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Sent: 7/30/2013 4:09:32 PM
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Cc:
Bcc:
Subject: Proposed Decision Issued in Ridesharing Proceeding: CPUC Information Alert

CPUC Information Alert: Proposed Decision Issued in Ridesharing Proceeding

The California Public Utilities Commission (CPUC) today issued a Proposed Decision that, if adopted, would ensure that public safety is not compromised by the operation of transportation services that use an online-enabled platform to connect passengers with drivers who use their personal, non-commercial vehicles.

The Proposed Decision is available at
<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M073/K705/73705156.PDF>.

The Proposed Decision finds that companies such as Lyft, SideCar, and Uber are charter party passenger carriers subject to CPUC jurisdiction and creates the category of Transportation Network Company (TNC) to accompany the existing category of Transportation Charter Party (TCP). A company or individual wishing to provide transportation or facilitate transportation of passengers can choose to either get a TCP license or a TNC license. If approved by the CPUC's Commissioners, each TNC would be required to:

- Obtain a license from the CPUC to operate in California;
- Require each driver to undergo a criminal background check;
- Establish a driver training program;
- Implement a zero-tolerance policy on drugs and alcohol; and,
- Hold an insurance policy that is more stringent than the CPUC's current requirement for limousines, requiring a minimum of \$1 million per-incident coverage for incidents involving TNC vehicles and drivers in transit to or during a TNC trip. Limousines with a seating capacity of seven passengers or less requires \$750,000 in insurance coverage.

Although the Proposed Decision would adopt the above rules and regulations, it says that the CPUC would look for further guidance from the legislature should there be a need for formal legislation to provide an overall legislative scheme for regulating this new industry.

The Proposed Decision orders a second phase to the proceeding to review the CPUC's existing regulations over limousines and other charter party carriers to ensure that public safety rules are up to date and responsive to the needs of today's transportation market.

The first opportunity for the Proposed Decision to come before the CPUC's Commissioners for a vote is Sept. 5, 2013.

Please let me know if you have any questions.

Terrie Prosper

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