

“TNC Access for All Act” - Track 3 Issues

Uber Presentation

July 2020

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Executive Summary

- Offset eligibility should primarily be focused around increasing the **number of completed WAV trips**, as that is the primary goal of improving access to accessible transportation
- **Response time standards should be used as a guardrail** and not an explicit outcome goal due to market complexities and diminishing returns from scale
- **Acceptance rate guardrails are well intentioned but unnecessary** as they are ripe for manipulation, disincentivize expansion, and are duplicative
- Bias towards **simple, outcome-oriented metrics** with clearly defined industry standards
- **ADA recertification** on an annual basis is **redundant** and unnecessary

Agenda

01 Offset Eligibility Measurement

- Completed Trips
- Response Time
- Acceptance Rate
- Measurement Standards

02 Inspections and Compliance

- ADA Compliance

Primary Goal = Increasing the size of the WAV marketplace

- The stated goal of the program is to improve access to accessible transportation:
 - “It is the intent of the Legislature that California be a national leader in the **deployment and adoption of on-demand transportation options for persons with disabilities.**”
- As such, the primary metric that TNCs should be judged against is **increasing or maintaining the total number of completed WAV trips** on the platform
 - Alternatively, TNCs could be assessed on the “% of all completed trips that are WAV eligible” to ensure that accessible transport grows at least as fast as the overall market

Benefits:

- Incentivizes TNCs to expand WAV service to new geographies or times
- Incentivizes TNCs to promote WAV services to increase adoption

Watchouts:

- Measuring based on absolute number of completed trips should still account for factors that could shrink the total market size, such as shocks (e.g. COVID) or seasonality

Response Time as a Service Quality Guardrail

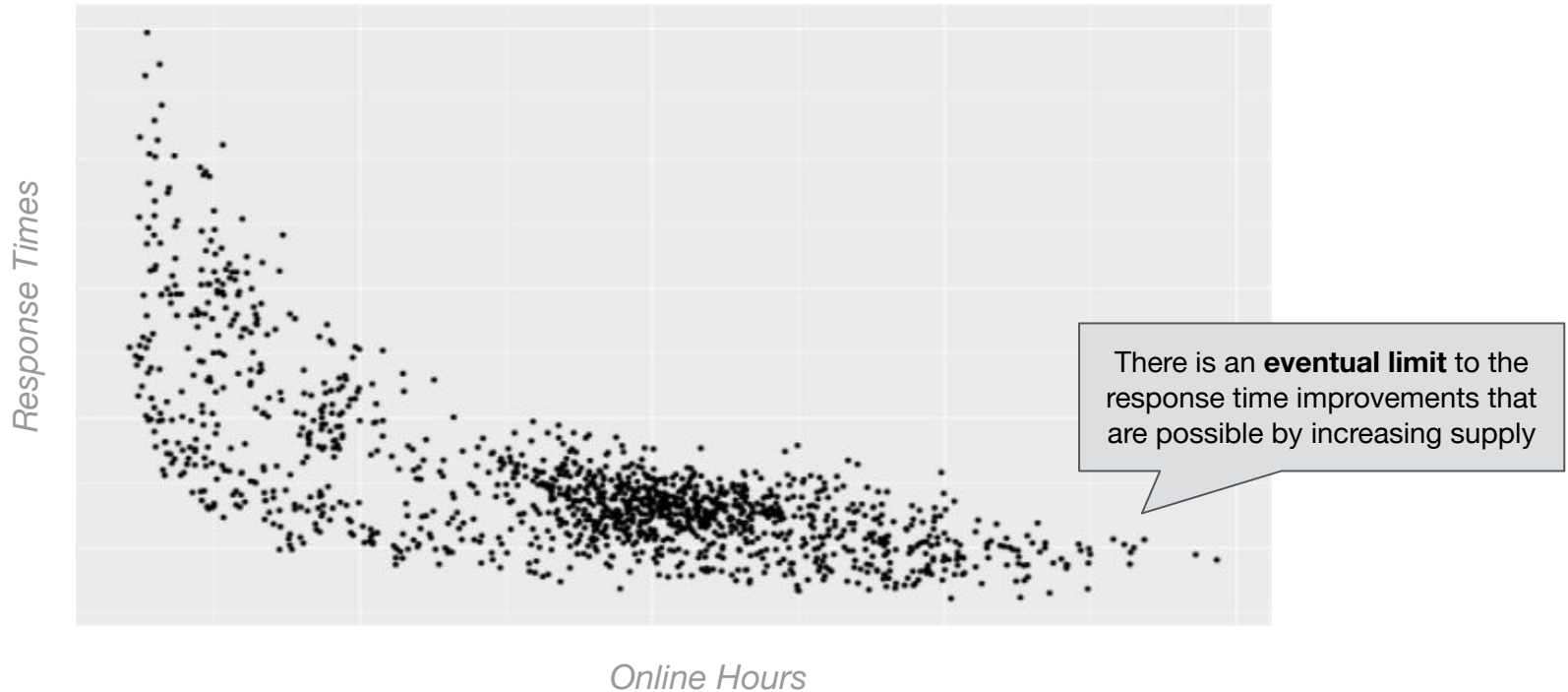
- Keeping response times within reasonable thresholds should be a **guardrail on service quality, but not an objective metric of the program**
- Thresholds should continue to **account for significant differences in population density** and geography
 - e.g. San Francisco vs Shasta counties
- TNCs should meet offset eligibility so long as they **grow the size of the WAV market** (e.g. % of completed trips) **while maintaining response times** within predetermined thresholds

