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October 6, 2016

**VIA E-FILING**

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

Re: Application of Rasier-PA LLC, a Wholly Owned Subsidiary of Uber Technologies, Inc. for a Certificate of Public Convenience Evidencing Approval to Operate an Experimental Ride-Sharing Network Service Between Points in Allegheny County, Pennsylvania; Docket No. A-2014-2416127

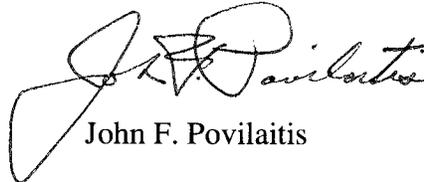
Application of Raiser-PA, LLC, a limited liability company of the State of Delaware, for the right to begin to transport by motor vehicle, persons in the experimental service of shared-ride network for passenger trips between points in Pennsylvania excluding those which originate or terminate in the Counties of Beaver, Clinton, Columbia, Crawford, Lawrence, Lycoming, Mercer, Northumberland and Union Docket No. A-2014-2424608

Dear Secretary Chiavetta:

On behalf of Raiser-PA LLC, I have enclosed for electronic filing the Petition of Rasier-PA, LLC for Waiver of the Commission's Experimental Service Regulations at 52 Pa. Code Section 29.352, in the above-captioned matters.

Copies have been served on all parties as indicated in the attached certificate of service.

Sincerely,



John F. Povilaitis

JFP:bb  
Enclosure  
cc: Certificate of Service

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Rasier-PA, LLC For Waiver of	:	Docket No. A-2014-2416127
the Commission’s Experimental Service	:	Docket No. A-2014-2424608
Regulations at 52 Pa. Code § 29.352	:	

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**PETITION OF RASIER-PA, LLC FOR WAIVER OF THE COMMISSION’S  
EXPERIMENTAL SERVICE REGULATIONS AT 52 PA. CODE SECTION 29.352**

Pursuant to 52 Pa. Code § 5.43, Rasier-PA LLC (“Rasier-PA”), by and through its counsel, John F. Povilaitis, Alan Michael Seltzer and Buchanan Ingersoll & Rooney, PC, hereby petitions the Pennsylvania Public Utility Commission (“Commission”) for a waiver of the Commission’s experimental service regulations at 52 Pa. Code § 29.352. Specifically, Rasier-PA requests that the Commission waive the two-year expiration date for Rasier-PA’s experimental authority until the earlier of July 1, 2017 or when legislation is enacted in Pennsylvania addressing transportation network company (“TNC”) services and the Commission has acted under such new law on an application to be filed by Rasier-PA. In support hereof, Rasier-PA avers as follows:

**INTRODUCTION**

When the Commission conditionally approved Rasier-PA’s applications for experimental services authority on December 5, 2014, it observed that substantial benefits would be derived from new and innovative TNC services by providing consumers “with another competitive alternative to traditional call and demand service” and “faster and user-friendly scheduling of transportation service.” *Applications of Rasier-PA for Experimental Services Authority*, Docket Nos. A-2014-2416127 and A-2014-2424608 (Orders entered December 5, 2014) (“December 5<sup>th</sup> Orders”) at 36 and 27, respectively.

Consistent with those approvals and in recognition of Rasier-PA's timely compliance with the conditions, the Commission issued certificates of public convenience to Rasier-PA on January 29, 2015, authorizing the provision of TNC services on an experimental basis in Allegheny County and throughout most counties in Pennsylvania. Since that time, Rasier-PA has been operating under those certificates. However, absent action by the General Assembly to pass legislation addressing TNC services or a waiver by the Commission of its own existing regulations, which limit experimental authority certificates to two years, Rasier-PA's authority to operate in Pennsylvania will lapse on January 29, 2017.

The compelling benefits of TNC services, which the Commission recognized in granting authority to Rasier-PA, have come to fruition. In each market that Rasier-PA has entered in Pennsylvania, the response has been overwhelmingly positive. Over 375000 unique Pennsylvanians have utilized Rasier-PA's TNC services recently and they have been consistently satisfied. Despite deep penetration by Rasier-PA into Pennsylvania's transportation market, not a single formal complaint has been filed with the Commission by a consumer alleging issues about the safety, reliability or affordability of Rasier-PA's services.

The public continues to clamor for access to TNC services. Over 108,000 Pennsylvanians have signed a petition urging the General Assembly to give a permanent home in the Commonwealth to this reliable, affordable and safe alternative to traditional transportation services.<sup>1</sup>

The TNC services offered by Rasier-PA have filled voids in Pennsylvania's transportation infrastructure and have responded to the needs of the public for alternatives in the

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<sup>1</sup> <http://petition.uber.org/pennsylvania/> (last accessed August 16, 2016).

way that transportation is arranged. Notably, studies have linked the introduction and growth of TNC services to a drop in driving under the influence (“DUI”) arrests and fatalities.

Pennsylvanians, including many in underserved neighborhoods, have come to rely on the TNC services provided by Rasier-PA. If Rasier-PA is not authorized to continue operating after January 29, 2017, Pennsylvania consumers will once again be left without adequate options for obtaining needed transportation to get them to work, school, doctor’s appointments and home safely after an evening out. Moreover, 33,000 drivers who are operating their own small businesses will be deprived of this entrepreneurial opportunity that helps them pay their monthly bills or raise their families.

