necessary in Allegheny County due to the failure of existing transportation options to adequately meet the needs of the public. As an indicator of public support, the City of Pittsburgh's Mayor, William Peduto, has asked the Commission to encourage and permit innovative transportation network services, such as that

² Lyft has also filed an Application at Docket No. A-2014-2415047 requesting the issuance of a Certificate of Public Convenience to operate an experimental ridesharing network service throughout the Commonwealth, which is pending before the Commission.

offered by Lyft, as a means to meet the service needs unfulfilled by existing taxicab and limousine companies operating in the Pittsburgh area.³

8. Consistent with Commission procedures, Lyft's Application was published in the Pennsylvania Bulletin on April 19, 2014, with protests due by May 5, 2014. Protests to the Application were filed by the Insurance Federation of Pennsylvania ("Insurance Federation"), the Pennsylvania Association for Justice ("PAJ"), JB Taxi LLC, Executive Transportation, Inc. t/a Luxury Sedan, and Concord Limousine, Inc., and Black Tie Limousine, Inc. Lyft filed preliminary objections to the protests, and the Application and protests are currently pending before the Office of Administrative Law Judge.

9. As previously mentioned, Lyft is preparing an Amended Application for filing at Docket No. A-2014-2415045. Specifically, Lyft will clarify that it intends to fully comply with all Commission requirements set forth in 52 Pa. Code §§ 32.11 and 41.21 by maintaining liability insurance and providing the necessary documentation of such liability insurance covering each motor vehicle operated within Pennsylvania in the amounts specified in the regulations. Based upon Lyft's review of the protests filed by the Insurance Federation and PAJ, it is believed that the Amended Application will address their concerns and lead to the withdrawal of those protests. Absent withdrawal of those protests, the pending preliminary objections assert that the Insurance Federation and PAJ lack standing to protest the Application, and that the Commission has full authority to conditionally approve the Application subject to the submission of evidence of adequate liability insurance coverage.

10. Similarly, Lyft anticipates that protests filed by three limousine companies and one taxicab company will be withdrawn. As with the PAJ and Insurance Federation protests, the Amended Application will address substantive insurance and vehicle safety issues raised in the protests. The sole remaining issue, *i.e.* claims that the proposed service is duplicative of existing

³ See Exhibit A.

services or otherwise unnecessary, are patently contradicted by public record. For example the Commission distinguished transportation network service from limousine and taxicab service when it conditionally approved the application of Yellow Cab Company of Pittsburgh, Inc. t/a Yellow X ("Yellow Cab") at Docket No. A-2014-2410269 for experimental transportation network service. In distinguishing Yellow Cab's proposed service from limousine and taxicab service, the Commission pointed to the use of a digital platform accessed through a mobile application as a key distinguishing factor allowing for wider-ranging, faster and more user friendly scheduling of transportation services. Additionally, in a Joint Statement accompanying the adoption of the Yellow Cab Order, Commissioner Witmer and Commissioner Brown described this type of service as having the potential to revolutionize the transportation market and increase available transportation options for Pennsylvania consumers. Both Commissioners welcomed possibility for multiple transportation network service business models and noted their expectation that this type of service would thrive in Pennsylvania and provide great benefits to consumers.

11. Following submission of the Amended Application, the Application may be before the Commission for review within the next several weeks. As noted in the Application, Lyft plans to meet or exceed all Commission requirements relating to driver integrity and vehicle safety. In addition, if the Application becomes unopposed, Lyft stands ready and willing to cooperate with the Commission staff to address any remaining concerns with the objective of the Application being approved by the Commission in the near future.

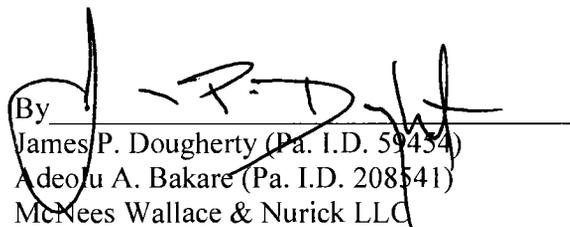
12. Given the procedural status of Lyft's Application at the Commission, Lyft submits that judicial economy and administrative efficiency would be served by staying the present Complaint proceeding. Such a stay would give Lyft the opportunity to resolve any remaining issues with Lyft's Application so that the Commission may timely dispose of it, possibly alleviating the need for the Complaint proceeding to move forward.

13. Lyft has demonstrated a willingness to work with the Commission and the Commonwealth to fit its innovative technology-enabled services within the existing regulatory framework that was clearly not designed for these types of services. Further, Lyft has shown a continuing commitment to compliance with requirements relating to driver integrity, vehicle safety and adequate liability insurance.

WHEREFORE, for the foregoing reasons, Lyft, Inc. respectfully requests that the Commission grant its Motion for Stay and hold the Complaint proceeding in abeyance pending the adjudication of Lyft's Application proceeding at Docket No. A-2014-2415045.

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By 
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Dated: June 26, 2014



CITY OF PITTSBURGH

"AMERICA'S MOST LIVABLE CITY"

Tuesday, June 17, 2014

Robert F. Powelson, Chairman
Jan H. Freeman, Executive Director
Pennsylvania Public Utility Commission
400 North Street
Harrisburg, PA 17120

Dear Chairman Powelson and Mr. Freeman:

I write to you today to express my sincere disappointment in the Pennsylvania Public Utility Commission's (PUC) decision to fine, intimidate, and in some cases prosecute individuals who work as drivers related to the Lyft and Uber ride-sharing services. While I understand that the PUC takes its duty to ensure public safety seriously, it is evident that your enforcement activities against these entrepreneurs go above and beyond what is required or prudent.

The role of government is to facilitate innovation and growth, not to stand in its way. This is a sentiment that I have shared with you before and during our conversations I was hopeful that the PUC would lead on this issue by working closely with Uber and Lyft to craft new regulations that would allow them to operate freely. I am still hopeful that this can happen and I trust in your commitment to exploring innovation and encouraging entrepreneurship in the Commonwealth.

These innovative companies have come to Pittsburgh to provide popular transportation options that our citizens have embraced with fervor. In fact, Uber is reporting that ridership in Pittsburgh is growing faster here than in any other city where their service is available. I myself use Lyft and Uber frequently and have been quite pleased with both the level of service that I have received and the comfort and safety I have enjoyed while in the care of their drivers. In reality, these services are not going anywhere anytime soon because the people, through their wallets and smartphones, have demanded it.

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Other states, recognizing the growing popularity of these programs, have installed new regimes of regulation that allow companies like these to operate legally and safely. California and Colorado are just two examples of governments that have successfully tackled this problem. If they can do it, I know we can too.

It is our obligation as public leaders to respond to these strong signals for change from our constituents. I urge you to cease these overbearing enforcement activities now and commit to the future of public transportation with Uber, Lyft, and what I am sure will be numerous companies just like them in the future.

Sincerely,



William Peduto
Mayor

