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File #: 161198

January 21, 2015

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Application of Lyft, Inc., a corporation of the State of Delaware, for the right to begin to transport, by motor vehicle, persons in the experimental service of Transportation Network Company for passenger trips between points in Allegheny County - Docket No. A-2014-2415045

Dear Secretary Chiavetta:

The enclosed Compliance Plan is being filed on behalf of Lyft, Inc. ("Lyft"), pursuant to the Pennsylvania Public Utility Commission's ("Commission") Order entered on December 18, 2014, in the above-referenced proceeding. The Compliance Tariff is being filed by separate letter, and the form of tariff is also attached for reference in the Compliance Plan.

Lyft notes that it is prepared to comply with the eight-model year requirement within 30 days of approval of the Compliance Plan and until such time as that requirement may be revised. However, 52 Pa. Code § 29.314(d), which prescribes the eight-model year requirement, is the subject of a final rulemaking order that, if approved, would revise the eight-model year requirement to 10 model years for conventional vehicles or 12 model years for alternatively fueled vehicles. *See Final Rulemaking Order in Vehicle List, Age, and Mileage Requirements for Taxis and Limousines*, Docket No. L-2013-2349042 (Order Entered Nov. 19, 2014). Therefore, Lyft respectfully requests that the Commission consider a longer compliance period for this requirement, such as 180 days rather than 30 days, in an effort to avoid this adverse impact on drivers.

Copies of the Compliance Plan will be provided as indicated on the Certificate of Service.

Rosemary Chiavetta, Secretary
January 21, 2015
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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Devin T. Ryan", with a horizontal line drawn through it.

Devin T. Ryan

DTR/jl
Enclosures

cc: Certificate of Service
Honorable Mary D. Long
Honorable Jeffrey Watson

**CERTIFICATE OF SERVICE
(Docket No. A-2014-2415045)**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

VIA E-MAIL & FIRST CLASS MAIL

Michael S. Henry, Esquire
Michael S. Henry LLC
100 South Broad Street, Suite 650
Philadelphia, PA 19110-1030
Email: mshenry@ix.netcom.com

David William Donley, Esquire
3361 Stafford Street
Pittsburgh, PA 15204
Email: dwdonley@chasdonley.com

Samuel R. Marshall
CEO and President
Insurance Federation of Pennsylvania
1600 Market Street, Suite 1720
Philadelphia, PA 19106
Email: smarshall@ifpenn.org
dwatson@ifpenn.org

Date: January 21, 2015



Devin T. Ryan

Lyft, Inc. Compliance Plan

Introduction:

This Compliance Plan is filed pursuant to the Commission's Opinion and Order entered on December 18, 2014 (December 18th Order) conditionally approving the application of Lyft, Inc. ("Lyft") to transport persons by motor vehicles in the experimental service of passenger trips ("experimental transportation network service") between points in Allegheny County, Pennsylvania, at Docket No. A-2014-2415045. All steps outlined below will be completed within 30 days following Commission approval of the Compliance Plan.

Compliance Plan:

- I. Driver Integrity
 - a. Criminal background checks:
 - i. Lyft will continue to undertake driver background checks of the scope and breadth described in its Application, and consistent with the December 18th Order, 52 Pa. Code §§ 29.503 and 29.505, both at the time of driver sign-up and annually thereafter.
 - ii. Lyft currently utilizes a nationally accredited third party vendor, Sterling Backcheck ("Sterling"), to conduct its background checks. Sterling performs the background check and provides the information to Lyft. Employees of Lyft on the Trust & Safety team are responsible for overseeing the driver screening process and reviewing disputed applications.
 - iii. All applicants seeking to drive on the Lyft platform and to accept trip requests must first pass the criminal background check screening process. Thereafter, criminal background checks will be performed annually on all active drivers. Existing drivers will be immediately deactivated from Lyft's platform if they fail the annual criminal background checks.
 - iv. All applicants are screened through the following databases:
 1. Social Security Number Trace
 2. Enhanced Nationwide Criminal Search
 3. National Sex Offender Registry
 4. DOJ 50 State Sex Offender Registry
 5. Sterling ArrestDirect™
 6. County Criminal Databases
 7. Federal Criminal Database
 - v. Individuals are disqualified from being a driver on the Lyft platform if they have been convicted of the following within the past seven years:
 1. Violent crimes
 2. Sexual offenses
 3. Theft
 4. Property damage
 5. Felonies
 6. Drug related offenses
 - vi. Lyft also does not allow individuals to drive who are registered on the National Sex Offender Registry and DOJ50-State Sex Offender Registry at the time the background check is conducted, regardless of how long ago the individual was put on that registry.
 - vii. Lyft will maintain records relating to driver background checks for two years.

