

February 27, 2020

Consumer Protection and Enforcement Division  
California Public Utilities Commission  
ATTN: Transportation License Section  
505 Van Ness Avenue  
San Francisco, CA 94102

Re: Exemption Request for Autonomous Vehicle TCP Pilot Passenger Service Program (Permit Number TCP0038380-P)

Pursuant to General Order ("G.O.")157-E Section 8.02, Zoox, Inc. ("Zoox") hereby requests a narrow exemption from the California Public Utilities Commission ("Commission") for the General Order 157-E, Section 5.03 requirement for the purposes of participation in the Commission's Drivered Autonomous Vehicle Charter Party Carrier ("AV TCP") pilot program (Permit Number TCP0038380-P). The granting of this exemption will be consistent with the purposes of the AV TCP pilot program established in Commission Decision 18-05-043 and will allow Zoox to operate in a manner that is functionally equivalent to the operations established by G.O. 157-E.

Under General Order 157-E, every driver operating under a TCP permit "shall be an employee of the permit/certificate holder, an employee of a sub-carrier, or an independent owner-driver who holds charter party authority and is operating under a sub-carrier." Zoox seeks a limited exemption from this requirement to allow Zoox to engage full-time employees of Zoox's third-party staffing providers to serve as test drivers in Zoox's Drivered AV Pilot program.

Since March of 2016, Zoox has held an Autonomous Vehicle Test Permit from the California Department of Motor Vehicles (DMV), which permits us to test our autonomous software on vehicles on public roads in California. In December of 2018, Zoox was the first company to receive the Commission's AV TCP Drivered Passenger Service Pilot permit. Since the issuance of the AV TCP Drivered Passenger Service Pilot permit in 2018, Zoox has begun utilizing third-party staffing providers to screen, hire, and manage drivers for our internal testing operations.

Zoox believes that its third-party staffing providers are better positioned to rapidly screen, hire, and manage large numbers of drivers, and then redeploy those employees upon the natural conclusion of their participation in Zoox's Drivered AV Pilot program. In addition, Zoox's operations are functionally equivalent to the operations otherwise required by G.O. 157-E, regardless of whether Zoox's drivers are full-time Zoox employees or full-time employees of Zoox's third-party staffing providers. All drivers at Zoox, both full-time Zoox employees and full-time employees of Zoox's third-party staffing providers, are subject to the same strict standards with the primary goal of ensuring safety and the same Commission requirements. This includes the same DMV-registered training, controlled substance

and alcohol testing, enrollment in the DMV's Pull Notice Program, and required worker's compensation coverage. Similarly, all third-party drivers will hold DMV AV Test Vehicle Operator Permits, undergo extensive driver training, and comply with all requirements imposed by the DMV on test drivers.

For the reasons above, and in order to fulfill the true intent of our pilot operations, Zoox respectfully requests a narrow exemption from General Order 157-E, Section 5.03 to use third-party drivers for the purposes of its operations pursuant to AV TCP Drivered Passenger Pilot permit TCP0038380-P.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jon Foster".

Jon Foster  
Chief Financial Officer

**Attestation**

On behalf of Zoox, Inc. ("Zoox"), I, Jon Foster, Chief Financial Officer, attest to the following:

1. Zoox is responsible for all test drivers complying with the Commission's General Orders, Resolutions, and the laws of the State of California applicable to employees of a passenger carrier, including California Public Utilities Code Sections 460.7 and 5378.1.
2. Zoox contractually requires that Zoox's third-party staffing providers cause all drivers that they employ and assign to Zoox to participate in a controlled substance and alcohol testing program that complies with General Order 157-E. The third-party staffing provider's drug testing consultant is required to provide drug and alcohol testing results directly to the CPUC, if requested.
3. As evidenced by the provided contractual provisions, Zoox contractually requires its third-party staffing providers who provide test drivers to Zoox to provide workers' compensation insurance in accordance with California Labor Code Section 3602(d)(1).
4. Zoox's automobile liability insurance policy covers vehicles owned by Zoox, including, but not limited to, vehicles equipped with Zoox's "Self Driving System." Zoox's liability insurance policy covers all persons operating the vehicles with the express or implied permission of Zoox, including employees of Zoox and employees of Zoox's third-party staffing providers.
5. All drivers at Zoox, both full-time Zoox employees and full-time employees of Zoox's third-party staffing providers, complete training for operating Zoox's autonomous vehicles and fulfill DMV test operator requirements. All drivers at Zoox, both full-time employees of Zoox and full-time employees of Zoox's third-party staffing providers, will be enrolled in the California Department of Motor Vehicles ("DMV") Employee Pull-Notice program.

Executed on February 27, 2020 in Foster City, California.

Sincerely,



Jon Foster  
Chief Financial Officer