

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on
Regulations Relating to Passenger Carriers,
Ridesharing, and New Online-Enabled
Transportation Services.

Rulemaking 12-12-011
(Filed December 20, 2012)

**CALIFORNIA AIRPORTS COUNCIL COMMENTS ON PROPOSED
MODIFICATIONS TO DECISION 13-09-045 ADOPTING RULES AND REGULATIONS
TO PROTECT PUBLIC SAFETY WHILE ALLOWING NEW ENTRANTS TO THE
TRANSPORTATION INDUSTRY**

The California Airports Council
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April 07, 2014

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DECISION 13-09-045 ADOPTING RULES AND REGULATIONS TO PROTECT PUBLIC
SAFETY WHILE ALLOWING NEW ENTRANTS TO THE TRANSPORTATION INDUSTRY**

In accordance with the Commission’s request for comments on proposed modifications to D. 13-09-045, dated March 25, 2014, the California Airports Council (CAC) respectfully submits the following suggestions for consideration.

Introduction

The CAC is comprised of the 33 commercial service airports throughout the state. The mission of the CAC is to promote awareness and understanding of commercial airports and the role they play in our state. California commercial aviation activity is greater than any other single state, with over 170 million passengers passing through the California’s airports annually. California is also home to two of the nation’s 10 largest airports, Los Angeles International and San Francisco International.

TNC Service

First, should “providing TNC services” be defined as follows: Whenever the TNC driver is using their vehicle as a public or livery conveyance including when the TNC app is open and available to accept rides from a subscribing TNC passenger until that app has been closed.

TNCs should be defined as “providing TNC service” when the driver has the app open and available to accept rides. However, the proposed modification of the Commission, as written, assumes all applications have an “on” or “off” feature which limits the definition of providing service. Due to the differing functionality of the various TNC applications, such as scheduled services and real-time, on-demand services, we would like to ensure that there is language also defining “providing TNC service” as

the time waiting for notification of new patrons and the time between trips. The additional language will include a larger scope of TNC applications, encompassing both scheduled and on-demand services.

Insurance Coverage

Second, should the requirement that TNCs maintain commercial liability insurance policies be modified as follows: TNCs shall maintain commercial liability insurance policies providing a minimum of \$1,000,000 (one million dollars) per-incident coverage for incidents involving TNC vehicles used as a public or livery conveyance. In the event of a vehicle-related incident, this commercial liability insurance must provide coverage of up to \$1,000,000 per-incident, whether against the driver or the TNC. In addition, these insurance policies must be issued by a company licensed to write insurance in this state, or by non-admitted insurers subject to Insurance Code § 1673.

Yes, commercial liability insurance should be required at a level similar to other transportation services, such that coverage provides adequate and appropriate capacity. To reflect the language of current insurance policies, bodily injury and property damage per-incident should be expressed as a combined single limit to maintain consistency. Also, to prevent insurance gaps, it should be required that TNCs provide drop down coverage if the driver's limit is insufficient at the time of a loss. Typically, for Uber, Lyft, and similar services, the limit will be achieved through a combination of a lower limit from the driver and evidence of the full \$1,000,000 from Uber, Lyft, etc. as personal auto policies are not usually sold with a \$1,000,000 limit. Drop down coverage will protect both the driver and the TNC companies.

Along with the suggested modifications, language should be included requiring airports to be listed as "additional insured" to protect airport liability when TNCs are operating on airport property.

Third, in addition to the requirement that TNCs must maintain commercial liability insurance, should the TNCs be required to maintain the following coverage that, if adopted, will apply on a per-incident basis for incidents involving vehicles and drivers while they are providing TNC services: medical payments coverage in the amount of \$5,000, comprehensive and collision coverage in the amount of \$50,000, and uninsured/underinsured motorists coverage in the amount of \$1,000,000?

Yes, we believe it would be in the best interest of TNC drivers and the public to maintain additional coverage for medical payments, comprehensive and collision coverage, and uninsured/underinsured motorists coverage.

Applicability

Fourth, in addition to applying these proposed modifications to all TNCs and TNC drivers, should these proposed modifications also apply to Uber Technologies, Inc. as it is enjoying the privilege of conducting business in California subject to the Commission’s jurisdiction?

Yes, Uber Technologies, Inc. should be required to adhere to the proposed regulations applicable to all TNCs and TNC drivers. To allow Uber Technologies, Inc to operate without adherence to regulations required of other TNC companies and drivers creates an unwarranted precedent that could potentially jeopardize the safety and coverage of TNC drivers and their passengers.

Reporting

Finally, should the Commission exercise its authority under Rule 1.2 of the Commission’s Rules of Practice and Procedure (Rules) to make Rule 8.4 (Reporting Ex Parte Communications) applicable to this proceeding? Also, should the Commission make the reporting requirement set forth in Rule 8.4 cover communications between “interested persons,” as defined in Rule 8.1(d), and the Commission’s Policy and Planning Division?

Yes, the commission should make Rule 8.4 applicable to this proceeding and the reporting requirement should cover communications between “interested persons”. Any oral or written communication from “interested persons” to the Administrative Law Judge or Commission regarding this proceeding should be on record and available to all parties for review to maintain a consistent and fair process.

Respectfully submitted,

Dated: April 07, 2014

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By: _____/S/_____