- b. Driver history checks:
 - i. Lyft will continue to conduct driver history checks of the scope and breadth described in its Application, and consistent with the December 18th Order and 52 Pa. Code § 29.504, both at the time drivers sign up and annually thereafter.
 - ii. Lyft current utilizes a nationally accredited third party vendor, American Driving Records, Inc. (“ADR”), to conduct its driver screening checks. ADR performs the background check and provides the information to Lyft. Employees of Lyft on the Trust & Safety team are responsible for the review and disposition of each application.
 - iii. All applicants seeking to drive on the Lyft platform and to accept trip requests must first pass the driver history check process. Thereafter, driver history checks will be performed annually on all active drivers. Existing drivers will be immediately deactivated from Lyft’s platform if they fail the annual driver history checks.
 - iv. All applicants are screened through the following databases:
 - 1. Pennsylvania Department of Motor Vehicles
 - v. Individuals are disqualified from being a driver on the Lyft platform unless they meet the following qualifications:
 - 1. Aged 21 or older, with an active U.S. driver’s license for 1+ years
 - 2. Valid personal auto insurance that meets or exceeds state requirements
 - 3. No more than three moving violations in the past three years (e.g. accidents, traffic light violations)
 - 4. No major violations in the past three years (e.g. driving on a suspended license, reckless driving)
 - 5. No DUIs or other drug-related driving violations in the last seven years
 - 6. No extreme infractions in the last seven years (e.g. hit-and-run, felonies involving a vehicle)
 - vi. Lyft will maintain records relating to driver history checks for three years.
- c. Zero tolerance policy:
 - i. Lyft has a zero tolerance policy for drug/alcohol use while driving, consistent with 52 Pa. Code §§ 29.506 and 29.507. Passengers are encouraged to call or email Lyft Support if they suspect their driver is under the influence of drugs or alcohol.¹ Lyft will immediately suspend the driver’s access to the Lyft platform pending an investigation. Lyft also actively monitors passenger feedback for indicators of a zero tolerance policy violation. A more detailed description of Lyft’s zero tolerance policy for drug/alcohol use is attached to this Compliance Plan as Attachment A. Lyft will keep verifiable records of information relating to zero tolerance violations for three years.
- d. Individuals responsible for complying with driver integrity requirements:
 - i. Jennifer Stuart, Trust & Safety Manager, San Francisco Office.
 - ii. Andrea Ambrose Lobato, Policy Counsel, San Francisco Office.
 - iii. Matthew Turzo, Regulatory Operations Manager, San Francisco Office.

II. Vehicle Safety

- a. PennDOT vehicle inspections:
 - i. Lyft will ensure that drivers’ vehicles successfully pass the annual Pennsylvania Department of Transportation (“PennDOT”) inspections required by 75 Pa.C.S. Chapter 47 pursuant to 52 Pa. Code § 29.405. During the driver on-boarding

¹ See <https://www.lyft.com/help/article/1229155>

process, Lyft will collect evidence of the successful completion of annual state inspections. Lyft will maintain verifiable records thereof for three years.

