September 4, 2014

Rosemary Chiaveta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

To Secretary Chiavetta,

 I would like to submit my comments regarding transportation industry issues. The Pennsylvania PUC is permitting participants and the public to speak on key issues that the Commission plans to address regarding current issues in the transportation industry and whether the Commission’s transportation regulations should be updated to address these issues.

After learning of the hearing, I was so curious as to what the future regulations to my industry may look like, I took the time to come to Harrisburg to witness the entire En Banc Hearing in person.

I am submitting my ideas after reading the PUC’s Website permitted the General Public to file Comments to you, Secretary, by no later than September 11, 2014. The Docket Number is M-2014-2431451.

I have a comprehensive history in Transportation in Allegheny County. I have volunteered as a Transit Advisory for the Port Authority’s “Allegheny County Transit Council”, Yellow Cab’s “Driver Forums”, a volunteer with the Transportation Committee of the RHI Socialable City in Pittsburgh and was employed by the Society for the Preservation of Duquesne Heights Incline some time ago.

 I would like to record to show that even though I have been a Commercial Driver in Pittsburgh for the past 7 ½ years, I do not nor cannot speak on behalf of anyone or any company that has either employed/partnered with me previously, currently or will do so some time in the future. I speak of my views and perspectives only.

Thank you for your time.

Sincerely,
Samuel J Hurst
Taxicab Driver and Republican Committeeman - Pittsburgh, PA

CC: State Senator Wayne Fontana
CC: State Representative Erin Molchany
CC: State Representative Harry A Readshaw
CC: Bob Hillen, Chair, Republican Committee of Pittsburgh

 **Public Testimony of En Banc Hearing Regarding Transportation Issues Docket No M-2014-2431451
 Comments of Samuel J Hurst
 September 4, 2014**

Below are my views and opinions on PUC related issues. I hope the PUC will take them into consideration before making their final decisions.  **PRIMARY INSURANCE:** Whether operating a Taxi, Transportation Network Car (TNC) or any other form of Commercial Common Carrier, I believe it should be the Commercial Insurance billed Primary, if not solely, in the event of an accident. I would assume billing a Personal Auto Insurance policy primary would almost always guarantee a denial, and would add additional and unneeded work to obtaining payment for a claim. Such insurance should be in effect from the moment the vehicle is in service until the moment it is out of service. **AGE OF VEHICLE AND MILEAGE OF VEHICLE:** Just as April Mims, Public Policy Manager of Lyft and Mark Saber, The Central Penn Taxi Association testified to, the age of the vehicle and the Odometer may not be a fair determining factor of the safety. I was dumbfounded to find out that the PUC put a 100,000 mile maximum on TNCs. I was actually considering driving Part Time for Yellow X until I heard this regulation. Any successful taxicab or TNC operator would hit 100,000 within two years of full time operation! And that would be even less if the car wasn’t brand new, as I suspect most TNCs are not. To require a Taxicab, Limo, Paratransit or TNC Company to replace its fleet with new vehicles every two years would quickly become unsustainable and would guarantee almost every company to fail!

I have been in personal automobiles that were less than 8 model years old and under 100,000 and was nervous about the condition of the car, and to the contrary, have been in vehicles well over 8 model years and 100,000 and felt safe as safe can be.

I am also concerned that since the 8 model year requirement was passed to the TNC that the 100,000 mile requirement may someday be passed to Taxicabs. That would be disastrous for the industry!

TNC and Taxicabs should be equally permitted to use clean, safe and inspected vehicles over age 8. I would request the Commission to remove any mileage restraints for Taxicabs and TNCs and adjust the age limit to ten years, with the ability for Cab Companies and TNC Operators to request extensions of that ten years if a reasonable explanation of hardship is provided. This could even help smaller Rural Taxicab Companies!

