

2885

Germantown Cab Co.
800 Chestnut St. Ste. 103
Philadelphia, PA 19107
P: (215) 733-0461 F: (215) 733-0464

September 23, 2011

Silvan B. Lutkewitte, III
Chairman
Independent Regulatory Review Commission
14th Floor
333 Market Street
Harrisburg, PA 17101

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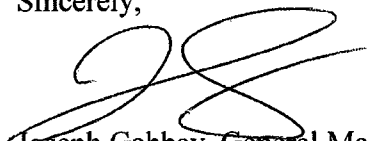
Dear Chairman Lutkewitte,

We are presenting this transcript of a hearing held before the Pennsylvania Public Utility Commission on October 14, 1994. This transcript contains testimony in reference to “the applicability of 66 Pa. C.S. Section 2404” (pg. 4, 5) to non-medallion “neighborhood” cabs. The issue of applicability was raised because “portions of the City of Philadelphia are here involved and since medallions and P numbers have not been assigned” (5).

In the testimony presented by three representatives of the PUC you will find information pertaining to the history of Germantown Cab Company (formerly Penn Cab) and how that history relates to our value to the neighborhood we serve. There is also information on PUC policy regarding assessments, exemptions, inspections, and shield policy as they relate to nonmedallion or “neighborhood” cabs operating under the Medallion Act.

Testimony in this transcript also pertains directly to the PPA’s public comments concerning the definition of “partial-rights” cabs in the Final Order. On page 21 there is a specific use of the term “*neighborhood cabs*” to describe our operation. Throughout the document you will notice that the PUC never used the term “partial-rights.” The terminology used throughout this document is contrary to the PPA’s response in the Final Order that attempts to validate the term “partial-rights”: “*The term —partial-rights taxicab has evolved over the decades and is the term employed within the Philadelphia taxicab community.*”

Sincerely,


Joseph Gabbay, General Manager
Germantown Cab Company

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

- - - - -

In re: A-00110733, Application of Penn Cab Company
Begin common carrier (transfer) - persons
between points in that part of Philadelphia
bounded by Washington Lane, Cheltenham Avenue,
etc.; which is to be a transfer of part of the
rights under the certificate issued at
A-00107245 to Philly Cab Company, subject to
the same limitations and conditions. Hearing.

- - - - -

Philadelphia, Pennsylvania
October 14, 1994

- - - - -

Pages 1 to 128, inclusive

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HOLBERT ASSOCIATES
P.O. Box 6144
Harrisburg, Pennsylvania 17112-0144

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Stenographic report of hearing held
 at the Philadelphia State Office Building,
 Broad and Spring Garden Streets,
 13th Floor Hearing Room, Philadelphia,
 Pennsylvania,

Friday,
 October 14, 1994
 at 10:00 a.m.

BEFORE

CYNTHIA A. WILLIAMS, ADMINISTRATIVE LAW JUDGE

APPEARANCES:

JANET M. SLOAN, ESQ.
 P.O. Box 3265
 Harrisburg, Pennsylvania 17102
 Appearing on behalf of PA PUC Law Bureau

RHONDA L. DAVISTON, ESQ.
 P.O. Box 3265
 Harrisburg, Pennsylvania 17102
 Appearing on behalf of PA PUC Law Bureau

RICHARD M. MELTZER, ESQ.
 1735 Market Street
 Philadelphia, Pennsylvania 19003
 Appearing on behalf of Penn Cab Company

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1 ADMINISTRATIVE LAW JUDGE WILLIAMS: Good morning.
2 I'm Administrative Law Judge Cynthia A. Williams, and
3 this is the time and date set for hearing the
4 Application of Penn Cab Company at Docket A-00110733.

5 I note for the record the appearances of Janet M.
6 Sloan for the Pennsylvania Public Utility Commission Law
7 Bureau, Rhonda L. Daviston for the Pennsylvania Public
8 Utility Commission Law Bureau and Richard M. Meltzer for
9 the Applicant, Penn Cab Company.

10 I would note that this application was filed on
11 March 8, 1993 and the unopposed application was
12 certified to the Commission. In an order from the
13 Commission entered on September 28, 1993 it indicated
14 that the Pennsylvania Utility Code at 66 Pa. C.S.
15 Section 2404 requires that a vehicle may not be operated
16 as a taxicab in the cities of the first class unless a
17 certificate of public convenience is issued authorizing
18 the operation of the taxicab and a medallion is attached
19 to the hood of the vehicle.

