

# **“Exhibit B”**



**Before the Philadelphia Parking Authority**  
**Taxicab and Limousine Division**

CLERK  
JAN 22 2016

PHILADELPHIA PARKING AUTHORITY  
TAXI AND LIMO DEPT.

Re: Petition for Change in Rates Pursuant  
To 53 Pa.C.S. § 5703

P-16-01-03

**PETITION FOR RATE CHANGE**

Petitioner, Khalid Alvi, by and through his attorney, Danielle Friedman, Esquire, and under the authority granted in 52 Pa. Code § 1005.21, hereby requests a Change in Rates pursuant to 53 Pa.C.S. § 5703 and avers as follows:

1. Petitioner is a certificated taxicab driver whose license number is H-101012.
2. Petitioner hereby requests that the Authority modify the rates currently in effect for the taxicab industry and add a new flat rate boundary in order to allow taxis to charge a flat rate of \$9 per one-way trip regardless of the number of passengers for all trips originating and terminating within the boundaries of Front Street to 42<sup>nd</sup> Street and South Street to Cecil B. Moore Avenue between the hours of 7 p.m. on Thursdays through 7 a.m. on Sundays.
3. The proposed rate change is more fully set forth on Exhibit A, attached hereto.
4. Petitioner proposes that the proposed rate change go into effect immediately upon the approval of the present Petition and that it apply to all taxicabs pursuant to 53 Pa.C.S. § 5720(b).
5. If the Authority shall direct Petitioner to do so, Petitioner will give notice of the proposed rate change to interested parties.
6. The proposed rate change is just and reasonable and is in conformity with the Authority's regulations.
7. Given the financial pressures facing taxicab drivers and the taxicab industry as a whole, as more fully set forth below, Petitioner requests that the Authority permit the rate change immediately without requiring the discretionary 60 days' notice as set forth in 53 Pa.C.S. §



5703(e) and without a discretionary hearing concerning the lawfulness of the rate, or in the alternative, establish a temporary rate that is identical to the proposed rate pursuant to § 5703(f), should the Authority wait 60 days' to approve the rate or should it choose to conduct hearings in this matter.

8. The Authority has good cause to waive the 60 days' notice and implement the proposed rate immediately and without a hearing for the reasons set forth below.

9. These same reasons represent the justifications for Petitioner's request for a rate change.

a. On October 25, 2014 UberX commenced illegally providing on-demand, for-hire transportation services in Philadelphia analogous to taxicab service.

b. On January 30, 2015, Lyft commenced illegally providing on-demand, for-hire transportation services in Philadelphia analogous to taxicab service.

c. The Authority set current taxicab tariffs well before the entry of UberX and Lyft into Philadelphia for-hire transportation market.

d. UberX and Lyft are extremely popular, in part due to their below-market rates, which can fall far below traditional taxicab tariffs.

e. UberX and Lyft's rates in Philadelphia are not regulated by the Authority or any other agency and they can change their rates at-will.

f. Both companies are significantly undercutting taxicab tariffs on a regular basis (see Exhibit B attached hereto).

g. By contrast, taxicab tariffs are set by the Authority and cannot be modified without a petition to the Authority.

h. Customers are drawn to fares that are lower than those of taxicabs and are choosing to ride with UberX and Lyft because of their low fares.



i. Since the entry of UberX and Lyft into the Philadelphia for-hire transportation market, taxicab trips are down 7.5%. See attached article dated October 28, 2015 as Exhibit C.

j. The taxicab industry has reached a boiling point, where drivers have grown increasingly frustrated by their inability to compete with UberX's and Lyft's fares due to the Authority's control of tariffs.

k. If the present Petition is not granted, the taxicab industry will continue to suffer from illegal competition and the industry will eventually lose its entire customer base.

l. It is time the Authority modernizes its tariffs in order to allow taxicabs to compete on a more level playing field with UberX and Lyft.

m. The Petitioner's right to relief is clear.

i. Taxicab drivers in Philadelphia are facing unfair, unregulated competition from UberX and Lyft.

ii. Approving the present Petition will allow taxicabs to level the playing field as much as they can in order to allow taxicabs to compete with UberX and Lyft.

n. The need for relief is immediate.

i. Taxicab drivers have been suffering from the first day that UberX and Lyft illegally entered the market.