Watchouts:

- Mandating consistent QoQ improvement in response times **disincentivizes TNCs from expanding WAV service** to new geographies or times
- Response times follow a log distribution - at a certain point there are **diminishing returns to additional scale**, at which point TNCs will not be incentivized to invest in further improving accessible transportation

Illustration: There are diminishing returns to response times from increasing supply

Illustrative Purposes Only



Completion Rate guardrails are fraught with risk and are ultimately unnecessary

- Mandating minimum completion rates is **duplicative with the goal of increasing completed trips**
 - **TNCs will already be incentivized to complete as many trips as possible** in order to achieve QoQ growth of completed trips

Watchouts:

- Moreover, the measurement of acceptance rate is **not standardized across TNCs** and mandating thresholds could create further differences. Examples include:
 - Restricting where and when WAV trips can be requested to artificially suppress trips that are not likely to be fulfilled
 - Introducing unnecessary blockers to restrict the group of users who have the ability to request WAV trips, therefore limiting access (e.g. must have promo code to enable WAV)
 - Adding additional friction to requesting WAV trips that reduces convenience and/or makes measurement more difficult (e.g. only being able to request through a phone line, requiring all WAV trips to be pre-schedule X hours in advance)

Bias towards simplicity when determining measurement criteria

Simplifying and Standardizing Metrics

- In general, selecting **simpler metrics for measurement is better** (such as “**Completed Trips**”), especially in a nascent and fast changing industry such as this
- All metrics that TNCs are measured against should be **clearly defined** using **industry standard** terminology with little room for interpretation
 - Ex: Completion Rate calculation interpretations in Q2 2020 Submission

Watchouts:

- Using complex measurements and metrics can lead to the following pitfalls:
 - **Stifling innovation** by limiting a TNCs ability to roll out new, beneficial technology that could adversely impact an outdated metric
 - Creating an **uneven playing field** by leaving room for each TNC to define metrics individually
 - Risking **mandating methods instead of outcomes** (in order to meet restrictive definitions)
 - Causing **large, unintended QoQ movements** due to underlying components that are not fully understood (especially for rate metrics, such as completion rate)
 - **Increasing overhead** for TNCs to meet compliance and reporting requirements (and for the Commission to manage in interpreting results & processing data)

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Full Yearly Inspection for ADA Compliance is Not Necessary

- While the inclusion of a requirement to ensure ADA compliance of WAVs operating is well intentioned, a **full inspection for ADA compliance on a yearly basis is not necessary**
- ADA compliance for a vehicle is **largely determined at the time of outfitting** (e.g. door height, lift width, etc)
- Absent any major modifications, a vehicle's ADA compliance status should *not change* on a yearly basis
- Uber submits that having operators **testify yearly that no material modifications were made to ADA-relevant equipment** would be sufficient to meet the spirit of the rule without instituting undue burden for fleet operators (and incurring associated costs)