I know Senator Fontana proposes an 8 year life span on TNCS with his SB 1457 of 2014, but I respectfully disagree with the Senator on this piece. I ask the Commission to please remove the mileage restriction and change the age restriction from 8 years to 10 years…and to revisit it a few years in the future to re-evaluate and adjust the requirement again, if needed. The age and mileage requirements should be equal for Taxicabs and TNCs. **SURGE /PRIME TIME PRICING:** There has been concern about TNC’s who have “Surge Pricing” or “Prime Time pricing”. Even many taxicab drivers in Pittsburgh have told me that it is not fair that Uber X and Lyft can charge premium fares during premium times, and I agree. Taxicabs, too, should be permitted to charge a reasonable Premium Fare during Premium times.

Most taxicab operators in Pittsburgh are Independent Contractors. We lease our cabs from the company for a specific amount of time for a fee, pay for gas, Credit Card Processing Fees and any tolls we may occur. To help Drivers and the Company to make money, we need business to be steady throughout the day and night (within reason). Due to human nature, that doesn’t always happen.

Hotels, Airlines, Amtrak, Greyhound and Megabus handle this by having their prices fluctuate based on market needs. Slower days and times will have lower prices…whereas hotel rooms may jump during a Steelers home game, and you are sure to pay a bit more for an airplane ticket right around the holidays.

As a taxicab operator, I can testify to the frustration that at 9:30P on many Friday and Saturday nights, business in Pittsburgh is slow. Cabs can be sitting around the sitting, on standby, without any fares to run. Then sometime between 9:45p-10p, the flood gates open, and the board lights up with fares. Likewise, I can sit or drive around the South Side at 1:45A and not get a single fare, but at 2A, everyone runs to find a cab.

Allowing TNCs and Taxicabs to “surge” pricing may allow us to help level the “peaks” and “valleys” of Taxicab and TNC demand. Such “peaks and valleys” was a complaint by another participant of the August 28, 2014 Hearing.

It is not realistic to expect that taxicabs or TNC to remove the same amount of people the South Side in a 10-15 minute span that took 3-4 hours to get them there. However, creating a financial incentive for people to use taxicabs before the 2A, or a period of time after (30 minutes?) may help smoothen out the Great Exodus of Pittsburgh’s Nightlife Zones (and other areas throughout the Commonwealth). Likewise, this idea should be applied to rush hour travel, severe weather and before/after major events.

I do believe that Taxicabs and TNCs should be able to charge a premium for premium times, but that surcharge should be limited to a rate of no more, but including, three times (300%) the base rate of the PUC approved Tariff.
 **CANCELATION FEE:** As stated above, most Taxicab operators are Independent Contractors. We are to pay for a Lease, Fuel, Tolls and Credit Card fees. We have a specific amount of time to make our money, and NO SHOWS can quickly add up and cost us money. Too many No-Shows can disenfranchise a taxicab driver from wanting to chase fares, thereby making the rest of the good customers waiting a bit longer for a taxicab.

There are people out there who are rude enough to call for a cab, even calling back multiple times to check up on that status, just to not answer the phone or come out side to let us know they don’t need us. Some passengers have even told me over the phone that they still need a ride just to blow me off when I arrive. This is even after I told them I would be there in less than five minutes! Others will call for one or more than one cab, just to hop in the first cab that comes. The worst case was when a man ordered a cab over the Taximagic Ap (now called Curb), verified my name, cab number and saw my exact GPS location. I made contact with him and told him I would be there in less than five minutes, and did…just to find out he hopped in another cab from another cab company! I doubt that driver’s name was “Samuel” and most certainly did not have my cab number!

A few weeks ago I pulled up to the UC Turnaround at Carnegie Mellon University. I was in a bright yellow and clearly marked Taxicab. Two men were present. One walked up to me (while I sat in my cab) and asked if I was Mark from Uber. Again, I was in a clearly marked Taxicab. I told him that no, I was not Mark from Uber, but could take them to wherever he needed to go. The first guy said “let’s go” to the second, but the second said “No, Uber will charge me $5.00 if I cancel.” Amazing how the fear of losing $5.00 commands loyalty!