In a letter dated May 3, 2016 directed to the Commission, Pennsylvania Governor Tom Wolf, Allegheny County Executive Rich Fitzgerald and Pittsburgh Mayor William Peduto praised the widespread benefits of TNC services to the entire Commonwealth in the form of improved transportation and new job opportunities for thousands.<sup>2</sup> They also lauded the millions of dollars of investments in the Advanced Technology Center in Pittsburgh by Uber Technologies, Inc., of which Rasier-PA is a wholly-owned subsidiary.

In order to fulfill the expectations of Pennsylvanians, it is imperative that the Commission waive its regulations at 52 Pa. Code § 29.352 and permit Rasier-PA to continue providing TNC services in the Commonwealth until the earlier of July 1, 2017 or the General Assembly passes legislation addressing these services, and the Commission has acted on a new application to be filed by Rasier-PA.

Such waiver is consistent with the Commission’s mission statement, which states that it “balances the needs of consumers and utilities; ensures safe and reliable utility service at

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<sup>2</sup> <http://www.puc.pa.gov/pcdocs/1437240.pdf> (Letter filed at Docket No. C-2014-2422723).

reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.”<sup>3</sup>

### **BACKGROUND**

On April 14, 2014, Rasier-PA, a wholly owned subsidiary of Uber Technologies, Inc., filed an Application for a Certificate of Public Convenience Evidencing Approval to Operate an Experimental Ride-Sharing Network Service Between Points in Allegheny County, at Docket No. A-2014-2416127 (“Allegheny County Application”).

Notice of the Allegheny County Application was published in the *Pennsylvania Bulletin* on April 26, 2014, at 44 Pa. B. 2604. The notice provided that the deadline for filing protests was May 12, 2014. Various motor carriers filed protests to the Allegheny County Application.

On June 2, 2014, Rasier-PA filed an Application for a Certificate of Public Convenience Evidencing Approval to Operate an Experimental Ride-Sharing Network Service Between Points in Pennsylvania (excluding designated counties), at Docket No. A-2014-2424608 (“Statewide Application”).

Notice of the Statewide Application was published in the *Pennsylvania Bulletin* on June 14, 2014, at 44 Pa. B. 3662. The notice provided that the deadline for filing protests was June 30, 2014. On June 30, 2014, various motor carriers filed protests to the Statewide Application.

While the Allegheny County Application and Statewide Application were pending, Rasier-PA filed an application with the Commission for emergency temporary authority (“ETA Application”) on July 2, 2014 to provide TNC services in Allegheny County. Finding an immediate and compelling need for TNC services in Allegheny County, the Commission

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<sup>3</sup> [http://www.puc.pa.gov/about\\_puc.aspx](http://www.puc.pa.gov/about_puc.aspx). (last accessed August 16, 2016).

conditionally granted Rasier-PA's ETA Application on July 24, 2014 and issued a certificate of public convenience to Rasier-PA on August 21, 2014.

Hearings were held on the Allegheny County Application and the Statewide Application on August 18-19 and September 9, 2014. The Administrative Law Judges issued Recommended Decisions on September 25, 2014 recommending dismissal of the Allegheny County Application and the Statewide Application. Rasier-PA filed Exceptions on October 15, 2014. On December 5, 2014, the Commission entered the December 5<sup>th</sup> Orders conditionally approving the Allegheny County Application and the Statewide Application.<sup>4</sup>

The December 5<sup>th</sup> Orders required Rasier-PA to submit the following documentation to the Commission before exercising its experimental authority:

A Compliance Plan demonstrating how Rasier-PA will achieve compliance with the conditions set forth in Appendix A of the December 5th Order. The Plan shall include the identities and office locations of the employees or individuals who will be responsible for regulatory compliance.

A Form E Certificate of Insurance evidencing compliance with the Commission's insurance requirements and coverage amounts set forth in the December 5th Order, regardless of any insurance coverage held by Rasier-PA's drivers or operators.

A tariff consistent with the December 5th Order.

An affiliated interest agreement between Rasier-PA, LLC and Uber Technologies, Inc. and any affiliates pursuant to Section 2102 Code, 66 Pa. C.S. § 2102.

Trip information required under the Interim Order dated July 31, 2014, in Rasier-PA's Allegheny County application at Docket No. A-2014-2416127.

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<sup>4</sup>The specific authority conditionally approved by the Commission is as follows: to transport, by motor vehicle, persons in the experimental service of passenger trips between (1) points in Pennsylvania, excluding trips which originate or terminate in the Counties of Allegheny, Beaver, Clinton, Columbia, Crawford, Lawrence, Lycoming, Mercer, Montour, Northumberland, Philadelphia and Union and in that portion of the County of Luzerne which is located within an airline distance of 15 statute miles of the limits of the Borough of Berwick, Columbia County (Docket No. A-2014-2424608) and (2) points in Allegheny County, Pennsylvania (Docket No. A-2014-2416127).

By Order entered on January 29, 2015, the Commission determined that Rasier-PA had fully complied with the conditions established by the December 5<sup>th</sup> Orders, specifically noting that Rasier-PA had appropriately filed an acceptable Form E Certificate of Insurance, Tariff, Affiliated Interest Agreement, and trip information. Consistent with those findings, the Commission issued two-year experimental authority certificates on January 29, 2015.