- ii. To comply with the Commission's requirement that vehicles remain in continuance compliance with the standards at 52 Pa. Code §§ 29.402(1) and (2) and 29.403, Lyft will:
 - 1. Inform drivers during the sign-up process that they are responsible for ensuring that their vehicles remain in compliance with these standards.
 - 2. Require drivers to provide evidence of the successful completion of PennDOT inspections on an annual basis.
 - 3. Mandate that drivers resolve any deficiencies identified by enforcement officers during inspections conducted under the Commission's regulations.
 - 4. Follow up with drivers to resolve any negative feedback about their vehicles that is provided by customers through the rating system, responses to email receipts or complaints.
 - 5. Deactivate a driver from the platform who fails to provide evidence of the successful completion of annual PennDOT inspection or who fails to rectify any safety-related deficiencies with their vehicles.
- b. Vehicle Age:
 - i. Lyft will not permit the use of vehicles older than eight model years, consistent with 52 Pa. Code § 29.314(d).² Thirty days prior to the vehicles reaching eight model years, Lyft will provide a notification to drivers that their vehicles need to be replaced. In the event such vehicles are not replaced, Lyft will deactivate the driver from the platform until such time as he replaces his vehicle. Lyft will maintain verifiable records thereof for three years.
- c. Trade dress:
 - i. Lyft will require each driver to place a pink Lyft placard in the windshield of the vehicle (dimensions 4.75 inches x 4.75 inches), which is clearly visible from outside the vehicle at all times while operating in Stages 1, 2 or 3, consistent with 52 Pa. Code §§ 29. 71 and 29. 72. Lyft currently distributes these placards with the Lyft logo to all drivers, and will continue to do so. A photo of the placard is attached to this Compliance Plan as Attachment B.
- d. Individuals responsible for complying with vehicle safety requirements:
 - i. Andrea Ambrose Lobato, Policy Counsel, San Francisco Office.
 - ii. Matthew Turzo, Regulatory Operations Manager, San Francisco Office.

III. Insurance

- a. Lyft's insurance coverage:
 - i. Lyft has obtained primary liability insurance coverage for its experimental transportation network service for Stage 1 at coverage liability levels equal to or in excess of Commission regulations for motor carriers, plus \$1,000,000

² Lyft is aware that Section 29.314(d) of the regulations is the subject of a final rulemaking order which, if approved, will revise the eight-model year requirement to ten model years for conventional vehicles or twelve model years for alternatively fueled vehicles. *See Final Rulemaking Order on Vehicle List, Age, and Mileage Requirements for Taxis and Limousines*, Docket No. L-2013-2349042 (Order Entered November 19, 2014). On December 18, 2014, the Commission adopted a Motion in that proceeding regarding the effective date of the ten-model year standard, noting the desire to immediately allow taxicab companies to begin using vehicles that are ten model years in age. While Lyft is prepared to comply with the eight-model year requirement within thirty days and until such time as it is revised, Lyft respectfully requests that the Commission consider a longer compliance period for this requirement (such as 180 days rather than 30 days) in an effort avoid this adverse impact on drivers.

coverage for Stages 2 and 3.³ This coverage is consistent with the requirements set forth in 52 Pa. Code § 32.11(b). James River Insurance Company, an insurance carrier authorized to do business in the Commonwealth of Pennsylvania, filed a Form E on January 16, 2015, with the Commission, evidencing this insurance coverage. The Form E is attached to this Compliance Plan as Attachment C. In addition, Lyft requires drivers to maintain and provide proof of current personal liability insurance for Stage 0, which falls outside the scope of experimental transportation service, while they are active on the Lyft platform.

- b. Notification regarding Lyft's insurance:
 - i. During the driver on-boarding process, Lyft will inform drivers, in writing through electronic notification, as follows:
 - 1. It has obtained primary liability insurance coverage in the amount of \$35,000, split in the amounts of \$15,000 bodily injury per person, \$30,000 bodily injury per accident and \$5,000 property damage per accident, for Stage 1.
 - 2. It has obtained primary liability insurance coverage in the amount of \$1,000,000, at a combined single limit, including bodily injury and property damage, and \$1,000,000 in uninsured/underinsured coverage for bodily injury per incident, for Stages 2 and 3.
 - 3. Whether it is providing comprehensive and collision coverage to the drivers.
 - 4. In the event of an accident during Stages 1, 2 and 3, drivers shall produce evidence of Lyft's insurance.
- c. Driver notification of personal insurer:
 - i. During the driver on-boarding process, Lyft will require drivers to verify that they will contact their personal automobile insurer within 30 days of activation regarding any policy impacts that may be caused by operating the vehicle for TNC use.⁴ Such verification may be in written or electronic form, and must include the driver's signature (either electronic or written). Lyft will maintain records of such verifications for three years.
- d. Individuals responsible for complying with insurance requirements:
 - i. Kate Sampson, VP of Insurance, San Francisco Office.
 - ii. Andrea Ambrose Lobato, Policy Counsel, San Francisco Office.

