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June 18, 2014

VIA E-FILING

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

Re: Bureau of Investigation and Enforcement v. Uber Technologies, Inc. Docket No. C-2014-2422723

Dear Secretary Chiavetta:

On behalf of Uber Technologies, Inc., I have enclosed for electronic filing the Motion for Stay of Uber Technologies, Inc. in the above-captioned matter.

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

Sincerely,

Karen O. Moury

KOM/tlg Enclosure

cc:

ALJ Jeffrey Watson and ALJ Mary D. Long (via email only)

Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

BUREAU OF INVESTIGATION : AND ENFORCEMENT :

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v. : Docket No. C-2014-2422723

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UBER TECHNOLOGIES, INC. :

MOTION FOR STAY OF UBER TECHNOLOGIES, INC.

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Uber Technologies, Inc. ("Uber"), by and through its counsel, Karen O. Moury, and Buchanan Ingersoll & Rooney PC, files this Motion for Stay, pursuant to Section 5.103 of the Pennsylvania Public Utility Commission's ("Commission") regulations, 52 Pa. Code § 5.103, and in connection therewith avers as follows:

1. Uber is requesting a stay of the above-captioned proceeding in the interests of judicial economy and administrative efficiency to permit the disposition by the Commission of the pending application proceeding initiated by Rasier-PA, LLC for authority to operate an experimental ridesharing network service in Allegheny County before adjudicating this Complaint. By filing the pending application and previously obtaining a statewide brokerage license, Uber has demonstrated a willingness to work with the Commission and the Commonwealth to fit its innovative technology-enabled ridesharing network services within an existing regulatory framework that was clearly not designed for these types of services. Importantly, Uber has also shown a commitment to comply with or exceed the Commission's existing requirements relating to driver integrity, vehicle safety and liability insurance.

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- 2. On June 5, 2014, the Bureau of Investigation and Enforcement ("I&E") filed a Complaint with the Commission alleging that Uber is acting as a broker of transportation without Commission authority. The Complaint seeks a civil penalty of \$95,000 and requests that Uber be directed to cease offering ridesharing passenger transportation service. The Complaint was served on Uber on June 6, 2014, and an Answer is due on June 26, 2014.
- 3. On June 16, 2014, I&E filed a Petition for Interim Emergency Relief ("Petition") with the Commission requesting the issuance of an Interim Emergency Order requiring Uber to immediately cease and desist from brokering transportation service for compensation between points within the Commonwealth of Pennsylvania. Answers to the Petition are not required but may be filed on June 23, 2014.
- 4. On January 24, 2013, the Commission approved the application of Gegen, LLC ("Gegen"), a wholly owned Uber subsidiary, at Docket No. A-2012-2317300 for a brokerage license, evidencing the Commission's approval of the right and privilege to operate as a broker and to arrange for the transportation of persons, between points in Pennsylvania. In approving the application, the Commission noted that requests for service would be received via proprietary dispatch software licensed for use by Gegen and that carriers contracted with Gegen would be supplied with the software and equipment to access all trip information. The application listed Gegen's members as consisting solely of Uber.
- On April 14, 2014, Rasier-PA LLC ("Rasier"), a wholly owned subsidiary of
 Uber, filed an application at Docket No. A-2014-2416127 requesting the issuance of a certificate

of public convenience to operate an experimental ridesharing network service between points in Allegheny County, Pennsylvania.

- 6. In the application, Rasier proposed to use a digital platform to connect passengers to independent ridesharing operators with whom Rasier would contract. Operators would use their personal, noncommercially licensed vehicles for providing transportation services. Rasier would license the Uber technology to generate leads from riders who need transportation services, and riders would request transportation via Uber technology through the Internet or a mobile application ("App") on their smartphones.
- 7. Rasier's application explained that technology has enabled it to offer innovative services to passengers that are not available from traditional transportation providers. By relying on a digital platform, Rasier would be able to efficiently and economically connect passengers with operators. As further noted in the application, Rasier's services are necessary for the public interest in Allegheny County due to the failure of existing transportation options to adequately meet the needs of riders. Indeed, the City of Pittsburgh's Mayor William Peduto has requested the Commission to permit innovative App-based ridesharing services to help fill the void that has not been met by existing taxicab and limousine companies operating in Pittsburgh.
- 8. Rasier's application was published in the *Pennsylvania Bulletin* on April 26, 2014, with protests due by May 12, 2014. Protests have been filed to the application by the Insurance Federation of Pennsylvania ("Insurance Federation"), the Pennsylvania Association for Justice ("PAJ"), JB Taxi LLC, Executive Transportation, Inc. t/a Luxury Sedan, and Concord Limousine, Inc. Rasier has filed preliminary objections to the protests, and the application and protests are currently pending before the Office of Administrative Law Judge.