Rasier-PA continues to operate under these experimental authority certificates, which will lapse under the Commission's regulations at 52 Pa. Code § 29.352 on January 29, 2017.

### **ARGUMENT**

#### **A. Applicable Legal Standards**

The Commission granted Rasier-PA's experimental authority pursuant to Section 29.352 of its regulations, which provide that:

In order to advance and promote the public necessity, safety and convenience, the Commission may, upon application, grant a new certificate or an amendment to an existing certificate in order to allow to be provided a new, innovative or experimental type or class of common carrier service. An application for a certificate or amendment shall state that it is an application for an experimental service. Holders of experimental certificates shall abide by this chapter except those which the Commission shall explicitly state do not apply. Holders of experimental certificates shall abide by an additional regulations or requirements, including informational and reporting requirements, which the Commission shall stipulate upon granting the certificate.

52 Pa. Code § 29.352.

The Commission's regulations further state that "[a] certificate for experimental service shall be valid only until the service is abandoned, until 2 years have elapsed from the time the certificate was approved or until the Commission enacts amendments to this chapter pertaining to the new class of service represented by the experimental service, whichever event occurs first." 52 Pa. Code § 29.352.

The Commission is authorized to waive its regulations. *See Township of Collier v. Pennsylvania-American Water Company*, Docket No. C-20016207, 2004 Pa. PUC LEXIS 26 (2004). Section 5.43 of the Commission's regulations establishes the requirements applicable to requests for such waivers, as follows:

A petition to the Commission for the issuance, amendment, waiver or repeal of a regulation must set forth clearly and concisely the interest of the petitioner in the subject matter, the specific regulation, amendment, waiver or repeal requested, and cite by appropriate reference the statutory provision or other authority involved. The petition must set forth the purpose of, and the facts claimed to constitute the grounds requiring the regulation, amendment, waiver or repeal. Petitions for the issuance or amendment of a regulation shall incorporate the proposed regulation or amendment.

52 Pa. Code § 5.43.

The Commission recently granted a similar petition for waiver. *Yellow Cab Company of Pittsburgh, Inc., t/a Yellow Z, Petition for Waiver of Commission Regulation; 52 Pa. Code § 29.352*, Docket No. A-2014-2410269 (Order entered July 7, 2016). In the Yellow Z order, the Commission acknowledged its ability to waive its regulations, recognized that TNC services are rapidly growing, and in demand and decided to take no action to disrupt this service. *Id.* at 7.

B. Reasons Necessitating and Supporting Waiver

The purpose of this Petition for Waiver is to ensure that Rasier-PA is able to continue providing TNC services in Pennsylvania after January 29, 2017 in a manner that is consistent with the Commission's December 5<sup>th</sup> Orders and the January 29, 2015 Order.

Rasier-PA has not abandoned its experimental service authority. To the contrary, Rasier-PA's TNC services have grown and expanded throughout Pennsylvania, with over 375,000 Pennsylvanians relying on these services recently in over eighteen markets.

On August 28, 2014, the Commission conducted an *en banc* Transportation Hearing to examine potential rules for TNCs. However, the Commission has not promulgated regulations

creating a new class of service to recognize TNCs. Additionally, although numerous drafts of legislation have been introduced in the General Assembly to address TNCs, none of those bills have been passed by the legislature to date.

Absent action by the Commission to waive the two-year limitation in its regulations for experimental services, Rasier-PA will not be authorized to provide TNC services after January 29, 2017. If that occurs, Pennsylvanians will lose access to Rasier-PA's reliable, affordable and safe transportation alternatives, and thousands of Pennsylvania residents will be deprived of earnings they would realize through continuing to partner with Rasier-PA to operate and grow their own small businesses.

By this Petition for Waiver, Rasier-PA requests a waiver of the two-year limitation in the Commission's regulations for experimental services and a corresponding extension of its experimental service authority until July 1, 2017 unless at an earlier date legislation is enacted in Pennsylvania and the Commission has acted under such new law on an application to be filed by Rasier-PA. Through this request, Rasier-PA is seeking to ensure that it continually holds authority from this Commission to furnish TNC services beyond January 29, 2017.

C. Rasier-PA's Transportation Network Services Are Responsive to Public Demand or Need

Testifying in support of the two-year experimental authority application, Ms. Sally Guzik offered compelling testimony regarding her use of these services, as follows:

I began using Uber in the middle of February of 2014. At that time I had a family member that was very ill of terminal cancer and I work a late shift at a restaurant as well as consulting job, and I used that app to secure a ride to and from the hospital during off hours or other forms of peak transportation hours...I'm a frequent pedestrian and also public transit user, have tried using other services as well, either to not have a phone call received or returned or to ever be picked up,

and that has been my experience. With the new ride sharing application, I have never had to wait more than 15 minutes.<sup>5</sup>

Consistent with Section 1103 of the Public Utility Code, 66 Pa. C.S. § 1103, and the Commission's Policy Statement at 52 Pa. Code § 41.14, and based on the evidence in the record including Ms. Guzik's testimony, the Commission determined that the TNC services offered by Rasier-PA provide a useful public purpose, responsive to a public demand or need. December 5<sup>th</sup> Orders at 33-37 and 22-27.<sup>6</sup>

Indeed, since the Commission made these findings, public demand or need for Rasier-PA's TNC services has grown throughout Pennsylvania. 375,000 riders have utilized its TNC services recently. Also, over 108,000 Pennsylvanians have signed a petition encouraging the General Assembly to pass legislation giving TNC services a permanent home in the Commonwealth. Of those citizens who signed the petition, thousands offered written testimonials describing their dependence on these services to obtain reliable, affordable and safe transportation.