IV. Pricing

- a. Pricing during state of disaster emergency:
 - i. Lyft's proposed tariff is attached to this Compliance Plan as Attachment D.
 - ii. As set forth in Lyft's proposed tariff, when a natural disaster or emergency results in a state of disaster emergency being declared by the Governor of Pennsylvania, prime time will be computed to comply with the Pennsylvania Price Gouging Act, 73 P.S. §§ 232.1 *et seq.* In the event that the Governor of Pennsylvania declares a state of disaster emergency, Lyft has the capability to turn off prime time pricing for the area impacted by the natural disaster or emergency for up to 30 days following the event.
- b. Individuals responsible for complying with pricing requirements:

³ In its January 2, 2015 Petition for Reconsideration, Lyft has asked for reconsideration of the effects of a driver obtaining a TNC policy in meeting this requirement.

⁴ In its January 2, 2015 Petition for Reconsideration, Lyft has asked the Commission to reconsider the requirement that Lyft direct drivers intending to use its application to disclose that fact to their insurance companies.

- i. Andrea Ambrose Lobato, Policy Counsel, San Francisco Office.
- ii. Jennifer Stuart, Trust & Safety Manager, San Francisco Office.

V. Record Keeping, Reports and Audits

- a. Record Keeping:
 - i. Lyft will maintain records for service for a period of two years after the service was provided including: trip information (date, time, origination, destination and fare); vehicle information under 52 Pa. Code § 29.314(c); and the identity and driver's license numbers of all drivers.
- b. Reporting:
 - i. Lyft will comply with the accident reporting requirements of 52 Pa. Code § 29.44 by providing telephonic notification to the Bureau of Technical Utility Services' Transportation Division within 24 hours of an accident resulting in the death of a person; and maintaining records of any accident that results in a police report for a period of one year from the date of the accident.
 - ii. Lyft, its affiliates, and third-party contractors will comply with the assessment reporting requirements of 52 Pa. Code § 29.43, including reporting the gross intrastate operating revenues derived from the experimental service authority.
 - iii. After the Commission approves this Compliance Plan, Lyft will submit quarterly reports demonstrating its continuing compliance with each certificate condition.
- c. Audits:
 - i. Lyft acknowledges that the Commission is authorized, pursuant to 66 Pa. C.S. §§ 331(a), 501 and 506, to inspect, audit and investigate any books, records and facilities of Lyft as they relate to certificated services provided by Lyft. Any reports or other documents marked as confidential will be treated according to existing Commission confidentiality practices and regulations.
- d. Individual responsible for complying with record keeping requirements:
 - i. Andrea Ambrose Lobato, Policy Counsel, San Francisco Office.

VI. Waiver of Regulations

- a. The following Commission Regulations for call and demand service are hereby waived unless expressly retained by the Commission's December 18th Order: 52 Pa. Code §§ 21.2, 23.32, 23.64, 23.67, 29.62, 29.101, 29.103, 29.313(c) and (f), 29.314(b) and (c), 29.315, 29.316, 29.317, 29.318, 29.356 and 29.402(3). All other Commission Regulations applicable to call and demand service shall apply unless waived or modified by the Commission's December 18th Order.
- b. Any Commission Regulations either pertaining to or referencing common carrier services other than call and demand are not applicable to the experimental service provided by Lyft.

Conclusion:

Through this Compliance Plan, Lyft has complied with or has committed to timely compliance with every condition of the Commission's December 18th Order. Lyft acknowledges that the Commission will rule upon the completeness and adequacy of the Compliance Plan within 30 days, and looks forward to working with the Commission to ensure complete compliance.

Attachment A



Zero Tolerance Policy and Procedures

ISSUE IDENTIFICATION

- Passengers are encouraged to call or email Lyft Support if they suspect a driver is under the influence of drugs or alcohol.
- Lyft will immediately suspend the driver's access to the app platform pending an investigation.
- Lyft also actively monitors passenger feedback for indicators of a zero tolerance policy violation.
- Less than 0.004% of Lyft rides to date have resulted in zero tolerance investigations.



