



DECLARATION IN SUPPORT OF PONY.AI'S REQUEST FOR EXEMPTION

WHEREAS I am the U.S. General Counsel of Pony.ai, Inc. ("**Pony.ai**"). My office is located at 3501 Gateway Boulevard, Fremont, California, 94358;

WHEREAS I submit this declaration in support of Pony.ai's request for a renewal of its exemption initially granted by the CPUC on September 18, 2019 pursuant to General Order Series 157, Part 8.02;

WHEREAS the exemption granted allowed Pony.ai to use employees of third-party staffing vendors as "safety drivers" in Pony.ai's Autonomous Vehicle Drivered Pilot Program;

WHEREAS there have been no material changes with regard to Pony.ai's drivered robotaxi operations since the initial exemption was granted.

I, Gordon Sung, an attorney duly admitted to practice law in California and New York, declare as follows:

1. Pony.ai is developing autonomous driver technology on California's public highways pursuant to a permit issued by the California Department of Motor Vehicles, and a Class P Charter-Party Permit issued by the Commission for its Drivered Autonomous Vehicle Passenger Service Pilot Program ("Program").
2. Pony.ai proposes to renew the Commission exemption that allows it to use contract safety-drivers for its service. The third party staffing contract between Pony.ai and its vendor, filed with the Commission, requires the vendor to ensure that all of its employees that serve as contract-safety drivers for Pony.ai's autonomous driving activities are subject to the same Commission safety protocols, including drug testing, as Pony.ai's



employee drivers. Pony.ai's contract with its drug testing vendor, and Commission approved provider, requires it to provide the Commission direct access to drug testing records for drivers.

3. In addition, the contract requires the vendor to provide workers' compensation coverage in accordance with the California Labor Code, including but not limited to Division 4, Part 1, Chapter 3, Paragraph 3602(d)(1).
4. As shown by the materials submitted in its original application to provide its Program, Pony.ai maintains an insurance policy that meets the requirements set forth by the California Department of Motor Vehicles, and that covers any person operating Pony.ai vehicle, including contract drivers.
5. Similarly, materials submitted with its original application show that Pony.ai's workers compensation policy provides coverage at levels that comply with regulatory requirements, and the third-party staffing vendor is required contractually to meet these levels as well.
6. All employee-drivers and contract-drivers are required to participate in Pony.ai's training program before operating an autonomous vehicle on Pony.ai's behalf, and these individuals must then pass a test demonstrating proficiency in autonomous vehicle knowledge and operation. A detailed outline of the training program was submitted with Pony.ai's initial application.
7. Pony.ai directly supervises and controls all contract drivers and ensures that they comply with all orders and resolutions issued by the Commission as well as the laws of the State of California, including regulations issued by the Commission.



8. I declare under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct.

Executed in Fremont, California on August 4, 2021

DocuSigned by:

Gordon Sung

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Gordon Sung

U.S. General Counsel

Pony.ai, Inc.



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August 4, 2021

California Public Utilities Commission (“CPUC” or “Commission”)
Consumer Protection and Enforcement Division
License Section
505 Van Ness Avenue
San Francisco, California 94102

Re: Renewal of Exemption

Dear Consumer Protection and Enforcement Division,

Pony.ai, Inc. hereby submits its request for a renewal of its exemption from the requirement that every driver of a charter-party vehicle be an employee of the permit holder, or an independent owner-driver, which was granted by the Commission on September 18, 2019. Pony.ai seeks the renewal so that it may use a combination of employee and contractor safety drivers in the Pony.ai Drivered AV Pilot Program for which it has a Commission Class P Charter-Party Permit issued June 18, 2019.

Under G.O. Series 157 Part 8.02, the CPUC “may grant the requested exemption where the carrier... presents a justification in writing that clearly and specifically shows consistency between the exemption request and the Commission’s purpose for the pilot program and demonstrates that, if the exemption is granted, the carrier’s operations will be functionally equivalent to the operations otherwise required by this General Order.” This standard will be met by the renewal.

As more fully set forth in the accompanying declaration, Pony.ai has not materially changed any of its drivered robotaxi operations since the first exemption was granted, and indeed, due to the COVID pandemic, Pony.ai temporarily suspended operations. Now that Pony.ai will begin operations again, it needs the exemption renewal to operate efficiently.

Pony.ai has been testing and developing autonomous vehicle technology on California public roads using a Department of Motor Vehicles permit. During its efforts its efforts, both employee drivers and third party vendor drivers have contributed to the safety of the public by monitoring operations of autonomous vehicles.

Employee-drivers and vendor drivers will continue to have the same screening, training, and standards of conduct standards applied to ensure the safety of the public. Further, the two types of safety-drivers will benefit from the same workers compensation insurance coverage.

As a result of these continued practices, the use of contract-drivers in the AV Drivered Pilot Program will be functionally equivalent to the operations and standards required of employee



drivers and the standards required by the Series 157 General Order. In addition, Pony.ai has no reason to believe that the use of contract drivers will have any impact on the Commission's goals or purposes in regulating the Drivered AV Pilot Program.

For the foregoing reasons, Pony.ai respectfully requests that the CPUC grant Pony.ai's Exemption request.

Sincerely,

DocuSigned by:

A handwritten signature in black ink that reads "Gordon Sung".

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Gordon Sung
U.S. General Counsel
Pony.ai, Inc.