Since January 29, 2015, Rasier-PA has expanded to reach cities and counties in over eighteen markets containing 93 percent of Pennsylvanians, including Pittsburgh, Harrisburg/York, Erie, Lancaster, State College, Allentown/Bethlehem/Easton, Scranton/Wilkes-Barre, Reading and several Philadelphia suburbs such as Chester, West Chester, King of Prussia, Upper Darby, Bensalem, Gettysburg, Johnstown, Altoona, Dubois, and Reading. The number of trips provided by Rasier-PA during this time exceeded 1,000,000.

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<sup>5</sup> August 18, 2014 Transcript at 36-37 in *Application of Rasier-PA, LLC for Experimental Service Authority Between Points in Allegheny County*, Docket No. A-2014-2416127 (Order entered December 5, 2014). Also, please see the numerous representative statements offered in support of Rasier-PA's application for emergency temporary authority filed on July 2, 2014 at Docket No. A-2014-2429993.

<sup>6</sup> In companion Opinions issued on April 19, 2016 and April 22, 2016 in *Capital City Cab Service, et al. v. Pennsylvania Public Utility Commission*, Nos. 238 C.D. 2015, 240 C.D. 2015 and 253 C.D. 2015, and in *Executive Transportation Co. Inc., et al. v. Pennsylvania Public Utility Commission*, No. 252 C.D. 2015, the Commonwealth Court of Pennsylvania affirmed the Commission's December 5<sup>th</sup> Orders and its findings as to public demand for TNC services, as well as Rasier-PA's fitness to provide them.

The success of and demand for these TNC services is compelling based on the over 33,000 Pennsylvanians who have partnered with Rasier-PA to operate their personal vehicles on Rasier-PA's digital platform. Those driver-partners tout the flexibility of their hours, the ability to earn extra money and the opportunity to meet new people every day. These driver-partners are operating their own small businesses and earning money to pay their monthly bills or raise their families.

Notably, recent studies have linked the introduction and growth of TNC services in Pittsburgh to an 18 percent decline in DUI arrests in 2015.<sup>7</sup> In addition, the Commonwealth experienced a 2 percent decline in DUI arrests in 2015 following the entry of statewide TNC services.<sup>8</sup> Similar results have been observed by Virginia's Department of Motor Vehicles Commissioner, who credits TNC services as playing a major role in a 22% reduction in alcohol-related fatalities in 2015.<sup>9</sup> These results track Rasier-PA's data, which show peak usage times as being Friday and Saturday nights (into the early morning hours on Saturday and Sunday) and the most common destinations as being bars and restaurants. These compelling statistics underscore the importance of ensuring Pennsylvania's continued access to TNC services offered by Rasier-PA.

Rasier-PA's statistics also show that passengers in underserved neighborhoods benefit from the introduction and growth of TNC services. Specifically, one of every six trips is requested to or from areas in Pittsburgh that have been traditionally underserved.

The reliability of TNC services -- the ability to obtain a ride when you need it at any hour of the day -- is a key factor in their success. According to Rasier-PA's statistics, over 89% of

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<sup>7</sup><http://pittsburgh.cbslocal.com/2016/03/29/pittsburgh-drunken-driving-arrests-drop-in-ubers-first-year/>(last accessed August 16, 2016).

<sup>8</sup> <http://triblive.com/news/allegHENY/10196920-74/uber-pittsburgh-south> (last accessed August 16, 2016).

<sup>9</sup> <http://wtop.com/virginia/2016/01/hold-sun-va-dmv-uber-lyft-cut-drunken-driving-deaths-2015/slide/1/>(last accessed August 16, 2016).

rides arrive within ten minutes, with more than half arriving in less than four minutes. Riders tout the benefits of TNC services as including the ability to request transportation through the App rather than calling or hailing a ride; the cashless transaction; the receipt of information about the estimated time of arrival of the driver; and the opportunity to provide immediate feedback on the ride provided.

By offering a new and innovative way for the riding public to easily and efficiently arrange needed transportation to work, school, doctor's appointments and home safely after an evening out, Rasier-PA provides an integral service that has become a cornerstone of Pennsylvania's transportation infrastructure. The riding public and drivers operating on the platform have come to rely on this service that has earned itself a permanent home in Pennsylvania.

D. Rasier-PA Is Fit to Provide These Services

Consistent with Section 1103 of the Public Utility Code, 66 Pa. C.S. § 1103, and the Commission's Policy Statement at 52 Pa. Code § 41.14, and based on the evidence in the evidentiary record, the Commission found that Rasier-PA possesses the requisite financial, technical and legal fitness to provide these TNC services. December 5<sup>th</sup> Orders at 37-38 and 27-41.