FEEDBACK MONITORING

Lyft automatically monitors all passenger feedback for any use of keywords that could indicate a violation of the zero tolerance policy. When feedback has been flagged, the Lyft Trust & Safety team will review the comments and if the comments indicate that a violation of the zero tolerance policy may have occurred, the driver will be suspended while the Trust & Safety team conducts an investigation.

The monitoring parameters are intentionally broad to ensure that Lyft always errs on the side of caution. For example, passenger feedback containing the phrase "drug store" would trigger a Trust & Safety review because the word "drug" was used.

As a result, the overwhelming majority of the monitoring alerts prove to be non-actionable.

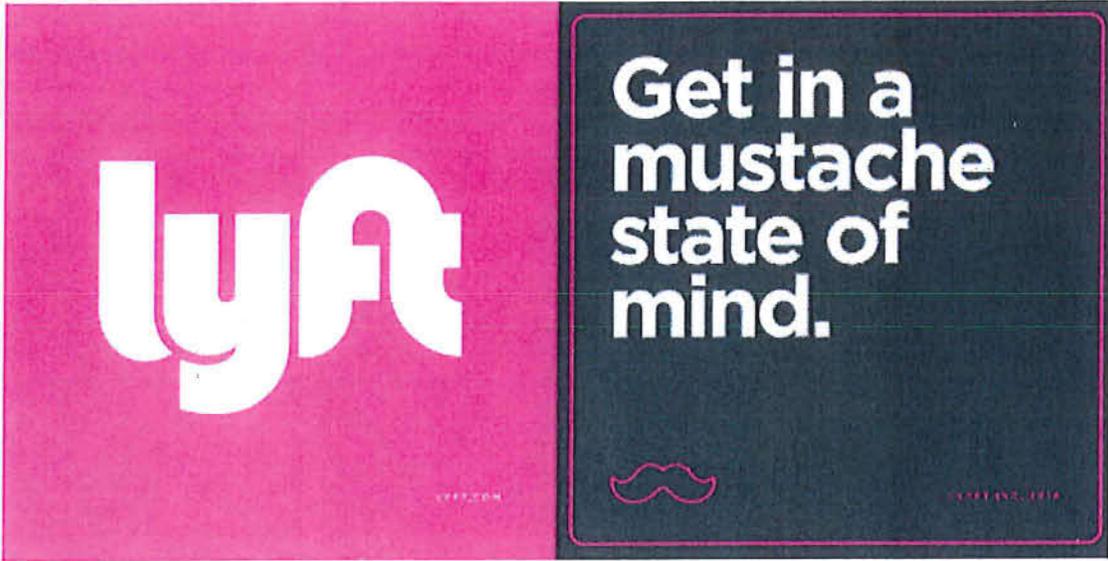
INVESTIGATION AND CONCLUSION

In the course of a zero tolerance investigation, Lyft will contact the passenger for further details relating to a suspected zero tolerance policy violation.

Prior passengers of a driver under investigation will be contacted if necessary.

If an investigation results in definitive evidence or even a strong suspicion of a zero tolerance policy violation, the driver will be permanently deactivated.

Attachment B



Front

Back

Attachment C

FORM E

UNIFORM MOTOR CARRIER BODILY INJURY AND PROPERTY
DAMAGE LIABILITY CERTIFICATE OF INSURANCE

(Execute in Triplicate)

Filed with **Pennsylvania Public Utility Commission** (hereinafter called Commission)
(Name of Commission)

This is to certify, that the **James River Insurance Company**
(Name of Company)

(hereinafter called Company) of **6641 West Broad Street, Suite 300, Richmond, VA 23230**
(Home Office Address of Company)

has issued to **Lyft, Inc**
(Name of Motor Carrier)

of **548 Market Street, #65814, San Francisco, CA 94101**
(Address of Motor Carrier)

a policy or policies of insurance effective from **1/20/2015** 12:01 A M. standard time at the address of the insured stated in said policy or policies and continuing until canceled as provided herein, which, by attachment of the Uniform Motor Carrier Bodily Injury and Property Damage Liability Insurance Endorsement, has or have been amended to provide automobile bodily injury and property damage liability insurance covering the obligations imposed upon such motor carrier by the provisions of the motor carrier law of the State in which the Commission has jurisdiction or the Commission orders or regulations promulgated in accordance therewith.