20 Section 2404(c) further provides that a vehicle
21 authorized by a certificate to provide call or demand
22 service in the cities of the first class, may transport
23 persons and their baggage upon call or demand; and
24 parcels, packages and property at the same basic metered
25 rate charged to passengers, between points in the city

2 1 of the first class for which a certificate is issued;
2 from any point in the city of the first class for which
3 a certificate is issued to any point in the
4 Commonwealth; from any point in the Commonwealth to any
5 point in the city of the first class for which a
6 certificate is issued if the request for service for
7 such transportation is received by call to its radio
8 dispatch service; and from any point in the city of the
9 first class for which a certificate is issued to any
10 point outside the Commonwealth as a continuous part of a
11 trip.

12 Since portions of the City of Philadelphia are
13 here involved and since medallions and P numbers have
14 not been assigned, a question arises as to the
15 applicability of 66 Pa. C.S. Section 2404.

16 Therefore, the Commission assigned this case to
17 the Office of Administrative Law Judge for a public
18 hearing to determine whether or not the authority
19 involved should be cancelled as not consistent with the
20 medallion legislation and the rules and regulations of
21 the Commission thereof.

22 A hearing was set in this matter for May 18,
23 1994. Since the parties indicated that they were
24 working on a settlement, that hearing was cancelled.

25 I subsequently received a settlement, reviewed

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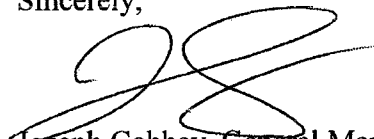
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19 involved should be cancelled as not consistent with the
20 medallion legislation and the rules and regulations of
21 the Commission thereof.

22 A hearing was set in this matter for May 18,
23 1994. Since the parties indicated that they were
24 working on a settlement, that hearing was cancelled.

25 I subsequently received a settlement, reviewed

2 1 it, and in my order dated August 8, 1994 did not approve
2 the settlement. I indicated that although 66 Pa. C.S.
3 Section 2402 refers to city-wide authority, the
4 provisions of the Medallion Act have not been
5 interpreted to allow a taxicab to operate in
6 Philadelphia without a medallion. Furthermore, the
7 service is not merely a neighborhood service since the
8 service area is not limited to the Germantown section of
9 the city.

10 I indicated that this case could set a precedent
11 for having certificated taxicabs without medallions and
12 P numbers that only operate in certain sections of
13 Philadelphia. Therefore, it would be consistent with
14 the public interest to have a hearing in this matter to
15 elicit information concerning underserved areas, whether
16 Germantown is economically depressed and whether certain
17 taxicabs should be exempt from the Medallion Act.

18 Now, I understand there are some prehearing
19 matters to be discussed before we take testimony.

20 Which party would like to go first?

21 MR. MELTZER: Why don't you go first. You're
22 more prepared than I am.

23 MS. SLOAN: With that dubious distinction, Your
24 Honor, Mr. Meltzer and I and Rhonda have had numerous
25 conversations regarding this matter, and I think at the

2 1 prehearing what we'd like to do is explain our thinking
2 to you, tell you what witnesses we have available for
3 today, and make sure that we're eliciting the kind of
4 record that you wish, and possibly see if we can
5 resubmit our settlement in light of the sort of record
6 that we wish to develop today.

7 We've had numerous discussions about the options
8 available to Penn Cab Company in order to satisfy this
9 application to transfer that section of their authority,
10 which we have termed neighborhood authority. That's an
11 old term of art that has been left over for somewhat
12 close to ions, but it applies to this particular cab
13 company authority. It's the only one that exists at
14 this time.

15 I understand and I will present testimony from
16 Mr. Barry Ernst, who is the Director of the Bureau of
17 Transportation for the Public Utility Commission.

18 Mr. Ernst has informed me that at one time every
19 cab company in Philadelphia was a neighborhood cab
20 company involving radio stands and other rather
21 dinosaur-like qualities. Every other cab company that
22 had this authority has gone defunct. Penn Cab Company
23 is the last of its kind.