*Compliance Record*

Rasier-PA continues to possess the necessary financial, technical and legal fitness to provide TNC services. Rasier-PA has developed an exemplary compliance record during its period of operation under the experimental service certificates.<sup>10</sup> Few formal complaints have been filed by consumers against Rasier-PA raising allegations as to Rasier-PA's transportation

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[http://www.puc.pa.gov/about\\_puc/search\\_results/utility/authority\\_search/utility\\_detail\\_view.aspx?Utility=6416478](http://www.puc.pa.gov/about_puc/search_results/utility/authority_search/utility_detail_view.aspx?Utility=6416478). (last accessed August 16, 2016).

network services. The primary complaints filed against Rasier-PA have been filed by the Bureau of Investigation and Enforcement (“I&E”) during this period and relate to four instances in which the U placard was not prominently displayed in the windshield of the vehicle, and one adequacy of service complaint, not involving any passenger injury, where Rasier-PA immediately deactivated the driver, refunded the fare and timely paid the civil penalty.<sup>11</sup>

No consumers have filed formal complaints with the Commission during the time experimental authority has been in place.<sup>12</sup> I&E has forwarded three inquiries or informal complaints to Rasier-PA that it has received from consumers during this time period. One involved a report of a dented vehicle, which was removed from the platform; another questioned the rate and was sent a copy of the receipt showing time and distance; and the third was a rider who left a mobile phone in the car, which was retrieved from the driver. Particularly given the hundreds of thousands of Pennsylvanians who have enjoyed rides made available through Rasier-PA’s platform since January 29, 2015, the only possible conclusion is that Pennsylvania’s travelers are happy with quality of the services they are receiving from Rasier-PA.

Moreover, Rasier-PA faithfully complied with the Commission’s requirements for providing experimental service, in that it:

Operated in Allegheny County under the ETA from August 21, 2014 through January 29, 2015 without receiving any citations for violations of the Commission’s regulations or orders;

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<sup>11</sup> Docket Nos. C-2015-2510625; C-2015-2510634; C-2015-2510635; C-2015-2474801. In each situation, Rasier-PA timely paid the civil penalty proposed by I&E. Rasier-PA also took measures following these violations to remind drivers of the requirement and stress the importance of complying with the requirement to display the U placard in the windshield of the vehicle. In Docket No. C-2015-2548803, Rasier-PA took appropriate action against a driver alleged to have not provided adequate service and paid its civil penalty.

<sup>12</sup> Although two complaints were filed by consumers prior to the issuance of the certificates on January 29, 2015, neither raises any concerns about Rasier-PA’s TNC services. One involved a rate dispute that was quickly resolved through a settlement with the customer. Docket No. C-2015-2465207. The other involved Rasier-PA’s ban of a rider who had made racially and ethnically charged remarks to a driver. While Rasier-PA paid the proposed civil penalty to avoid the expense and time of litigation, it did not admit to any wrongdoing. Docket No. C-2015-2457172.

Timely submitted Compliance Plans pursuant to the December 5<sup>th</sup> Orders, and provided the trip data on a confidential basis;

Filed an application on February 27, 2015 requesting authority to furnish TNC services in the counties previously excluded from its applications;

Filed Assessment Reports on March 31, 2015 and March 30, 2016;

Paid its Annual Assessment in October 2015;

Filed an Application on March 31, 2015 requesting statewide authority to transport property, which was granted on April 16, 2015 and used in May for a Goodwill clothing drive;

Submitted its Quarterly Report on the Compliance Plans on April 30, 2015, July 23, 2015, October 29, 2015, January 29, 2016, April 29, 2016 and July 29, 2016;

Filed its Self-Certification Forms on April 30, 2015 and March 31, 2016;

Cooperated with numerous requests for information from advisory and prosecutory staff; and

Successfully completed dozens of vehicle inspections by enforcement staff, during which no significant safety violations were identified.

#### *Commitment to Driver Integrity*

Consistent with the December 5<sup>th</sup> Orders and its Compliance Plans,<sup>13</sup> Rasier-PA's practices exceed the Commission's requirements for driver integrity and Rasier-PA proposes to continue following these measures if the Petition for Waiver is granted. Specifically, as explained in more detail below, Rasier-PA undertakes driver criminal background checks that exceed the requirements of Sections 29.504 and 29.505 of the Commission's regulations, both in terms of the scope of review and the number of years that are reviewed. 52 Pa. Code §§ 29.504 and 29.505.

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<sup>13</sup> The most recent Compliance Plan was filed on July 29, 2016, and the next one is due on October 30, 2016.

Rasier-PA utilizes a nationally accredited third party group to perform criminal background checks. The third party vendor performs the background checks and provides the information to Rasier-PA. Employees or contractors of Rasier-PA, or its affiliates, are responsible for the review and disposition of each application. Verifiable records are maintained for two years.

