

# APPENDIX A

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### I. PROPOSED CHANGES TO FINDINGS OF FACT

1. D.13-09-045 did not define the phrase “providing TNC services.”
2. Parties have differing interpretations of the phrase “providing TNC services.”
3. The California Department of Insurance has advocated a definition of “providing TNC services” that is different than how some insurance companies have defined “providing TNC services.”
4. ~~Some parties have taken the position~~differing positions on whether ~~that~~ a TNC driver’s personal automobile insurance will ~~not~~ apply to an incident arising out of the TNC driver “providing TNC services because of the presence of the public conveyance or livery exclusion.
5. ~~It is possible that TNC~~California law does not require drivers of personal or commercial vehicles ~~are not to be~~ insured for uninsured/underinsured motor vehicle coverage, comprehensive automobile and collision coverage, and medical payments coverage. ~~while they are “providing TNC services.”~~
6. Uber is conducting business in California with the permission of the Commission.
7. Uber is required to provide the Commission with proof of public liability and property damage insurance applicable to “providing TNC services.”
8. Uber is required to keep its required insurance active and in effect, and its proof of insurance must be on file with the Commission while Uber is conducting business in California.
9. Communications between “interested persons” and “decision-makers” have occurred during this proceeding without notice to other “interested persons” and without any reporting of the communications.
10. Communications between “interested persons” and the Commission’s Policy and Planning Division have occurred during this proceeding without notice to other “interested persons” and without any reporting of the communications.

## II. PROPOSED CHANGES TO CONCLUSIONS OF LAW

1. TNC services should be defined as the period commencing when the TNC driver accepts a ride match and ending when the TNC passenger safely exits the vehicle~~whenever the TNC driver has the application (app) open.~~

2. A TNC permit from the California Public Utilities Commission should require a \$1 million commercial liability insurance for Period Two ("Match accepted - but passenger not yet picked up") and Period Three ("Passenger in car - until passenger safely exits car") but not Period One ("Application open - waiting for a match:").

~~, as well as medical payments coverage in the amount of \$5,000, comprehensive and collision coverage in the amount of \$50,000, and uninsured/underinsured motorist coverage in the amount of \$1,000,000.~~

*OR, if the Commission adopts Period One insurance requirements,*

2. A TNC permit from the California Public Utilities Commission should require commercial liability insurance in the amounts of \$50,000 per individual bodily injury claim, \$100,000 per incident, and \$25,000 property damage for Period One ("Application open - waiting for a match") and a \$1 million commercial liability insurance for Period Two ("Match accepted - but passenger not yet picked up") and Period Three ("Passenger in car - until passenger safely exits car").~~, as well as medical payments coverage in the amount of \$5,000, comprehensive and collision coverage in the amount of \$50,000, and uninsured/underinsured motorist coverage in the amount of \$1,000,000.~~

3. The modified insurance requirements should be applicable to Uber.



### III. PROPOSED CHANGES TO ORDERING PARAGRAPHS

1. Transportation Network Company (TNC) services are defined as the period commencing when the TNC driver accepts a ride match and ending when the TNC passenger safely exits the vehicle~~whenever the TNC driver has the application open.~~

2. Transportation Network Company (TNC) activities relate to services are provided by TNC drivers during three distinct time periods. Period One is: "Application open - waiting for a match." Period Two is: "Match accepted - but passenger not yet picked up." Period Three is: "Passenger in car - until passenger safely exits car." Decision 13-09-045 made clear that coverage was mandatory during Periods Two and Three. This Decision clarifies that TNC insurance coverage is also not mandatory during Period One.

*OR, if the Commission adopts Period One insurance requirements,*

2. Transportation Network Company (TNC) activities relate to services are provided by TNC drivers during three distinct time periods. Period One is: "Application open - waiting for a match." Period Two is: "Match accepted - but passenger not yet picked up." Period Three is: "Passenger in car - until passenger safely exits car." Decision 13-09-045 made clear that coverage was mandatory during Periods Two and Three. This Decision clarifies that TNC insurance coverage is also mandatory during Period One.

