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August 21, 2014

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

VIA ELECTRONIC FILING

**RE: Lyft, Inc. Testimony
En Banc Transportation Hearing; Docket No.: M-2014-2431451**

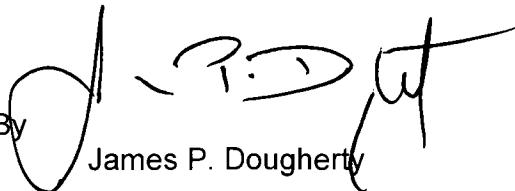
Dear Secretary Chiavetta:

Consistent with the Secretarial Letter issued on July 18, 2014, in the above-captioned proceeding and pursuant to follow-up discussions with Law Bureau Staff, attached please find the Revised Written Testimony of April Mims, Public Policy Manager for Lyft, Inc. Ms. Mims will present the attached testimony at the Pennsylvania Public Utility Commission's En Banc Transportation Hearing on August 28, 2014.

If you have any questions, please contact the undersigned. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By James P. Dougherty

Counsel to Lyft, Inc.

/lmc
Enclosures

cc: Bohdan R. Pankiw, Law Bureau Chief Counsel (via e-mail)
Eric A. Rohrbaugh, Law Bureau (via e-mail)
John Herzog, Law Bureau (via e-mail)
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**Testimony of April Mims
Public Policy Manager, Lyft, Inc.
Prepared for the
Pennsylvania Public Utility Commission
En Banc Transportation Hearing**

August 28, 2014

1 Good morning Chairman Powelson, Honorable Commissioners and distinguished
2 guests, my name is April Mims, and I am a Public Policy Manager for Lyft, Inc.

3

4 Lyft is a Delaware corporation headquartered in California, but registered with the
5 Pennsylvania Department of State. Currently, Lyft operates in Allegheny County,
6 Pennsylvania, under a Certificate of Public Convenience granting Emergency
7 Temporary Authority ("ETA") to offer experimental service. Lyft also has pending with
8 the Pennsylvania Public Utility Commission ("PUC" or "Commission") Applications for
9 Experimental Service that, if approved, will allow Lyft to permanently provide service in
10 Allegheny County and throughout most of Pennsylvania. My testimony today will
11 provide an overview of Lyft's service and the company's vision for enhancing
12 transportation options for Pennsylvania's communities. In light of concerns raised by
13 many stakeholders in the Pennsylvania market, I will also review Lyft's compliance with
14 existing Pennsylvania Regulations and the company's objectives for working with the
15 Commission to develop appropriate refinements to improve the availability of safe and
16 effective Transportation Network Company ("TNC") service in Pennsylvania.

17

18 Under the ETA authority granted for Allegheny County, Lyft currently operates a peer-
19 to-peer ridesharing network using digital software to facilitate transactions between
20 passengers and ridesharing operators using their own vehicles to provide
21 transportation. The purpose, of course, is to enhance access to transportation
22 alternatives, supplement existing public transportation, and reduce single occupancy
23 vehicle trips, as well as vehicle ownership and usage, while assisting Pennsylvania in
24 reducing greenhouse gas emissions.

25

1 Lyft is a TNC, which refers to a company offering a software application that allows
2 individuals seeking transportation to connect with qualified drivers. This is an innovative
3 form of prearranged transportation accessible through a mobile software application
4 (available on both the Apple iOS and Android mobile operating systems).

5
6 The need and public necessity for this service is clear. Existing prearranged and on-
7 demand transportation services rely only on full-time professional drivers, unnecessarily
8 limiting the scope of authorized services available to meet fluctuating consumer demand
9 for transportation. This is a very important point because all too often Lyft is viewed
10 solely as an alternative to taxicab service or public transportation. In reality, Lyft is
11 intended to be an alternative to vehicle ownership altogether. Many consumers expend
12 tremendous resources on personal vehicle ownership and maintenance. Specifically,
13 owning and operating a vehicle is the second highest U.S. household expense at
14 \$9,000 per year.¹ As Lyft's platform proliferates, consumers in many markets will be
15 able to forego personal vehicle ownership because Lyft can fill the transportation gaps
16 left by existing transportation services.

17
18 Ridesharing, where non-professionals with vehicles provide rides to friends, neighbors,
19 and casual acquaintances, is nothing new. Consumers have engaged in ridesharing for
20 many decades, utilizing such low-tech forums such as office carpooling lists, commuter
21 pick-up lines, and employer and community rideboards. The benefits of low-cost
22 ridesharing are clear and unmistakable; ridesharing reduces single occupancy vehicle
23 trips while providing tremendous societal benefits, including enhanced access to
24 transportation and reductions in traffic congestion and greenhouse gas emissions.

25
26 As with any new innovation or variance from traditional and long-standing practices,
27 concerns regarding the applicability of existing regulations exists. While Lyft's service
28 differs from traditional motor carrier services, the company understands that effective
29 regulation is key to expanding Lyft's service in a safe and responsible manner. To that
30 end, Lyft strives to work with regulators to develop regulatory oversight appropriate for

¹ <http://www.usatoday.com/story/news/nation/2013/04/16/aaa-car-ownership-costs/2070397/>.

1 ridesharing services, including insurance requirements. The majority of Lyft drivers
2 spend less than 15 hours per week driving for the company; these are not full-time
3 professional drivers. Additionally, drivers using Lyft's platform do not drive in search of
4 street hails and only receive ride requests using the mobile application. Such
5 differences should be considered by regulators in determining what regulatory
6 structures should be applicable to TNCs.

7

8 Lyft supports the PUC's interest in driver integrity and vehicle safety. As a PUC-
9 certificated entity, Lyft is responsible for providing a durable record of each trip
10 completed through the platform, including the identity of the passenger and driver, a
11 photograph of the vehicle and a description of each trip (*i.e.*, time and location of
12 origination and destination, and GPS record of route taken). Lyft is also responsible for
13 obtaining criminal background and driving history checks for all individual drivers
14 offering service through the Lyft platform. In addition to background checks, drivers
15 must observe Lyft's Zero Tolerance for Drugs and Alcohol policy and meet all standards
16 for a qualified driver as set forth in the Commission Regulations. Drivers who fail to
17 meet each and every one of the foregoing requirements cannot qualify as a Lyft driver.
18 Lyft also performs internal vehicle inspections and submits to the PUC's authority to
19 inspect vehicles operating under the PUC's Regulations.

20

21 Under the ETA authority granted by the Commission, Lyft further offers insurance
22 coverage exceeding the PUC insurance guidelines set forth in Chapter 32 of the PUC's
23 Regulations.

24

25 As the Commission considers updating its transportation regulations, Lyft encourages
26 communication with affected companies, particularly as relates to rules and regulations
27 that would affect the burgeoning TNC services in Pennsylvania. For example, while Lyft
28 recognizes the importance of vehicle safety, Lyft cautions the Commission against
29 implementing unreasonable age or mileage restrictions for vehicles used in conjunction
30 with TNC service. Additionally, the Commission should ensure that enforcement of any

April Mims, Lyft, Inc.

August 28, 2014

1 TNC regulation is carried out in a manner respectful of the reality that drivers using
2 Lyft's platform are non-professional members of the public.

3

4 Thank you for the opportunity to testify here today. On behalf of Lyft, we greatly look
5 forward to serving Pennsylvania communities effectively and safely.