- a. Individuals are not permitted to access the App or become available to accept trip requests until they have passed the entire background screening process. Thereafter, criminal background checks are performed annually. Existing drivers are immediately removed and barred from the platform if they fail the annual criminal background checks.
- b. All applicants and drivers are screened through: (i) County Criminal Search of courthouse records going back 7 years for every county of residence for every match of name and address; (ii) Federal District Search of courthouse records going back 7 years; (iii) National (Multi-State) Criminal Database Search going back 7 years; (iv) National Sex Offender Public Website; (v) Social Security Trace (based on name and social security number to identify addresses and names, including “also known as” and aliases, associated with the individual).<sup>14</sup>
- c. Individuals are automatically disqualified from being a driver if they are recorded in the National Sex Offender Public Website.<sup>15</sup>
- d. Individuals are automatically disqualified from being a driver if they have been convicted of violent crimes, sexual offenses or felonies in the past 7 years, including:
  - Assault
  - Sexual assault
  - Battery
  - Homicide
  - Theft/burglary/robbery
  - Indecent exposure
  - Gun-related violations
  - Resisting/evading arrest
  - Felony fraud

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<sup>14</sup> Section 29.505 of the Commission’s regulations only requires common carriers to conduct a criminal background check for the last 12 months. 52 Pa. Code § 29.505.

<sup>15</sup> Under Section 29.505 of the Commission’s regulations, an individual is disqualified from being a driver for a common carrier only if the person was convicted of a felony or misdemeanor and the conviction relates adversely to that person’s suitability to provide service safely and legally. 52 Pa. Code § 29.505.

- Property damage
  - Driving under the influence
  - Felony controlled substance violations
  - Severe driving violations such as hit-and-run, driving over 100 mph, driving on a suspended/revoked license or driving on the wrong side of a divided highway
- e. Further, individuals who have been convicted of driving without insurance or driving with a suspended license in the past 3 years are automatically disqualified.

Rasier-PA undertakes driver history checks consistent with Section 29.504 of the Commission's regulations. 52 Pa. Code § 29.504. Verifiable records are maintained for three years.

- f. Following authorization by the individual, Rasier-PA or its third party contractor accesses the applicant's motor vehicle records from the state of licensure, including Pennsylvania Department of Transportation ("PennDOT").
- g. All applicants must pass the driver history checks prior to being able to access the App and become available to accept passenger trip requests. Thereafter, driving history checks are performed annually. Existing drivers are immediately removed and barred from the platform if he or she fails the annual driver history checks.
- h. Drivers must be at least 21 years of age. Applicants who are the age of 21 or 22 years must have had a driver's license for three or more years. Applicants who are 23 years or older must have had a driver's license for one or more years.
- i. Individuals are automatically disqualified from being a driver if they are found to have committed extreme violations in the last 7 years, including:
- Driving under the influence of drugs or alcohol
  - Crime involving the use of a motor vehicle
  - Severe driving infractions, such as:
    - Aggravated reckless driving
    - Driving over 100 mph
    - Hit and run violations
    - Attempting to evade police
    - Other reckless driving
  - Violations involving property damage

- Violations involving fatal accidents<sup>16</sup>
- j. Individuals are automatically disqualified from being a driver if they are found to have committed any major violations in the last 3 years, including:
- Driving with a suspended, revoked or invalid license
  - Driving with invalid or no insurance
  - Driving on the wrong side of a divided highway
- k. Individuals are automatically disqualified from being a driver if they are found to have committed more than three minor violations in the last 3 years, including:
- Violations involving non-fatal accidents
  - Traffic light violations
  - Normal speeding tickets
  - Miscellaneous moving violations

Rasier-PA has a zero tolerance policy for the use of alcohol or controlled substances while the driver is operating on the platform, consistent with Section 29.506 and 29.507 of the Commission's regulations. 52 Pa. Code §§ 29.506 and 29.507. Verifiable records are maintained for a period of three years.

- l. Alcohol and drug screening are conducted through criminal history and driver history checks before individuals are permitted to access the App and be available to accept passenger trip requests and repeated on an annual basis.
- m. A notice of this zero tolerance policy is posted on the website, along with procedures for passengers to report a complaint, including a telephone number for the Commission, about a driver with whom the passenger was matched and reasonably suspects was under the influence of drugs or alcohol during the course of the transportation.
- n. When a passenger complaint is received alleging a violation of the zero tolerance policy, Rasier-PA immediately suspends the driver, pending an investigation, and investigates the complaint.
- o. If the investigation shows a violation of the zero tolerance policy, Rasier-PA deactivates the driver.

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<sup>16</sup> Under Section 29.504 of the Commission's regulations, common carriers are required to review driver histories dating back only 3 years and do not provide for the disqualification of individuals to operate as drivers based on the results of these reviews. 29 Pa. Code § 29.504.

### *Commitment to Vehicle Safety*

Consistent with the December 5<sup>th</sup> Orders and its Compliance Plans, Rasier-PA adheres to the Commission's vehicle safety standards and proposes to continue following these measures if the Petition for Waiver is granted. Verifiable records are maintained for three years.

- p. Rasier-PA requires vehicles to successfully pass the annual PennDOT inspections required by 75 Pa.C.S. Chapter 47 pursuant to 52 Pa. Code § 29.405. During the sign-up process, Rasier-PA collects evidence of the successful completion of annual state inspections.
- q. On a weekly basis, Rasier-PA conducts a document audit through which it identifies documents, including proof of PennDOT inspection requirements, which are expiring in the upcoming week and sends any associated drivers an electronic mail and a text message instructing them to upload new documents.
- r. Employees or contractors of Rasier-PA or its affiliates review the new documents, including the inspection sticker and the vehicle identification number, to verify that they are correct, current and compliant.
- s. If the new document is not uploaded, reviewed and approved by the document expiration date, the account is suspended, which means that the driver associated with that vehicle cannot access or receive trips through the App. The account remains suspended until the current (non-expired) documents are provided, and those documents are verified by an employee or contractor of Rasier-PA, or its affiliates, to be correct, current and compliant.