3. A Transportation Network Company permit from the California Public Utilities Commission will require a \$1 million commercial liability insurance for Period Two ("Match accepted - but passenger not yet picked up") and Period Three ("Passenger in car - until passenger safely exits car") but not Period One ("Application open - waiting for a match").~~, as well as medical payments coverage in the amount of \$5,000, comprehensive and collision coverage in the amount of \$50,000, and uninsured/underinsured motorist coverage in the amount of \$1,000,000.~~

*OR, if the Commission adopts Period One insurance requirements,*

3. A TNC permit from the California Public Utilities Commission should require commercial liability insurance in the amounts of \$50,000 per individual bodily injury claim, \$100,000 per incident, and \$25,000 property damage for Period One ("Application open - waiting for a match") and a \$1 million commercial liability



insurance for Period Two ("Match accepted – but passenger not yet picked up") and Period Three ("Passenger in car – until passenger safely exits car"), as well as medical payments coverage in the amount of \$5,000, comprehensive and collision coverage in the amount of \$50,000, and uninsured/underinsured motorist coverage in the amount of \$1,000,000.

4. We require that each Transportation Network Companies file their insurance policies under seal with the Commission as part of applying for a permit. ~~The new insurance requirements will apply upon the expiration of the insurance policies in place one year from the effective date of this decision, whichever is sooner.~~

*OR, if the Commission adopts new insurance requirements,*

4. We require that each Transportation Network Companies file their insurance policies under seal with the Commission as part of applying for a permit. The new insurance requirements, including any Period One insurance requirements, will apply upon the expiration of the insurance policies in place or one year from the effective date of this decision, whichever is sooner.

5. Transportation Network Companies (TNC) may satisfy the insurance requirements, prescribed by these regulations, by either maintaining such insurance on its own, or with any combination of a policy maintained by the TNC and a policy maintained by the TNC driver that is specifically written for the purpose of covering TNC services, or portion thereof. Such combination of policies must meet the minimum limits required by these regulations. ~~Such policies are exclusive and shall assume all liability. Such policies shall have the sole duty to defend.~~

6. In the event a driver-maintained policy is used to partially fulfill the insurance requirements, a transportation network company's insurance must provide sole excess coverage to the driver's policy that is specifically written for the purpose of covering transportation network services, or portion thereof. In the event such driver-maintained policy ceases to exist, the transportation network company's insurance shall provide primary and exclusive coverage for covered claims, and ~~assume all liability and the sole duty to defend~~, at dollar one.

~~7. Unless coverage for Transportation Network Company (TNC) services is separately and specifically stated in the policy and priced pursuant to approval by the California Department of Insurance, a driver's personal automobile policy is~~

~~in no way required to provide coverage or the duty to defend for TNC services.~~

87. The modified insurance requirements also applies to Uber.

98. We require that all *ex parte* communications be reported pursuant to Rule 8.4.

109. We require the reporting requirements set forth in Rule 8.4 to cover communications between “interested persons” and the Commission’s Policy and Planning Division such that any communication between an “interested person” and Policy and Planning Division must be reported in accordance with Rule 8.4.

110. Rulemaking 12-12-011 remains open.

# APPENDIX B

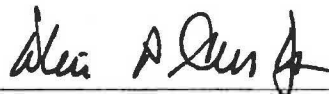
## **Appendix B**

### **Declaration of William P. Curtis, Jr.**

1. My name is William P. Curtis, Jr. and I am a Member of Porter & Curtis, LLC, a limited liability company organized in the State of Pennsylvania and authorized to do business and in good standing in the State of California. In that position I advise Sidecar Technologies, Inc. ("Sidecar") with respect to its insurance issues.
2. I have been employed in the insurance industry for 35 years, specializing in commercial liability insurance. I am licensed to provide insurance related services in the States of Pennsylvania and California.
3. I graduated from St. Joseph's University in 1983 with the degree of Accounting.
4. I have advised Sidecar and its attorneys in their preparation of comments on the Proposed Decision of Commissioner Peevey Modifying Decision 13-09-045 in Rulemaking 12-12-011. I have reviewed all factual assertions in those comments relating to insurance requirements and I believe all such statements to be true and accurate.

I, William P Curtis, Jr., declare under penalty of perjury that the above statements of fact are true and correct to the best of my knowledge and belief.

Executed on June 27, 2014, at Media, Pennsylvania.



William P. Curtis, Jr.  
Porter & Curtis, LLC