¹ Rasier has also filed an application at Docket No. A-2014-2424608 requesting the issuance of a certificate of public convenience to operate an experimental ridesharing network service throughout the Commonwealth, excluding certain counties, which is pending before the Commission.

- 9. Rasier is preparing an amended application for filing at Docket No. A-2014-2416127 to address concerns about liability insurance coverage that have been raised by some of the protests. Specifically, in the amended application, Rasier will clarify that it intends to fully comply with the Commission's requirements set forth in 52 Pa. Code §§ 32.11 and 41.21 by maintaining liability insurance and providing the necessary documentation of such liability insurance covering each motor vehicle operated within Pennsylvania in the amounts specified in the regulations. Based upon Rasier's review of the protests filed by the Insurance Federation and PAJ, it is believed that this amended application will address their concerns and lead to the withdrawal of those protests. Absent withdrawal of those protests, the pending preliminary objections assert that the Insurance Federation and PAJ lack standing to protest the application, and that the Commission has full authority to conditionally approve the application subject to the submission of evidence of adequate liability insurance coverage.
- application are the protests of two limousine companies and one taxicab company, which allege that the proposed experimental ridesharing network service would be harmful to their existing businesses. The pending preliminary objections challenge the standing of those carriers to protest the application due to the fact that they do not offer ridesharing network services, which the Commission has distinguished from limousine and taxicab service in conditionally approving on May 22, 2014 the application of Yellow Cab Company of Pittsburgh, Inc. t/a Yellow X ("Yellow Cab") at Docket No. A-2014-2410269 to provide experimental ridesharing services. In distinguishing Yellow Cab's proposed service from limousine and taxicab service, the Commission pointed to the use of an App-based technology to arrange service as allowing for a wider-ranging, faster and more user friendly scheduling of transportation services. Additionally,

in a Joint Statement accompanying the adoption of the Yellow Cab Order, Commission Witmer and Commissioner Brown expressed encouragement and excitement about the potential for this type of service throughout the Commonwealth. They described this type of service as having the potential to revolutionize the transportation market and provide Pennsylvania customers with more options for travel. Welcoming different business models, they noted their expectation that this type of service would thrive in Pennsylvania and provide great benefits to consumers.

- 11. Either through the disposition of the preliminary objections or through negotiations with the protestants, Rasier is hopeful that the application will be able to move forward for Commission review within the next several weeks. As noted in the application, Rasier plans to meet or exceed all Commission requirements relating to driver integrity and vehicle safety. In addition, if the application becomes unprotested, Rasier stands ready and willing to cooperate with the Commission staff to address any remaining concerns with the objective of the application being approved by the Commission in the near future.
- 12. Given the procedural posture of Rasier's application at the Commission, Uber submits that judicial economy and administrative efficiency would be served by staying the present Complaint proceeding. Such a stay would give Uber the opportunity to resolve any remaining issues with Rasier's application so that the Commission may timely dispose of it, possibly alleviating the need for the Complaint proceeding to move forward.
- 13. Moreover, in light of the Gegen brokerage license issued by the Commission in January 2013, and the pending Rasier applications, Uber has demonstrated a willingness to work with the Commission and the Commonwealth to fit its innovative technology-enabled services within the existing regulatory framework that was clearly not designed for these types of

services. Further, Uber has shown a commitment to compliance with requirements relating to driver integrity, vehicle safety and adequate liability insurance.

WHEREFORE, for the foregoing reasons, Uber Technologies, Inc. respectfully requests that the Commission grant its Motion for Stay and hold the Complaint proceeding in abeyance pending the adjudication of Rasier's application proceeding at Docket No. A-2014-2416127.

Respectfully submitted,

Dated: June 18, 2014

Karen O. Moury

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Attorneys for Uber Technologies, Inc.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

BUREAU OF INVESTIGATION
AND ENFORCEMENT

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v. : Docket No. C-2014-2422723

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UBER TECHNOLOGIES, INC.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

Via Email and First Class Mail

Michael L. Swindler, Esquire
Stephanie M. Wimer, Esquire
Wayne T. Scott, Esquire
Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265
mswindler@pa.gov
stwimer@pa.gov
wascott@pa.gov

Dated this 18th day of June, 2014.

Karen O. Moury, Esq.