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February 4, 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, PA - Docket No. A-2014-2415045

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 Pennsylvania - Docket No. A-2014-2415047

Dear Secretary Chiavetta:

Enclosed for filing, is Lyft, Inc.'s Response to Protestants' Compliance Plan Objections, in the above-referenced proceedings. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,

Devin T. Ryan

DTR/jl Enclosures

Rosemary Chiavetta, Secretary February 4, 2015 Page 2

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

CERTIFICATE OF SERVICE (Docket Nos. A-2014-2415047 and 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

Lloyd R. Persun, Esquire Persun & Heim, P.C. P.O. Box 659 Mechanicsburg, PA 17055-0659 Email: pagelbaugh@persunheim.com

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VIA FIRST CLASS MAIL

Dennis G. Weldon, Jr., Esquire Bryan L. Heulitt, Jr., Esquire Philadelphia Parking Authority 701 Market Street, Suite 5400 Philadelphia, PA 19106

Date: February 4, 2015

Devin T. Ryan

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

A-2014-2415047

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 Pennsylvania

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 A-2014-2415045

LYFT'S RESPONSE TO PROTESTANTS' COMPLIANCE PLAN OBJECTIONS

In accordance with the Commission's January 23, 2015 letter to the parties of record in the above-captioned matters ("January 23 Letter"), Lyft, Inc. ("Lyft") hereby submits its Response to the Objections (the "Objections") filed by counsel for Protestants' Executive Transportation Company, Inc., Aceone Trans Co., AF Taxi, Inc. AG Taxi, Inc. AGB Trans, Inc., Almar Taxi, Inc. ATS Cab, Inc, BAG Trans, Inc., BNG Cab Co., BNA Cab Co., BNJ Cab, Inc., Bond Taxi, Inc., BSP Trans, Inc., Double A Cab Co., FAD Trans, Inc., GA Cab, Inc., GD Cab, Inc. GN Trans, Inc., God Bless America Trans, Inc., Grace Trans, Inc., IA Trans, Inc., Jarnail Taxi, Inc., Jaydan, Inc. LAN Trans, Inc., LMB Taxi, Inc. MAF Trans, Inc., MDS Cab, Inc., MG Trans Co., Noble Cab, Inc., Odessa Taxi, Inc., RA V Trans, Inc., Rosemont Taxicab Co., Inc., S&S Taxi Cab, Inc., SAJ Trans, Inc., Saba Trans, Inc., SF Taxi, Inc., Society Taxi, Inc., Steele Taxi, Inc., TGIF Trans, Inc., V &S Taxi, Inc., VAL Trans, Inc., VB Trans, Inc., and VSM Trans, Inc., BM Enterprises, Inc., t/a A.G. Taxi, Bucks County Services, Inc., Dee Dee Cab Company, Germantown Cab Company, Ronald Cab, Inc., t/a Community Cab, Shawn Cab, Inc., t/a Delaware County Cab and Sawink, Inc., t/a County Cab (collectively, the "Protestants")¹ to Lyft's Compliance Plans filed January 21, 2014 (the "Compliance Plans").

For reasons explained below, the Commission should reject these Objections summarily because they disregard the Commission's admonition that "the proper scope of any objections is limited to the factual issue of an alleged *deviation* of Lyft's compliance filings from the conditions and requirements set forth" in two orders issued on December 18, 2014, in the above-captioned matters.² January 23 Letter (citing 52 Pa. Code § 5.592(c)).

Driver Integrity

1. Protestants claim that the driver background check process described by Lyft falls short because it does not require in-person checks and because it will be managed by personnel from Lyft's headquarters in San Francisco. Objections at 1. This objection violates the Commission's January 23 Letter as it admittedly seeks requirements "not explicitly required" in the Commission's orders, and because it asks the Commission to "reconsider" its orders. Objections at 1, 2. Regardless, Lyft's Compliance Plans "exceed[] the Commission's regulatory requirements" and thus satisfy the Commission's orders exactly and thoroughly. *Compare* Statewide Order at 27–28, *and* Allegheny Order at 24–25, *with* Compliance Plans Part I.

Vehicle Safety

2. Protestants next fault Lyft for its explanation of how it will educate drivers regarding their vehicle safety obligations under the Commission's rules, as well as for not personally inspecting vehicles operated on the Lyft platform. Objections at 2. The Commission's orders do not require this level of detail. And Lyft's Compliance Plans made

¹ While the filing at issue does not indicate the parties on whose behalf it is made, it is signed by counsel for Protestants and Lyft therefore assumes it is filed on their behalf.