ii. Drivers' revenues have suffered significantly and granting the present Petition will allow them to compete with UberX and Lyft and expand their customer base.

o. The injury would be irreparable if relief is not granted.

i. Taxicab drivers have already incurred serious harm to their livelihoods due to the illegal entry of UberX and Lyft into the for-hire transportation market.



p. Granting the present Petition would alleviate some of the harm incurred by taxicab drivers by permitting them to compete more fairly with UberX and Lyft.

q. The relief requested is not injurious to the public interest.

i. No harm would come to the public by granting the present Petition.

ii. The proposed rates are reasonable, and in most cases will result in cheaper rates for customers within the proposed territory.

iii. The public would be notified of the variable rates in a manner similar to how they are currently notified of taxicab tariffs and such fares would be available to all riders within the aforementioned territories.

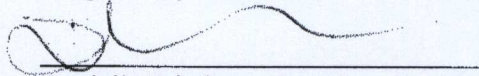
iv. It is also important to note that the public has grown accustomed to variable rates due to the presence of UberX and Lyft in Philadelphia, so a weekly variable rate will not be unprecedented.

### **CONCLUSION**

Taxicab drivers are suffering enormously due to the illegal operations of UberX and Lyft. Granting the present Petition would allow taxicab drivers to compete more fairly with such companies and will not harm the public or the taxicab industry.

**WHEREFORE**, Petitioners respectfully request that the Authority grant this Petition.

Respectfully submitted,

  
\_\_\_\_\_  
Danielle Friedman, Esquire



## EXHIBIT A

### PROPOSED TARIFF

# Taxicab Tariff

Rates for taxicab service in the City of Philadelphia are as follows:

## Metered Rate

- First 1/10 mile (flag drop) or fraction thereof: \$2.70
- Each additional 1/10 mile or fraction thereof: \$0.23
- Each 37.6 seconds of wait time: \$0.23

\* Tips are not included in the fare

\*\* Fares are per cab, not per person

## **Flat Rate Trips from Front Street to 42<sup>nd</sup> Street and South Street to Cecil B. Moore Avenue 7 p.m. Thursdays to 7 a.m. Sundays:**

Notwithstanding the Metered Rate above, trips originating and terminating within the boundaries of Front Street to 42<sup>nd</sup> Street and South Street to Cecil B. Moore Avenue between the hours of 7 p.m. Thursdays to 7 a.m. Sundays shall be \$9.00 per one way trip regardless of the number of passengers.

## **Flat Rate Trips Between the Center City Zone and the Airport**

### **Flat Rate Zone Boundaries**

The flat rate is charged in lieu of the metered rate by all Medallion Taxicabs for trips between the Philadelphia International Airport and the Center City Zone. The Flat Rate Zone is defined as the area between the Schuylkill and Delaware Rivers and between South Street on the south and Fairmount Avenue on the north. West of the Schuylkill River, the northern boundary continues west along the north side of 30th Street Station on 2900 Arch Street then southward on 30th Street to its intersection with Market Street. The boundary proceeds west along the north side of Market Street to 38th Street, south on 38th Street to Spruce Street and east on Spruce Street to its intersection with South Street.

### **Flat Rate Zone Trip Rates**

**Flat Rate from the Center City Zone to the Airport:** \$28.50 per one way trip regardless of the number of passengers.

**Flat Rate from the Airport to the Center City Zone:** \$28.50 per one way trip for one (1) passenger. A \$1.00 per passenger surcharge for each additional passenger after the first will be added to the meter after the flat rate



fee is engaged on the meter by the driver after leaving the Airport. This applies only to passengers over the age of twelve (12). If the trip necessitates a drop-off at more than one destination in the Center City Zone, the following applies: the flat rate and all additional per passenger surcharges of \$1.00 each are to be collected upon departure of the first passenger in the Center City Zone. The driver will then reset the meter initiating a new flag drop using the standard meter rates above for each of the remaining passengers if each requires a separate drop-off.

## **Airport Egress Fee & Minimum Airport Fares**

- The **\$1.50 Airport egress fee** shall be added to all metered fares leaving the Philadelphia International Airport.
- The **minimum fare that will include the egress fee** for any trip starting at an airport cabstand at the Airport shall be **\$11.00**.
- The Airport egress fee will not be added to any trip that is being charged the flat rate to the Center City Zone as described above.

