

LAW OFFICES OF
MILLER KISTLER & CAMPBELL

RICHARD L. CAMPBELL
JOHN R. MILLER, III
TERRY J. WILLIAMS
TRACEY G. BENSON*
SCOTT C. ETTER, Ph.D.
DAVID B. CONSIGLIO**
BRIAN K. MARSHALL
LISA M. WELSH**
DAVID S. GAINES, JR.

OF COUNSEL
FRED B. MILLER

*ALSO ADMITTED IN WEST VIRGINIA
**ALSO ADMITTED IN MARYLAND

PLEASE REPLY TO:
STATE COLLEGE OFFICE

September 9, 2014

720 SOUTH ATHERTON STREET
STATE COLLEGE, PA. 16801-4669
(814) 234-1500

FAX (814) 234-1549
AND

124 NORTH ALLEGHENY STREET
BELLEFONTE, PA. 16823-1695
(814) 355-5474

GENERAL FAX (814) 355-5340
REAL ESTATE FAX (814) 357-0264

JOHN R. MILLER, JR.
(1919-2007)

ROBERT K. KISTLER
(1925-2012)

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
2nd Floor, Room N201
Harrisburg, PA 17120

RE: Docket No. M-2014-2431451

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SEP 09 2014

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Dear Secretary Chiavetta:

This law firm represents AA Taxi, Inc. and Patrick Evans, owner of AA Taxi, Inc. AA Taxi is based in State College, Centre County, Pennsylvania, and has been in business since August, 2006. AA Taxi currently operates eleven taxi cabs, and has over forty drivers who make their living under the AA Taxi license.

I am writing this protest on behalf of Mr. Evans and AA Taxi seeking the assistance of the Pennsylvania Public Utility Commission (hereinafter "the Commission") in preventing Uber Technologies, Inc. (hereinafter "Uber") and Lyft, Inc. (hereinafter "Lyft") and similar companies from operating outside of the authority of the Commission. Companies such as Uber and Lyft advertise in a manner which creates the illusion that a smartphone "APP" or other internet applications are a better or different way for a member of the public to get a taxi in a safe and timely fashion.

AA Taxi has operated within the authority, rules and regulations of the Commission for years. AA Taxi has an "APP" and has an on-line reservation system, which it uses in combination with live telephone operators. All of the aforesaid methods have the same effect – obtaining a ride for a person to get to their desired destination. The methods of companies such as Uber and Lyft are not new; rather, they are the same product simply wrapped in a different package.

Companies such as Uber and Lyft are seeking to bend and/or avoid the rules to their own benefit. Though it appears they have attempted to exploit political channels for their own gain, the services they provide are simply taxi cabs in disguise. As such, such services should be required to go through the same rigorous application process as a taxi cab company.

When Mr. Evans, on behalf of AA Taxi, Inc., purchased his taxi cab license, it took nearly a year to get before the Commission. It appears that Uber and Lyft have somehow bypassed a similar wait time. The process that Mr. Evans went through, which is explained below, was costly and time consuming, and resulted in his obtaining a license to operate a legal taxi service.

As an illustration, for AA Taxi to put a taxi cab on the road, AA Taxi had to:

1. apply for/buy a taxi license, a process which takes six months to two years;
2. demonstrate the need for taxi cab service in the area where it intended to operate;
3. purchase cars to use as taxi cabs that are eight years old or newer;
4. paint the taxi cabs in such a manner as to not match or otherwise look the same as any other taxi cab lawfully operating in the area;
5. letter the taxi cabs with the appropriately sized letters, identifying marks, etc.;
6. purchase taxi insurance at a cost of between \$1,900.00 and \$2,600.00 per year, per taxi cab;
7. establish the company, obtain approvals and set a meter rate, all of which are regulated by the Commission;
8. go through yearly inspections by the Commission and by the Commonwealth of Pennsylvania;
9. pay an assessment tax based upon its operating revenue;
10. find and train eligible drivers over age 25 to operate the taxi fleet 24 hours a day, 365 days a year;
11. advertise and compete with other legal taxi operators;
12. pay dispatchers to take customer calls and send the calls to the drivers;
13. pay all required state and federal taxes for employees;
14. annually obtain police reports on all drivers; and
15. run annual Department of Motor Vehicle (DMV) reports on all drivers.

Companies such as Uber and Lyft, not only seek to avoid the rigorous process outlined above, but have very different methods of operating their business, which include, but may not be limited to:

1. signing up for a Facebook account;
2. obtaining drivers by having prospective drivers sign up on their website by giving their driver's license number and social security number;
3. having prospective drivers contact a local company "mentor" who provides only 45 minutes of training;
4. using cars that are 14 years old or newer, as opposed to the 8 year old regulation for taxi cab companies; and
5. accepting payments for services via cell phone.

Companies such as Uber & Lyft have no lettering on their cars, and the cars are insured under the personal insurance of the driver, and, in any event, do not have the extra coverages required of taxi cabs. The age of the drivers of these companies vary, but can be very young.

These companies are seeking to get around regulations of the Commission by accepting "donations" for each ride. In reality, the "donations" are based on wait time and mileage, which is exactly the same method used by a taxi cab service.

Companies such as Uber and Lyft only insure the driver and passenger while the passenger is in the car. After the passenger is dropped off, the insurance reverts back to the illegal taxi driver. Mr. Evans has been in the taxi business since 1994, and has seen many types of accidents. As an example, one of Mr. Evans' drivers had just dropped off a passenger at a residence in a cul de sac. While the driver was parked and doing his paperwork, a drunk driver collided with the AA Taxi cab, sending two people to the hospital. Under the methods employed by companies such as Uber & Lyft, the taxi driver would not be covered because the passenger was out of the car.

Mr. Evans wants the Commission to understand that companies like Uber & Lyft are completely disregarding the laws of the Commonwealth of Pennsylvania. If they are allowed to operate in the Commonwealth, Mr. Evans believes that the following will result:

1. complete chaos amongst all taxi services;
2. the public would increasingly call multiple companies,
3. unnecessary travel, endangering the lives of drivers and passengers;

4. drivers make their living off the calls they receive, and when multiple companies are called, drivers must "compete" dangerously;
5. deregulation of the industry, which would lead to higher prices;
6. uninsured or underinsured taxi cabs;
7. the public would not be served properly because the Commission would have no authority over these rogue companies;
8. because the age of the cars is not regulated, the safety of each passenger and driver will be in jeopardy;
9. unregulated police and DMV reports could result in sexual offenders offering "pay for ride" services;
10. improper training, as 45 minutes of "training" by "mentors" does not make a good driver;
11. unfair burdens placed upon taxi cab companies, as companies such as Uber & Lyft would not have the burden of offering 24 hour service as is imposed on lawfully operating taxi cab companies.

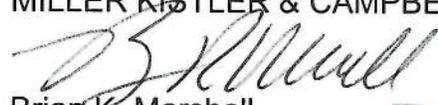
Mr. Evans has been in contact with the Commission, and while he understands the Commission is investigating these rogue companies, he files this protest seeking more assistance from the Commission to force these companies to comply with Pennsylvania laws and Commission regulations.

On behalf of Mr. Evans, thank you for your consideration of this important matter. Mr. Evans, on behalf of AA Taxi, Inc., is actively recruiting other taxi companies in Centre County, Pennsylvania to join in the protest of the illegal operation of these companies in the Commonwealth of Pennsylvania.

Very truly yours,

MILLER KISTLER & CAMPBELL

By:


Brian K. Marshall

BKM/lac
cc: Patrick Evans

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