Re: Application of Yellow Cab Company of Pittsburgh, Inc., t/a YellowX, for the additional right to begin to transport, by motor vehicle, persons in the experimental service of Transportation Network Service for passenger trips originating or terminating within Allegheny County, Pennsylvania.

JOINT STATEMENT OF COMMISSIONER PAMELA A. WITMER AND COMMISSIONER GLADYS M. BROWN

Before the Commission today is an Application for experimental service filed by a division of Yellow Cab Company, known as Yellow X. This Application proposes a new type of service whereby Transportation Network Companies (TNC), such as Yellow X, will employ an online-enabled platform, or “App,” to connect passengers to qualified drivers. The proposal by Yellow X paves the way for a new and innovative type of transportation service that uses modern technology to serve the traveling customer in Pennsylvania.

Commissioner Brown and I would like to take this opportunity to welcome Yellow X to the market. We are encouraged and excited about the potential for this type of service throughout the Commonwealth. Using App-based technology to connect passengers with drivers has the potential to revolutionize the transportation market and provide customers with more options for travel throughout Pennsylvania.

The TNC service proposed by Yellow X does not fit squarely within the types of transportation service delineated in our regulations. Accordingly, Yellow X filed for authority under the “experimental service” section of our regulations, which is designed to accommodate a proposed transportation methodology not already encompassed by our regulations. Given the developing nature of the TNC marketplace, the Commission anticipates that Yellow X’s Application for experimental service will be the first of many such applications. While Yellow X has chosen to structure its service in this manner, the PUC recognizes that there are many ways to provide TNC service and we look forward to considering various business models.

However, it is critically important to emphasize that as the agency charged with regulating motor carrier passenger transportation in the Commonwealth, this Commission has a fundamental duty when reviewing these applications for TNC service to ensure driver integrity, vehicle safety, and adequate insurance for the service provided by each carrier. Regardless of the technology used by a transportation provider, public safety remains fundamental to PUC oversight.

Certificates for experimental service, such as the one sought by Yellow X, are valid for two years or until the Commission amends its regulations to accommodate the new class of service represented by the experimental service. In the interim, the Commission will carefully track whether TNC service is serving the needs of the public in a safe and efficient manner. If that is the

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case, the Commission would then seek to institute a rulemaking, or if necessary, seek a legislative fix, to officially set forth the requirements for TNC service in Pennsylvania. In doing so, it will be incumbent upon the Commission to first and foremost ensure the safety of the traveling public. We would also strive to ensure that our regulatory structure is not a barrier to desirable changes in the transportation industry. Keeping these two goals in mind, the PUC is confident the market for TNC service will grow and thrive in Pennsylvania and provide great benefits to customers.

Pamela A. Witmer, Commissioner

Gladys M. Brown, Commissioner

DATE: May 22, 2014