24 What has happened is even though it's the last of
25 its kind, it applied in 1973, according to the records

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1 that I have, for certificates. Now the certificates
2 predated the medallion hearings in Philadelphia. This
3 is where the Commission decided that it was in its
4 interest, instead of having a certificate of public
5 convenience that allowed unlimited authority and
6 unlimited cabs under one certificate, but each
7 certificate would correspond to a cab. That obviously
8 predated the medallion, which is one medallion, one cab.

9 In 1979 -- again, Mr. Ernst is going to provide
10 this. This is more of an offer of proof. Mr. Ernst
11 will tell us that when the Commission came to
12 Germantown, the Commission said: You can have some
13 medallions in order to provide citywide transportation
14 of passengers, but you have to maintain the neighborhood
15 authority. That was a Commission order, and the reason
16 for that was based on an investigation, and he will
17 testify that investigation by the Commission was
18 Docketed ID171. It determines that that was a valuable
19 service, and that the Commission could not, in good
20 conscience, allow that authority to go by the wayside.

21 So consequently, when they applied for a
22 certificate, they were allowed some certificates to
23 provide citywide authority, but that was done with the
24 condition that they must continue the neighborhood
25 authority, and that will be the testimony of Mr. Ernst

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1 as to the origins of this neighborhood authority and how
2 it still continues today.

3 We will also have Mr. Ernst testify about another
4 unusual group of cabs, which we in the Commission term
5 suburban cabs. Suburban cabs are cab companies that
6 have their main authority outside the perimeters of
7 Philadelphia; most often outside the counties of
8 Philadelphia, Montgomery County, Bucks County,
9 neighboring adjacent counties, but their main authority
10 is outside Philadelphia. However, a number of these
11 have authority that crosses over the boundaries of
12 Philadelphia and allows them to provide service within
13 the City of Philadelphia, but a small section.

14 Mr. Ernst will testify as to how many of those
15 still exist and the fact that they also do not provide
16 citywide authority, and that the Commission has found
17 that they do not need medallions. So that although this
18 is an unusual case, because this is the only cab company
19 that still exists that has non-citywide authority, there
20 are precedents involving authority in Philadelphia that
21 are not medallion, and the Commission has found that
22 those need not be medallion.

23 The only thing that I could find is a decision
24 that the Commission adopted in Genco Services, Inc.
25 trading as Cheldon Radio Cab Company. The Docket is

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1 A-00106517C9102.

2 We will also present the Director of the Bureau
3 of Safety and Compliance here in Philadelphia. Mr.
4 Harrison will testify about his offices dealings with
5 Philadelphia Cab, the number of complaints they receive,
6 from whom they received complaints, the type of
7 complaints they receive.

8 Mr. Harrison has told us that it's a valuable
9 neighborhood service; that the majority of the residence
10 in Germantown enjoy the service; that it is really an
11 underserved community. He will testify as to why that
12 is.

13 He has personally told us that the reason it's so
14 underserved is because no one can find a way in nor out
15 of Germantown, and because it is what he calls a
16 transitional neighborhood, which means there are
17 sections that are affluent followed by sections that are
18 certainly economically depressed. But the biggest
19 upshot of the problem is no one else knows Germantown
20 unless you live in Germantown. So he will testify that
21 he has had a number of people inform him that the
22 neighborhood is underserved without this particular
23 service, without Penn Cab, that the other medallion cabs
24 tend to stay away from the area.

25 Mr. Harrison will also go into some

3 1 characterizations of Penn Cab and its service -- and Mr.
2 Harrison's here.

3 MR. HARRISON: Sorry, Your Honor, I'm late.

4 MS. SLOAN: Your Honor, with that, the Law Bureau
5 has no other witnesses nor testimony.

6 I believe Mr. Meltzer has other witnesses and
7 testimony, and he can obviously offer the proof of
8 those, but the upshot of the discussions that we've been
9 having, what happens to the authority if the settlement
10 doesn't go through, if we don't allow the transfer.

11 We have what I guess are the only two other
12 options, and that is to convert this particular
13 authority and the cabs that are now operated under the
14 neighborhood authority into medallion cabs, and there
15 are several problems inherent in that option, and I
16 think a number of the problems have been addressed in
17 the case that I cited earlier, the Cheldon' case. We do
18 have a cap on the number of cabs that are available.
19 Mr. Ernst will also give us the numbers, how many are
20 now operating and what is left over to be handed out.