## **Tolls**

Tolls are to be paid by the customer to cover round-trips. Tolls that are only charged one-way such as the bridges to New Jersey must be paid regardless of the direction of travel. Tolls that are charged each way such as turnpike tolls shall be doubled to compensate the driver for the return trip.

## **Luggage**

There is no additional charge for handling baggage or other items that can be safely carried in the vehicle.

## **Fuel Surcharge**

Beginning January 1, 2016, the fuel surcharge for the **month of January will be \$0.35 per trip**. This gas fuel surcharge notice has also been provided to both meter system providers (CMT and VTS) and is included in the information displayed on the Passenger Information Monitor (PIM) located in the passenger compartment of the taxicab.



EXHIBIT B



1/21/2016

Uber - Philadelphia

AVAILABLE CHOICES

# uberX

YOUR LOW-COST UBER

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uberXL

UberBLACK

UberSUV

BASE FARE  
**\$1.25**

**\$0.18**  
PER MINUTE

**\$1.10**  
PER MILE

SAFE RIDES FEE \$1.25  
MIN FARE\* \$5.25  
CANCELLATION FEE  
\*THE MIN FARE \$5  
INCLUDES THE SAFE  
RIDES FEE.



Lyft is your personal ride. Whether you're traveling solo or with up to three friends, the car is yours to fill. From morning commutes to midnight burrito runs, we've got your ride.

Lyft	Plus
Base Charge	\$1.13
Cancel Penalty	\$5.00
Cost Minimum	\$5.00
Cost Per Mile	\$1.10
Cost Per Minute	\$0.18
Trust And Service Fee	\$1.55
Toll Fares	†Varies



EXHIBIT C



1/21/2016

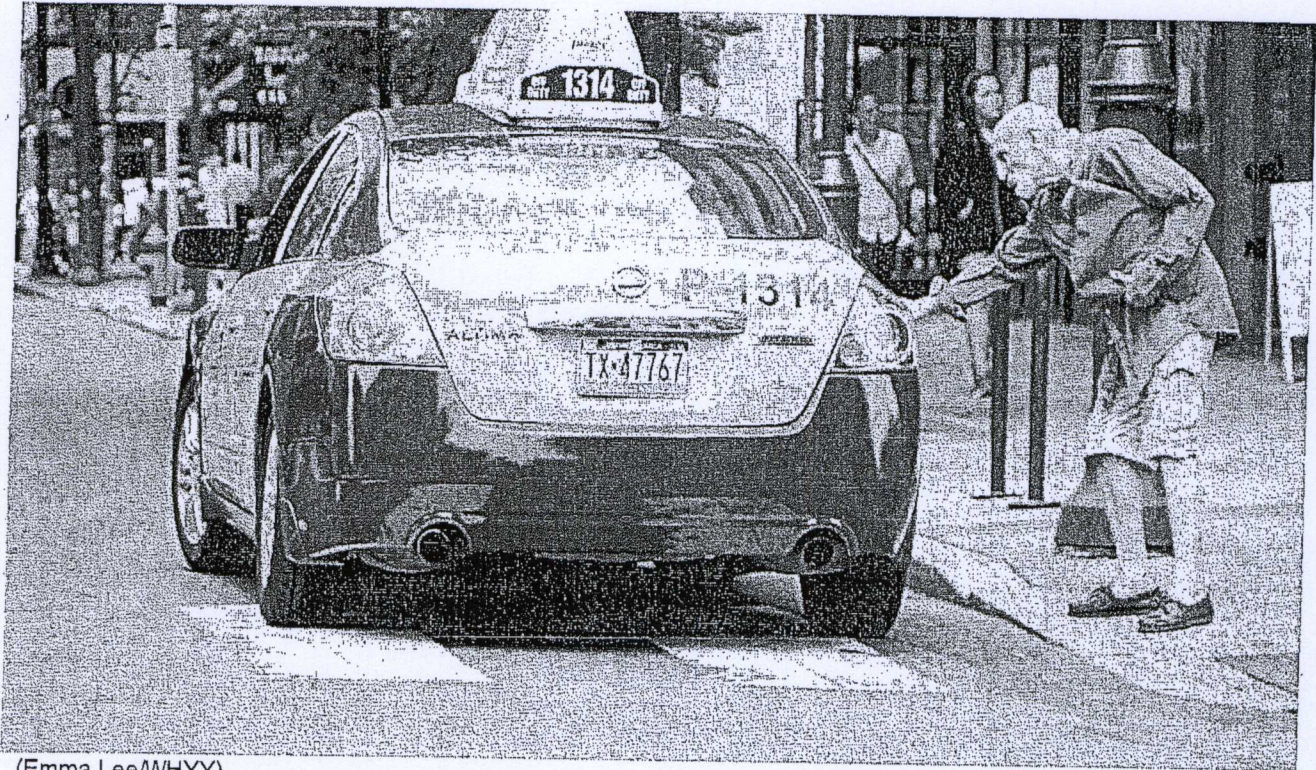
With Uber gaining on Philly taxi turf, Pa. moves to regulate ride-sharing services — NewsWorks