As there are more options in Pittsburgh, I fear that many people will use their smart phone to request an Uber X, a Lyft and also a Taxicab. This will cause two of us to go on a wild goose chase, losing money. As this happens more often, it may disenfranchise Taxicab and TNC drivers from want to service the public.

Uber and Lyft are wise to charge such a reasonable fee, and I would ask the Commission to please allow all Taxicabs in addition to all TNCs to charge a reasonable amount. I propose such an amount be no more than $10.00 to the customer, with a requirement that no less than 90% of any fee be given to the driver if he or she is either an Independent Contractor or Owner-Operator. So if the TNC or Taxicab Company charges $10 to the customer, they may give no less than $9.00 to the driver to help offset the loss of time and fuel, and act as an insurance policy that the driver will be paid for at least his or her basic costs for “chasing” a fare. The payouts should be itemized and documented with a receipt given to the driver in writing on a weekly basis (the industry standard of paying a driver is no more than weekly). **NOTIFYING INSURANCE:** If TNC and Taxicab insurance is primary, I am confused as to why we would need to involve a Driver’s Personal Insurance, other than to comply with the State’s No Fault Medical Coverage Laws if the Driver was injurred. Requesting a written letter from the insurance saying they are aware of the driver participating in TNC activities seems a bit out of the ordinary. I am unaware of such a requirement for Pizza Delivery Drivers and/or Courier Drivers. All three are forms of commercial driving and could prevent issues if the driver of such vehicle would rear-end or cause an at-fault accident to another vehicle or piece of property.  **REASONABLE LEVEL OF PRIVACY:** Taxicabs and TNC should be banned from giving a customer the drivers Last Name over a mobile device or phone. A driver should have a reasonable level of privacy, and shouldn’t have to worry about creepers, stalkers or weirdoes looking them up on the internet. Likewise, drivers of either Taxicabs or TNC (or any form of transportation) should not be required to disclose their last name either verbally or through Photo ID within the car. Neither the Port Authority of Allegheny County nor my daughter’s School Bus Drivers are required to do so for their safety and reasonable level of privacy. I do not believe Limo drivers are required under PA law. It feels a bit against the Industry Standard that Taxi and TNC drivers are required to do so. Requiring a driver to provide a photo ID in a TNC may even be a redundancy since many TNCs send a copy of the driver’s picture directly to the customer’s phone.

Port Authority gives every driver a Payroll Number, just like some cab companies in Pittsburgh give their drivers “Driver ID” numbers. Complaints, Compliments and Concerns can be filed not only off the Taxicab or Plate Numbers, but also on the Driver ID/Payroll Number to ensure the General Public receives optimal service. The Port Authority has done it for decades and it has worked perfectly.
 **LEVEL OF COMMERICIAL INSURANCE:** There have been some back and forth about the appropriate levels of Insurance Coverage for Taxicabs and TNCs. Some say the current Taxicab level of $35,000 will suffice, and others are insisting that coverage needs to be $1,000,000 per incident. Whereas there are those who may think that an insurance company would be able to write a $1,000,000, others are concerned that insurance companies may not want to take such a risk, and the Premiums for such a policy would be far more expensive. Could the Commission consider a more moderate but comprehensive amount of $100,000-$250,000 level of coverage? Having premiums too high may cause serious financial issues to smaller Rural Taxicabs and small TNC companies as Insurance Companies require highest Premiums for higher levels of coverage. **PER MINUTE RATE:** Although not discussed, I feel the Commission should allow both Taxicab and TNCs to charge a reasonable rate for Per Minute Wait Times. On average, taxicab drivers can earns 40% of what he or she brings in. So at 25 cents per minute (the current Pittsburgh Taxicab wait time), a driver brings in $15 dollars/hour in revenue. 40% of $15 is $6.00. When a driver is stuck in traffic or the passenger has to make a stop for whatever reason, the approved Tariff is forcing the driver to work at a rate of $6.00 per hour! The driver cannot always count on a tip, as some TNCs openly declare that tipping is not necessary and many people in the public, regardless of how good the level of service from their Taxicab Driver, Hairdresser or even Waitress, simply are too frugal to leave even a small tip.