4 21 We have got the problem that arose during the
22 investigation in the future need for taxicab service
23 which was held before Judge Kranzel. Judge Kranzel has
24 entered an initial decision. In that initial decision
25 Judge Kranzel recommended that the number be capped of

4 1 what now exists; there is no need for further, but he
2 also recommended that a certain group of people be
3 allowed the medallions. These are people who attempted
4 to purchase medallions from Metro Transportation through
5 an installment program.

6 There is no number available as to how many
7 entities exist under that subclass that Judge Kranzel
8 suggests get medallions, so we may be running into a
9 problem giving medallions to specific cabs and to the
10 ones recommended by Judge Kranzel and still maintaining
11 the cap that exists.

12 The other option is cancelling the authority, and
13 the Law Bureau is unwilling to advocate that position
14 given the testimony of the two directors of the
15 pertinent Commission bureaus.

16 We find that it is a valuable authority that we
17 will have underserviced area if we would in fact cancel
18 this authority, and we just don't think that it is in
19 the best interest of the citizens of Philadelphia, in
20 particular for the citizens of this neighborhood to
21 cancel the authority. So we are in not in any way going
22 to advocate that position.

23 Consequently, we would like to possibly resubmit
24 the settlement agreement reached between the parties
25 that would allow the transfer of authority between Penn

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1 Cab and Philadelphia Cab, so that the authority could
2 continue in a manner in which it is now operated.

3 We may, after you listen to our various offers of
4 proof, decide that there should be some of the
5 stipulation of facts that would be reworded, but we
6 would possibly after discussing this with you, reoffer
7 that settlement.

8 Rich, is there anything that --

9 MR. MELTZER: I have a few things.

10 Your Honor, as the Law Bureau has suggested,
11 there are various alternatives; heads, tails and sort of
12 the edge of the coin. We, as the company, would have no
13 problem with being a medallion cab, and I believe that
14 through cross-examination we could certainly try to
15 bring out that this would not be an instance where new
16 medallions are issued, but clarifying what perhaps
17 should have been done when the Medallion Law came into
18 effect, and somehow this one authority, or group of
19 authorities, slipped through the cracks until the issue
20 was raised by the Commission. And if the Your Honor
21 found that for a variety of reasons that we should be
22 medallion cabs, we certainly would pay our medallion fee
23 each year to the Commission.

24 We would certainly be willing to operate a
25 certain number of cabs in the Germantown area, because

4 1 whether or not we had citywide authority, we are the
2 only cab company operating in that area and that's where
3 we make the most of our volume of business from, even if
4 we had citywide authority. So we certainly would not
5 want to risk losing our authority. I think there are
6 constitutional prohibitions about that, because we had
7 authority way before the Medallion Law was passed. So I
8 don't think it would be fair or just to take the
9 position, and I'm not saying that the Law Bureau is
10 taking that position, to revoke authority completely,
11 especially when the public interest would be so harmed
12 in lieu of giving us a medallion.

13 There are, and we could either through
14 cross-examination or the testimony of Paul Kenney, bring
15 out that there is at least one other cab company which
16 has very similar authority to us. While they do not
17 compete with us in Germantown, they do have the
18 authority to operate in that area. They just choose not
19 to. They have no regulations whatsoever that we have
20 been negotiating with in the Commission. In other
21 words, again we're sort of on the edge. We've agreed
22 because we certainly don't want to run the risk of
23 losing any authority, we have tentatively agreed,
24 although Your Honor rejected the proposal, to comply
25 with certain aspects of the Medallion Law.

4 1 It seems to me that if we are not a medallion
2 cab, we shouldn't have any regulation. If it's in the
3 interest of everyone to have some type of regulations
4 such as required under the Medallion Law, we certainly
5 would comply with all aspects of the Medallion Law.

6 I don't think, as Your Honor pointed out in her
7 decision, which I would disagree with, we can't be
8 required to have partitions, we can't be required to
9 have the same requirements as a medallion cab regarding
10 the age of the cab and yet not enjoy whatever benefits a
11 medallion cab has. That's why I said we're on the edge.

12 We certainly for legal and public interest
13 reasons shouldn't have our authority revoked. We're
14 willing to be a medallion cab. On the other hand, the
15 reason for the application is basically to sort of
16 segregate the medallion aspects that attach to Penn Cab
17 that Mr. Ernst would testify about and the so-called
18 neighborhood rights. We certainly could discuss through
19 testimony or whatever the amount of cabs that would be
20 capped under a medallion situation.