Whenever requested, the Company agrees to furnish the Commission a duplicate original of said policy or policies and all endorsements thereon.

This certificate and the endorsement described herein may not be canceled without cancellation of the policy to which it is attached. Such cancellation may be effected by the Company or the insured giving thirty (30) days' notice in writing to the State Commission, such thirty (30) days' notice to commence to run from the date notice is actually received in the office of the Commission.

Countersigned at **6641 West Broad Street, Suite 300, Richmond, VA 23230**
(Street Address, City, State and Zip Code)

This 20th day of January, 2015

Christine Miller
Authorized Company Representative

Insurance Company File No **CA43600187**
(Policy Number)

Attachment D

LYFT, INC.

Rates and Rules Governing the Transportation of Persons

To transport, by motor vehicle, persons in the experimental service of passenger trips between points in Allegheny County.

Filed in compliance with the order of the
Pennsylvania Public Utility Commission of December 18, 2014 at Docket No. A-2014-2415045.

Issued: January 22, 2015

Effective: January 25, 2015

Issued under authority of 52 PA Code Section 23.42

By: Katie Kinkaid, Government Relations Manager
Lyft, Inc.
548 Market Street #68514, San Francisco, CA 94104
415-264-5462

SCHEDULE OF RATES – STANDARD LYFT AND LYFT PLUS

Standard Lyfts are the default feature where any car, which is available, may be dispatched to the request location. Lyft Plus limits the request to vehicles with capacity for 6 or more passengers, at a higher cost. Lyft reserves the right to adjust pricing as necessary to: (1) ensure compliance with applicable safety standards or regulations; or (2) respond to market signals such as passenger demand or driver participation.

Rates may increase or decrease in real time for the purpose of balancing supply and demand. In all situations, the prospective customer will be advised of the applicable rates being charged before booking the ride. At times of tight supply, such as special events or holidays, prime time pricing goes into effect.

When a natural disaster or emergency results in a state of disaster or emergency being declared by the Governor of Pennsylvania, any pricing will be computed to comply with the Pennsylvania Price Gouging Act, 73 P.S. §§ 232.1 *et seq.*

Trust and Safety Fee

The Trust and Safety Fee helps to defray the costs of Lyft's safety standards, including driver history checks, background checks, and insurance premiums.

Cancellation Fee

The cancellation fee is designed to enhance the efficiency of Lyft's transportation network service by ensuring that driver resources are diverted towards available passengers.

Tolls

All tolls will be the responsibility of the customer and added to the above charges.

Driver Gratuity

Any driver gratuity will be assessed at the discretion of the customer.

Cost Minimum/Cost Per Mile/Cost Per Minute/Pickup Charge

Rates are calculated based on the distance and time between the origination point and the destination point. Lyft will apply an aggregate Cost Minimum and individual passenger charges based on market rates. Lyft monitors rates for alternative transportation services in the applicable service territory or comparable localities to establish a competitive minimum rate for the aggregate Cost Minimum and the individual Cost per Mile, Cost per Minute, and Pickup Charges.

Issued: January 22, 2015

Effective: January 25, 2015

Issued under authority of 52 PA Code Section 23.42

By: Katie Kinkaid, Government Relations Manager
Lyft, Inc.
548 Market Street #68514, San Francisco, CA 94104
415-264-5462

DAYS AND HOURS OF OPERATION

Through the Lyft mobile software application (available on both the Apple iOS and Android mobile operating systems), Lyft's transportation network service is available to passengers and drivers at all times. Availability of the transportation network service does not guarantee availability of a participating driver.

Issued: January 22, 2015

Effective: January 25, 2015

Issued under authority of 52 PA Code Section 23.42

By: Katie Kinkaid, Government Relations Manager
Lyft, Inc.
548 Market Street #68514, San Francisco, CA 94104
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