Other cities have taxis that charge 40 cents and higher per minute wait time.

I would ask the Commission to allow all Taxicab and TNC companies a more reasonable rate for Wait Time. **VANDALIZING FEE:** I believe that TNCs and Taxicabs should be able to charge the passenger a fee if they vomit, urinate or otherwise vandalize a commercial vehicle. That fee should include an amount that not only cleans the vehicle, but also reimburses the Driver for his/her lost time returning the vehicle to the garage, or to the place of cleaning. It is not fair that a driver be left to clean up the mess or be financially responsible. And, it is not fair to neither the Driver nor Company if the general public believes this is tolerable behavior. **RATING SYSTEM:** There have been mixed reviews of a Rating System. I believe the Commission should allow some form of system to exist for both Taxicabs and TNCs to be able to rate both driver and passenger. I can tell you that there are people who are combative and who vandalize vehicles. I believe that having a rating system will encourage both the driver and passenger to be on his/her best behavior.

I do not, however, believe that discriminating factors such as but not limited to Age, Origin, Religion or Sexual Orientation should be used in rating either a Driver or Passenger.

**OWNER-OPERATOR:** The introduction of TNC has given evidence of the benefits of an Owner-Operator system. For some reason, the PUC some time ago required that the owner of the PUC Certificate must have full control of the vehicle either by owning the vehicle, or leasing the vehicle from a leasing company.

Various forms of businesses from Hotels, Electronic Stores and Restaurants have been able to become very successful through an Owner-Operator System (also referred to as a Franchise). Many cities have realized the benefits allowing drivers to material participate with the company by purchasing a vehicle and becoming an Owner/Operator. As large companies may elect to buy the cheapest vehicle, the cheaper vehicles may have lower Fuel Efficiencies and high Fuel Costs to the Independent Contractor.

Allowing Taxicab and TNC companies to have an Owner-Operator System will allow drivers to choose a vehicle that best meets their clients’ needs, while encouraging vehicle acquisitions to occur locally here in Pennsylvania helping the economy that much more. A driver would also be wise to purchase a vehicle with better fuel efficiency helping not only that driver’s bottom line, but some would also argue helping the environment.

Some have claimed that TNC Owner-Operator vehicles are cleaner than some taxicabs. This could be true that a driver is more likely to take care of and clean a vehicle that is his/her’s, rather than some fleet vehicle that will be passed from driver to driver.

I respectfully request the Commission to allow all Taxicab and TNC companies to participate with an Owner-Operator System. I also request that the Commission have the same safety regulations in place with an Owner-Operator as it would with a Company Owned Vehicle, including safety inspections. **DIFFERENT VEHICLE SIZES VS DIFFERENT RATES:** Traditionally, Taxicabs have used Sedans to transport passengers from Point A to Point B. However, with the rise of popularity of Mini-Vans, many taxicabs have seen the value of having Mini-vans as Taxicabs. Even Uber has put vehicles with seating capacities higher than four passengers to work in other Cities with their Uber XL. However, a larger vehicle requires larger costs of investment, maintenance and of course, fuel. I would ask that the Commission allow Taxicab and TNC companies to charge a tariff of 30% higher for Minivans or vehicles with a seating capacity greater than four passengers plus driver than they do for Sedans to help offset these additional costs. The higher rates should be documented/advertised easily for the passenger to decide which type of vehicle he or she wishes to use.

 Thank you very much for your time. I hope that my feedback and suggestions can help us work together to provide the best service for the General Public.

Sincerely,
Samuel J Hurst
Taxicab Driver and Republican Committeeman - Pittsburgh, PA