5 21 We certainly wouldn't expect to have an unlimited
22 number, but as I said, I don't believe that we would be
23 going against the intent of the Commission to cap -- or
24 the hearing in front of Judge Kranzel, to cap the number
25 of medallion cabs at a certain number of those which

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1 exist today, because these aren't really new medallions.

2 In reality we're operating approximately 40 cabs
3 at this time. We have the right to go into the city to
4 pick somebody else up. We certainly have a right to
5 drop somebody off in the city, and we are operating in
6 our rather wide area which is a zone and I believe that
7 zones were established, today known as A, B and C zones,
8 although perhaps the Commission doesn't strictly enforce
9 those zones, we are under Zone C.

10 But we will present testimony of several drivers
11 who operate in Germantown. They would discuss certainly
12 the type of ridership that we maintain, the number of
13 wires that we have, the service that we give, the fact
14 that we are the only cab company that operates in
15 Germantown, the reasons why other cab companies don't
16 operate in our territory, the difficulty of driving in
17 Germantown to pick up passengers, to drop passengers
18 off, the difficulty of locating specific streets.
19 Germantown is rather a unique area in the City of
20 Philadelphia, as I understand it, and unless you have a
21 great deal of familiarity with Germantown, no one would
22 be able to operate in an efficient manner.

23 They will talk about the type of passengers that
24 they pick up, and basically the fact that they all live
25 in Germantown and derive a degree of income from

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1 operating the cabs for the company.

2 In addition, we would talk about the type of
3 service that we render to employees in the area who we
4 pick up at night, because the cabs operate on a 24-hour
5 a day basis, and I believe that that would cover many of
6 the issues that Your Honor raised in your opinion
7 regarding the service that is rendered.

8 We would also discuss why we don't believe any of
9 the requirements or many of the requirements that were
10 omitted from the proposed stipulation should be in fact
11 enacted. As I said, my opinion is that if we are a
12 medallion cab, we should enjoy all the benefits and
13 disadvantages and the financial obligations of being a
14 medallion cab. If we are not a medallion cab, I don't
15 believe that we should be required to have all of the
16 obligations of being a medallion cab or many of the
17 obligations of being a medallion cab, such as
18 certificated drivers and certain types of cars, and yet
19 not enjoy whatever benefits exist.

20 I think both sides are in agreement that the
21 public interest, as well as the constitutional
22 protection of the cab company, do not suggest that the
23 authority should be eliminated all together. That, I
24 think would be met with a great deal of protest.

25 JUDGE WILLIAMS: Thank you.

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MS. SLOAN: Your Honor, let me explain the position of the Commission Bureau. At this point, we advocate that the neighborhood authority be transferred as it exists with the provisos that we made in our settlement.

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The reason that we are somewhat resistant to the option of allowing Penn Cab to become a completely medallion cab company, is our concern that that would lead to the underservice of the Germantown area; that if they have to pay all the prices involved with the medallion program, that the short hauls within the perimeter of Germantown may not be sufficient economically, and we will find that as the years and months go by that Germantown will become less and less of their center, and we would find the medallion cabs, as is their right, would be traveling throughout the City of Philadelphia.

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The Bureaus of Transportation and Safety and Compliance both have raised those particular concerns, and consequently that is not the option that the Law Bureau will advocate. We think that we should transfer this authority so that the service in Germantown neighborhood continues.

24

25

JUDGE WILLIAMS: I know this will come out in the testimony, but how many cabs are we talking about at

5 1 this point?

2 I know you mentioned 40.

3 MS. SLOAN: 42.

4 MR. MELTZER: I think we have 42 cabs that do not
5 have the medallion authority that are operating in
6 Germantown. That is an open-ended, but right now it's
7 42. It has been lower. It has been higher.

8 MS. SLOAN: Your Honor, you do realize that their
9 certificate allows them unlimited number, so that number
10 is subject to some fluctuation.

11 JUDGE WILLIAMS: Just in looking at the
12 application, it looked like it was one cab to me, so
13 that's why I asked.

14 MR. MELTZER: It's one P number or one authority,
15 one certificate, but it's unlimited in the sense that we
16 could have as many cabs as we feel necessary to operate
17 in that territory.