² These two orders were, respectively, filed at Docket Numbers A-2014-2415047 (the "Statewide Order") and A-2014-2415045 (the "Allegheny Order").

clear that drivers using the Lyft platform will be told of the Commission's requirements and held responsible for complying with them and for passing annual PennDOT inspections, which satisfy the Commission's orders. *Compare* Statewide Order at 32–33, *and* Allegheny Order at 28–29, *with* Compliance Plans Part II.

3. Additionally, Protestants take issue with the use of a placard to mark vehicles operated by drivers using the Lyft platform. Objections at 2–3. But the Commission's orders state that, "[t]he use of placards or other distinguishable markings on the outside of the vehicle are acceptable" to meet its markings requirements. Statewide Order at 32 (emphasis added); Allegheny Order at 30 (same). Lyft's Compliance Plans satisfy these requirements. *See* Compliance Plans Part II(c).

Insurance

4. Protestants take issue with the fact that individual drivers and their vehicles are not listed on Lyft's Form E, making it "unclear whether Lyft's insurer will even cover drivers utilizing Lyft's digital platform." Objections at 3. But Lyft's Form E certification uses the Commission's standard form and attests that Lyft's insurance coverage is in accordance with the applicable law, which of course requires coverage of drivers using Lyft's platform.

5. Protestants next mention a story from "a Forbes article dated January 18, 2015," without providing a citation, to insinuate that Lyft may not be providing primary coverage while drivers are engaged in Lyft activity. Objections at 3. In fact, the article was from *December 18*, 2014, and it involved an incident that occurred in *San Francisco*.³ It therefore has no relevance to Lyft's *Pennsylvania* and *Allegheny County* Compliance Plans filed after orders issued on that same date.

³ Ellen Huet, *Rideshare Drivers Still Cornered Into Insurance Secrecy*, Forbes, Feb. 2, 2015, http://www.forbes.com/sites/ellenhuet/2014/12/18/uber-lyft-driver-insurance/.

6. Protestants also object to Lyft's Compliance Plans to require that drivers provide proof of liability insurance once per year, arguing that it is too infrequent and that spot checks should be required. Objections at 3. But again, Lyft's proposal is consistent with the Commission's orders, which impose no such requirement. *Compare* Statewide Order at 46–47, *and* Allegheny Order at 43–44, *with* Compliance Plans Part III(a)(i).

7. Protestants also complain that drivers may be confused as to Lyft's policies and protocols. Objections at 3. The language in the Compliance Plans is directly responsive to the Commission's Order. *Compare* Statewide Order at 47, *and* Allegheny Order at 43, *with* Compliance Plans Part III(b)(i). And drivers can access information regarding insurance coverage anytime on Lyft's website.⁴ Finally, drivers can also access their certificates of insurance directly in the Lyft app.

8. Finally, Protestants take issue with Lyft's insurance notification plan, claiming that drivers may fail to notify their insurers after certifying that they will do so, and that it fails to list repercussions that drivers will face if they fail to contact their insurers. Objections at 3–4. Again, these complaints exceed the Commission's orders, and Lyft's Compliance Plans were closely tailored to satisfy those orders. *Compare* Statewide Order at 46–47, *and* Allegheny Order at 44–45, *with* Compliance Plans Part III(c). Regardless, Lyft is again providing primary insurance coverage during all stages of Lyft activity (Stages 1-3), further negating these issues.

Waiver of Regulations

9. Protestants' final objections are wholly outside the scope of the Commission's orders and indeed its jurisdiction. It calls on the Commission to require that Lyft program its app to limit its operation to areas covered by the Commission's orders. Objections at 4. The

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⁴ Lyft's Insurance Policy, Lyft.com, https://www.lyft.com/drive/help/article/1229170 (last visited January 30, 2015).

Commission, respectfully, cannot regulate activity in areas outside its jurisdiction, such as activities outside the Commonwealth. 66 Pa. C.S. § 501; *City of Erie v. Pennsylvania Elec. Co.*, 383 A.2d 575, 577 (1978). Moreover, Protestants' objections fly in the face of the Commission's admonition that the scope of any objections should be limited to an actual *deviation* of Lyft's compliance filings from the conditions and requirements set forth in the Commission's orders.

CONCLUSION

For the foregoing reasons, Lyft requests that its Compliance Plans be approved.

Respectfully submitted:

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Dated: February 4, 2015