To comply with the Commission's requirement that vehicles remain in continuous compliance with the standards of 52 Pa. Code §§ 29.402(1) and (2) and 29.403, Rasier-PA: (i) requires evidence of the successful completion of PennDOT inspections on an annual basis; (ii) mandates that any deficiencies identified by enforcement officers during inspections conducted under the Commission's regulations be resolved; (iii) follows up to resolve any negative feedback about vehicles that is provided by customers through the rating system, responses to email receipts or complaints; and (iv) deactivates a vehicle and any associated drivers from the platform who fail to provide evidence of the successful completion of the annual PennDOT

inspection or who do not rectify any safety-related deficiencies with their vehicles that are identified.

Rasier-PA complies with the Commission's vehicle age requirements in 52 Pa. Code § 29.314(d).<sup>17</sup> Verifiable records are maintained for three years.

- t. During the sign-up process, Rasier-PA collects vehicle information to verify that conventional vehicles are not older than ten model years and alternatively fueled vehicles are not older than twelve model years and includes this information in a database.
- u. Thirty days prior to the conventional or alternatively fueled vehicles reaching ten or twelve model years, respectively, Rasier-PA provides a notification to any associated drivers that their vehicles need to be replaced. In the event such vehicles are not replaced, Rasier-PA deactivates the associated drivers from the platform until such time as they replace their vehicles.

Rasier-PA requires placement of a placard under the windshield of the vehicle, which is clearly visible from outside the vehicle at all times during Stages 1, 2 or 3, consistent with 52 Pa. Code §§ 29.71 and 29.72. The placards are 4 inches by 4 inches in size and printed with the UTI logo on glossy cardstock. Each driver is given a placard, along with instructions to affix them to the front windshield on the passenger side of the driver's vehicle and to use them when they are logged into the App and available to pick up passengers.

#### *Compliance with Insurance Requirements*

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<sup>17</sup> The Commission's final regulations revising the vehicle age requirements went into effect upon publication in the Pa. Bulletin on July 18, 2015 at 45 Pa.B. 3828. The Commission previously ruled that Rasier-PA may immediately begin following the new vehicle age requirements (10 model years for conventional vehicles and 12 model years for alternatively fueled vehicles) upon their approval and publication in the Pennsylvania Bulletin. *Petition of Rasier-PA LLC for Waiver of Six Month Delay in Implementation of Changes in the Commission's Vehicle Age and Mileage Regulations at 52 Pa. Code § 29.314* (Order entered April 23, 2015). Consistent with the new regulations and that ruling, Rasier-PA began allowing such vehicles to operate on the platform in July 2015. Pursuant to permission granted by the Commission, Rasier-PA permitted vehicles up to 15 model years to operate on its platform in the Counties of Bucks, Chester, Delaware and Montgomery, through September 30, 2016. *See Rasier-PA LLC, Petition for Issuance of Emergency Order*, Docket No. P-2016-2556598 (Order entered July 21, 2016). An emergency extension of this authority filed September 28, 2016 was denied on September 30, 2016 on the basis of SEPTA's September 29, 2016 announcement that a resumption of normal train schedules was imminent.

Consistent with the December 5<sup>th</sup> Orders, Rasier-PA maintains primary liability insurance coverage covering its experimental transportation network services for Stage 1 at levels that exceed the amounts required by the Commission's regulations at 52 Pa. Code § 32.11(b), plus \$1,000,000 coverage for Stages 2 and 3.<sup>18</sup> Specifically, for Stage 1, Rasier-PA maintains primary liability insurance coverage in the amount of \$125,000, split in the amounts of \$50,000 bodily injury per person, \$100,000 bodily injury per accident and \$25,000 property damage per accident. If the Petition for Waiver is granted, Rasier-PA proposes to continue complying with these requirements.

James River Insurance Company, an insurance carrier authorized to do business in the Commonwealth of Pennsylvania, filed a Form E on December 19, 2014 evidencing this insurance coverage, which has remained in effect since that time.

Rasier-PA also requires drivers using their own vehicles to maintain and provide proof of liability insurance during the sign-up process, and annually thereafter, covering Stage 0, which falls outside the scope of TNC services.

During the driver sign-up process, Rasier-PA informs drivers, in writing through electronic notification, as follows: (i) it has obtained primary liability insurance coverage for Stage 1; (ii) it has obtained primary liability insurance coverage in the amount of \$1,000,000, at a single combined 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; (iii) whether it is providing comprehensive and collision coverage to drivers; and (iv) in the event of an

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<sup>18</sup> The December 5th Orders describe the different stages of experimental transportation network service as follows:

- Stage 0: Driver is driving for personal reasons and the App is closed.
- Stage 1: Driver opens the App and is logged on to the system.
- Stage 2: Driver receives and accepts a ride request and travels to pick up the passenger
- Stage 3: Driver picks up the passenger, drives the passenger to the destination, and the passenger exits the vehicle.

accident during Stages 1, 2 and 3, drivers shall produce evidence of Rasier-PA's insurance. Rasier-PA maintains verifiable records of this notification in electronic format for three years.