18 JUDGE WILLIAMS: The only thing I was looking at
19 is under the application -- excuse me. I don't know
20 what number it is. I have a Schedule C, and right after
21 Schedule C I have equipment, and the first paragraph
22 says: Applicant intends to purchase a four-door sedan.
23 That's why I thought it was one vehicle we were talking
24 about.

25 MR. MELTZER: Your Honor, the issue as I

6

1 understood here is whether a nonmedallion cab should be
2 a medallion cab.

3 JUDGE WILLIAMS: The only reason I brought that
4 up is we were talking about whether the transfer to
5 medallion cab, so it's a difference between transferring
6 one cab or an unlimited number.

7 MR. MELTZER: And certainly if there is a
8 transfer of medallion cabs, I would believe that every
9 cab that we have operating or whatever specific number
10 may come out subject to any limitation would each have
11 to have a medallion on it.

12 So in other words, for the sake of argument, if
13 we had 50 cabs operating in Germantown, Your Honor might
14 find that 50 cabs and that's it might have to be
15 medallion and you can't increase the number without
16 doing something or the number just can't be increased.

17 We are not seeking or even proposing an unlimited
18 number of taxicabs. I just don't think that the
19 Commission would go for it. It may be that if the need
20 arose to operate in Germantown, some type of authority
21 for that being a nonmedallion could exist, but as I said
22 there is some other cab company that does not operate
23 but has that authority.

24 The reason for the application itself was really
25 just to pull out from the company the medallions versus

6

1 the nonmedallion cabs. It wasn't anything for that.

2 We believe from a corporate standpoint and that
3 from an insurance standpoint that it would be beneficial
4 to have Philly Cab, which we would call suburban or the
5 nonmedallion cab versus the other authority that we
6 have, which are 30 separate medallion cabs, and that was
7 really the reason for the authority for the application
8 to segregate those two companies.

9 We do have medallion cabs now that operate
10 principally in Germantown, even though they do have the
11 citywide rights, but they operate if there aren't enough
12 cabs, they may choose to operate in the Germantown area
13 supplement to service being rendered to the suburban
14 cabs, neighborhood cabs.

15 MS. SLOAN: We call it the neighborhood cabs.

16 MR. MELTZER: -- to supplement the neighborhood
17 cabs.

18 JUDGE WILLIAMS: I believe based on what both
19 counsel has indicated, that the record would be
20 sufficient for me to make a decision based on what you
21 just said. I can't think of any other evidence that I
22 would need other than what you have proposed to give.

23 MS. SLOAN: With that, Mr. Ernst is expecting a
24 telephone call from all of us to go on the record.

25 JUDGE WILLIAMS: Now, all of us can't fit in the

6

1 library.

2 MR. MELTZER: I would think, Your Honor -- how
3 much room is there? I guess we can just have the
4 attorneys.

5 JUDGE WILLIAMS: I think your client should be
6 there, too.

7 We'll recess right here so we can go into the
8 library and have Mr. Ernst' testimony and then come back
9 in here.

10 MR. MELTZER: Can I have Mr. Kenney with me.
11 He's familiar with the history of the cab company, so
12 that might be helpful, so I would just want Mr. Kenney
13 and Mr. Gabbay.

14 (Recess.)

15 JUDGE WILLIAMS: This is Judge Williams. We have
16 a court reporter in here. We have Ms. Sloan, Ms.
17 Daviston, Mr. Meltzer and a number of other people,
18 including Mr. Harrison and Mr. Kenney.

19 MR. ERNST: You've got quite an audience.

20 MS. SLOAN: Mr. Ernst, you know we are here about
21 the Philadelphia Penn Cab application, and I have
22 several questions about that and ask that you dip back
23 into your memory.

24 JUDGE WILLIAMS: Before you start, let me swear
25 you in.

6

1 BARRY ERNST, called as a witness, having been
2 duly sworn, was examined and testified as follows:

3 JUDGE WILLIAMS: You may proceed.

4 DIRECT EXAMINATION

5 BY MS. SLOAN:

6 Q. Mr. Ernst, for the benefit of the court
7 reporter, would you state your full name and spell it
8 for the record?

9 A. Barry, B-a-r-r-y, Ernst, E-r-n-s-t.

10 Q. Mr. Ernst, by whom are you employed?

11 A. Employed with the Pennsylvania Public
12 Utility Commission.

13 Q. In what position are you employed by the
14 Public Utility Commission?

15 A. I currently serve as its Director of its
16 Bureau of Transportation.

17 Q. Mr. Ernst, how long have you been Director
18 of the Bureau of Transportation for the Public Utility
19 Commission?

