

May 2021

Presentation on Track 4 Proposals



Lyft Proposals

- **Re-imagining Improved Service Requirements**
- **Plan B: Improve Existing Requirements**
- **TNCs as Access Providers**



Re-imagining Improved Service Requirements

Quarter over quarter improvement creates an unrealistic standard

Current: *Quarter over Quarter* improvement

- TNCs must exceed their own most recent prior performance each quarter
- Measuring strictly against prior performance creates an ***unrealistic standard*** and penalizes rapid improvement

Example

- Due to sudden, unanticipated drop in demand/traffic in Q3'2020 due to COVID, Q3 2020 established unachievable response time target for Q4' 2020

San Francisco Quarterly Response Times

Quarter	Level 1 (% Rides < 15 min)
Q1'2020	54%
Q2'2020	60%
Q3'2020	75%
Q4'2020	64%

Lyft's service level benchmark proposal

Proposal: *Continuous Improvement Standard*

- Establish a series of ever-increasing milestones, requiring continuous improvement
- **Benefit:**
 - Ensures continuous improvement in performance
 - TNCs can *exceed milestones* without penalty, incentivizing rapid improvement



Lyft proposed requirement and approach

REQUIREMENT

TNCs would be required to meet or exceed both the response time standard and the completion/acceptance standard

APPROACH

- Projected a performance ceiling, using Standard ETAs as a guide and adjusted for WAV demand and inherent limitations
- Worked backward to current baseline/performance levels
- Identified continuously increasing milestones extending through sunset of the Act

LOS ANGELES PROPOSED REQUIREMENTS

SLA Metric	LAX			
	Level 1 (< 25 min)	Level 2 (< 50 min)	Completion Rate	Acceptance Rate
Quarterly Baselines				
2021 Q3 (Start)	54.50%	82.00%	63.00%	76.50%
2021 Q4	56.00%	83.00%	64.00%	77.00%
2022 Q1	57.50%	84.00%	65.00%	77.50%
2022 Q2	59.00%	85.00%	66.00%	78.00%
2022 Q3	60.50%	86.00%	67.00%	78.50%
2022 Q4	62.00%	87.00%	68.00%	79.00%
2023 Q1	63.50%	88.00%	69.00%	79.50%
2023 Q2	65.00%	89.00%	70.00%	80.00%
2023 Q3	66.50%	90.00%	71.00%	80.50%
2023 Q4	68.00%	91.00%	72.00%	81.00%
2024 Q1	69.50%	92.00%	73.00%	81.50%
2024 Q2	71.00%	93.00%	74.00%	82.00%
2024 Q3	72.50%	94.00%	75.00%	82.50%
2024 Q4	74.00%	95.00%	76.00%	83.00%
2025 Q1	75.50%	96.00%	77.00%	83.50%
2025 Q2	77.00%	97.00%	78.00%	84.00%
2025 Q3	78.50%	98.00%	79.00%	84.50%
2025 Q4 (End)	80.00%	99.00%	80.00%	85.00%

Plan B: Improve Existing Requirements

Working Towards Improved Requirements

1. Replace “completed WAV trips” with “accepted WAV trips.”
2. Allow TNCs to meet either (a) the Time ~~Completion~~ Acceptance Standard or (b) the Offset Time Standard, with CPED’s modification of allowing either the percentage or number of rides accepted within the applicable Offset Time Standard

- If the Commission does not adopt the Continuous Improvement Standard, we propose the following modifications at a minimum: (1) make it a Trip **Acceptance** Standard, rather than a Trip Completion Standard, and (2) allow TNCs to meet the OTS **or** the Trip Acceptance Standard to qualify for an offset.
- **Lyft proposes replacing “completion” with “acceptance”** because completions are impacted by various factors beyond the control of the TNC and are therefore a poor indicator of the TNC’s performance. A completion standard includes not only those rides canceled by the driver, but also rides canceled by passengers.

TNCs as Access Providers

TNCs as Access Providers

- The Commission should **not** preclude TNCs from applying as an Access Provider in an area where the TNC does not provide WAV service.
- The Commission should not impose additional restrictions on TNCs applying as an access provider in an area in which the TNC previously provided WAV service.
- The overarching goal of the Act is to expand access to on-demand WAV service to the greatest extent possible. A TNC might rationally conclude that its WAV service is unsustainable in a given geographic area, but might be willing to offer WAV service as an Access Provider (i.e., with advance approval of funds) in that same area.

Thank You