Rasier-PA also requires each driver to verify through an electronic signature that, within 30 days of being activated on the platform, he will review the terms of his personal automobile insurance policy with his insurer or agent regarding the use of the insured vehicle on Rasier-PA's platform, if applicable. Rasier-PA maintains verifiable records thereof for three years in electronic format.

### *Community Involvement*

Through partnerships with many community organizations, Rasier-PA is committed to involvement in the local communities where it operates. Examples of such partnerships include the Girl Scouts of Eastern Pennsylvania, Girl Scouts of Western Pennsylvania, UPMC Health Plan, the Pittsburgh Pirates Baseball Club ("Pirates"), Pittsburgh Steelers, Philadelphia Union, Pennsylvania SPCA. The Pirates partnership entailed promotional codes to encourage the use of TNC services following games at PNC Park, with the App directing riders to a certain gate to reduce traffic congestion. Through a partnership with Lexus, Rasier-PA facilitated transportation in June 2016 to the U.S. Open in Oakmont, which is a difficult destination to reach.

These efforts are in addition to a variety of national partnerships that also benefit the local communities in Pennsylvania, such as Mothers Against Drunk Driving and MillerCoors, both of which have helped reduce drunk driving. For instance, through the partnership with MillerCoors, users were prompted by an in-App message with instructions on how to redeem the offer for free rides during the 2015-2016 holiday season.

Beyond these partnerships with community organizations, Uber Technologies, Inc., of which Rasier-PA is a wholly-owned subsidiary, chose Pittsburgh, Pennsylvania to be its hub for testing of self-driven vehicles and its worldwide headquarters for advanced technology. As noted above, in a letter directed to the Commission dated May 3, 2016, Pennsylvania Governor Wolf, Allegheny County Executive Fitzgerald and Pittsburgh Mayor William Peduto noted the company has hired several hundred employees, invested hundreds of millions in the past year, and established a model for new and innovative cooperative efforts between government and business.<sup>19</sup>

### **CONCLUSION**

As shown above, Rasier-PA is providing a valuable service to over 100,000 people throughout Pennsylvania, responding to public demand for reliable, affordable and safe transportation alternatives and providing residents with an opportunity to run their own small businesses by operating on the platform. Notably, the introduction and growth of TNC services is linked to reductions in DUI arrests and fatalities. In addition, Rasier-PA continues to possess the necessary financial, technical and legal fitness to provide these services. Since being authorized to furnish TNC services by the Commission, Rasier-PA has an exemplary compliance record by fulfilling or exceeding the requirements established by the Commission relating to driver integrity, vehicle safety and liability insurance. Pennsylvanians have come to rely on Rasier-PA's TNC services, which the Commission should permit to continue beyond January 29, 2017.

WHEREFORE, Rasier-PA LLC respectfully requests that the Commission grant this Petition for Waiver of the Commission's Experimental Service Regulations at 52 Pa. Code §

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<sup>19</sup> <http://www.puc.pa.gov/pdocs/1437240.pdf>.

29.352, extend Rasier-PA's experimental services authority to provide transportation network company services until the earlier of July 1, 2017 or such time as legislation addressing TNC services is enacted in Pennsylvania and the Commission has acted under such new law on an application to be filed by Rasier-PA, and grant Rasier-PA such other relief as is just and reasonable under the circumstances.

Respectfully submitted,

Dated: October 6, 2016



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*Attorneys for Rasier-PA LLC*

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Petition of Rasier-PA, LLC For Waiver of</b>	<b>:</b>	<b>Docket No. A-2014-2416127</b>
<b>the Commission's Experimental Service</b>	<b>:</b>	<b>Docket No. A-2014-2424608</b>
<b>Regulations at 52 Pa. Code § 29.352</b>	<b>:</b>	

**VERIFICATION**

I, Jennifer Krusius, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Rasier-PA, LLC

Date: 10/5/16

  
\_\_\_\_\_  
Jennifer Krusius,  
Manager-Uber Pennsylvania

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Rasier-PA, LLC, a limited liability company of the State of Delaware, for the right to begin to transport, by motor vehicle persons in the experimental service of shared-ride network for passenger trips between points in Allegheny County : : Docket No. A-2014-2416127

Application of Rasier-PA LLC, a Wholly Owned Subsidiary of Uber Technologies, Inc. for a Certificate of Public Convenience Evidencing Approval to Operate an Experimental Ride-Sharing Network Service Between Points in the Commonwealth of Pennsylvania, Excluding Designated Counties : : Docket No. A-2014-2424608

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the *Petition of Rasier-PA, LLC for Waiver of the Commission's Experimental Service Regulations at 52 Pa. Code Section 29.352* upon the parties listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

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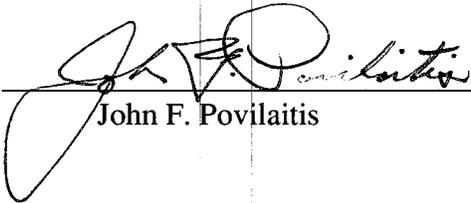
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Dated this 6<sup>th</sup> day of October, 2016.



John F. Povilaitis