newsworks

(<http://www.newsworks.org/home>)

OCTOBER 28, 2015

## With Uber gaining on Philly taxi turf, Pa. moves to regulate ride-sharing services



(Emma Lee/WHYY)



BY TODD BOOKMAN

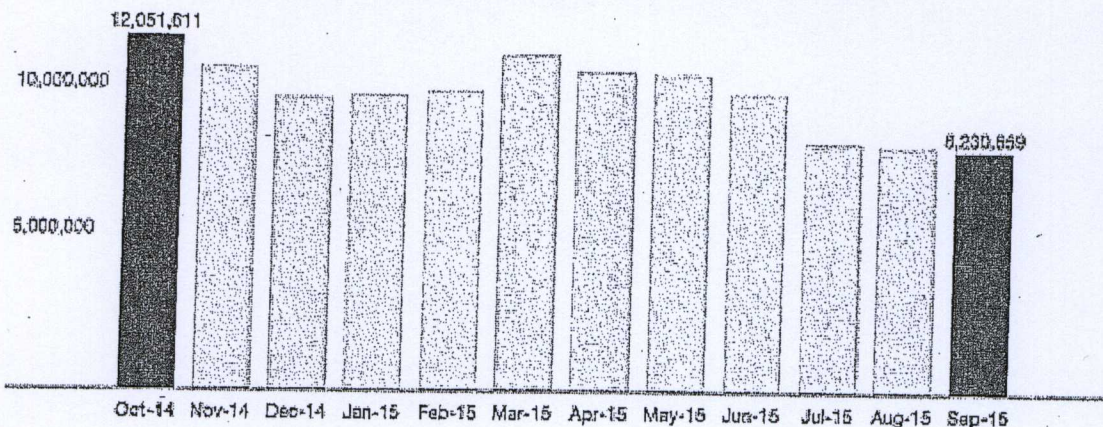
It has been a bad year for Philadelphia taxi drivers.

Since ride-sharing company Uber launched in the city last October, the number of trips in traditional cabs is down 7.5 percent compared with the previous 12 months. Total revenue is also off 7 percent, according to data provided by the Philadelphia Parking Authority, which regulates the fleet of 1,600 medallion taxis.



## Philadelphia Taxicab Revenues (\$) By Month

In the past 12 months--since Uber's launch--total revenues are down 23% compared to previous 12 months.



"I think what that shows is before Uber entered the market, there really weren't transportation options out there meeting the consumer demand," said Uber spokesman Taylor Bennett.

"When we entered — offered a new alternative — something that was easy, convenient and safe, and reliable every time you needed it, consumers spoke, and they spoke with their fingertips requesting those rides."

Uber reported completing "millions" of trips during the past year, and says it now has 12,000 drivers operating in the city.

All this success, despite the fact that ride-sharing remains illegal within Philadelphia.

"It's been hurting drivers since Day 1," said Danielle Friedman, general counsel for the Pennsylvania Taxi Association, which represents more than 1,000 taxi drivers.

"There's so many cars on the road, there's too much competition, and everyone is just getting a smaller piece of the pie."

The PPA has fought ride-sharing's entry into the city, organizing sting operations involving mounted police (<http://www.phillebrity.com/2014/10/28/qa-taylor-from-the-front-office-at-uberx-who-is-not-amused-by-these-ppa-shenanigans-not-at-all-not-one-bit/>) and filing lawsuits (<http://www.npr.org/sections/thetwo-way/2015/08/31/436405496/uber-faces-300-000-fine-court-case-from-philadelphia-regulators>). Cabbies have also organized around the issue, comparing Uber drivers with bootleggers (<http://www.phillymag.com/news/2014/12/24/uber-lawsuit-philadelphia-cab-companies/>) for their brazen defiance of the law.



Legislation (<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?btType=PDF&sessYr=2015&sessInd=0&billBody=S&billType=B&billNbr=0984&pn=1374>) now working its way through

Harrisburg would legalize and regulate ride-sharing statewide. Sen. Camera Bartolotta, the lead sponsor, said it's a service people want, especially in rural areas and neighborhoods traditionally underserved by taxis.

"We have to make sure that the customers are protected. We need to make sure that the drivers have adequate insurance, and that they have a background check, so we aren't putting consumers in jeopardy," said Bartolotta, R-Washington.

The current version of the bill, which cleared a Senate committee Tuesday, would levy a 1 percent tax on all rides within Philadelphia, allotting two-thirds of the revenue to the city's schools, with the balance going to the PPA.

Drivers for services including Uber and Lyft would also be prohibited from collecting passengers from Philadelphia International Airport, as well as from taxi stands around the city.

"There are places where their bread is buttered, and we are going to keep the [ride-sharing services] out of those situations," said Bartolotta.

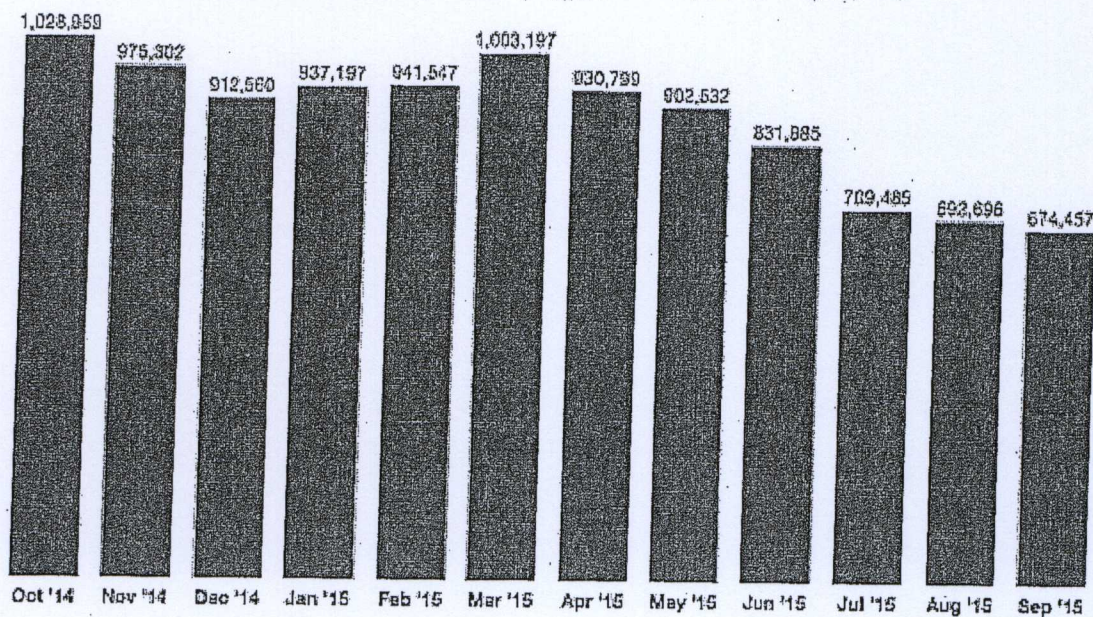
Still, Friedman with the Pennsylvania Taxi Association said that's not enough to level the playing field. Cabs would still face additional regulations, such as the inability to surge prices when demand is high.

"Taxi cab drivers, taxi cab owners, are small, mom-and-pop businesses, and we are not \$50 billion companies being backed by Wall Street. So I think fairness is really what's at heart here," she said.



## Taxi trips in Philadelphia since Uber's launch last October

Uber reports providing "millions of rides" during the same period



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Radcliffe Paul • 3 months ago

Not a big fan of regulation, but when you get into an Uber ride just know the risk that you are