20 A. Since August of 1983. So for a little
21 over --

22 Q. For a little over -- Mr. Ernst, we can't
23 hear.

24 A. I'm sorry. Can you hear me now?

25 Q. So you've been in the position since August

6

1 of 1983?

2 A. That's correct.

3 Q. So a little over 11 years?

4 A. Yes.

5 Q. What exactly do you do as Director of the
6 Bureau of Transportation?

7 A. Pertinent to this proceeding, I am in
8 charge of administering the Commission's regulation of
9 rates and insurance for taxicabs, in addition to other
10 things.

7

11 Q. So that it's in fact your department which
12 would receive the application for transfer of authority?

13 A. Yes.

14 Q. It would be your department that is
15 responsible for the medallion system in Philadelphia?

16 A. Or the entry portion of it, yes.

17 Q. So you're the one who keeps track of what
18 is going on in the numbers of Philadelphia cabs?

19 A. That's correct.

20 Q. Prior to becoming Director of the Bureau of
21 Transportation, did you have previous positions with the
22 Public Utility Commission?

23 A. Prior to becoming Director, I served as
24 Chief of the Entry Control Division of the Bureau of
25 Transportation for approximately five years, and prior

7

1 to that I served as Chief of the Franchise Section of
2 the Bureau of Transportation within the Entry Control
3 Division and that was for a period of approximately two
4 to three years. And prior to that beginning in 1972 I
5 was a technical writer within the Franchise Section of
6 the Bureau of Transportation, and in that capacity I
7 prepared orders from hearings before the Commission had
8 its Administrative Law Judge system. All the orders
9 were prepared within the Franchise Section.

10 Q. Mr. Ernst, at the risk of showing my
11 mathematical ability or nonability, you've been with the
12 Bureau of Transportation for approximately 22 years?

13 A. Yes.

14 Q. Are you familiar with the authority that is
15 in question, the authority that is now held by
16 Philadelphia Cab?

17 A. Yes, although I knew it better as Penn
18 Radio Authority.

19 Q. Mr. Ernst, tell us what you can about the
20 origin of this authority?

21 A. Going back to my original knowledge of
22 taxicab authority in Philadelphia it existed at the time
23 that I first became involved in Philadelphia'
24 proceedings, I had the opportunity to assist in the
25 preparation of an order back in the mid '70's. The ID

7

1 171 proceeding, and at that time had occasion to do
2 significant historical research and into the origin
3 taxicab of taxicab authority in Philadelphia.

4 Q. What is ID 171?

5 A. ID 171 is an investigation docket which
6 opened in 1973 into the adequacy of taxicab service of
7 Philadelphia and its environments.

8 Q. So pursuant to the Commission ordered
9 investigation, you did research?

10 A. That's correct. That research was done in
11 the 1975 and 1976 -- portions of that proceeding where I
12 was assigned to Judge Earl, at that time Hearing
13 Examiner Earl, to prepare his final order of
14 recommendation to the Commission.

15 Q. What was that recommendation to the
16 Commission?

17 A. That recommendation to the Commission was
18 not ultimately adopted in total by the Commission, but
19 the order of Judge Earl was adopted with regard to the
20 historical development of taxicabs in Philadelphia, and
21 up until the time Judge Earl had found that there was
22 adequacy -- taxicab service in Philadelphia was adequate
23 in 1976 and no additional taxicab companies should be
24 certificated.

25 Q. In the final Commission' order those

7

1 findings were rejected?

2 A. The judge was reversed with regards to his
3 finding of adequacy.

4 Q. So the Commission determined that there was
5 some inadequacy of service for Philadelphia taxicab
6 service?

7 A. That's correct in 1976, and directed the
8 staff at that time to develop a plan to increase the
9 number of taxicabs in Philadelphia.

10 Q. Getting back to Penn Radio Cab which is now
11 Philadelphia Cab, what does ID 171 have to do with this
12 cab?

13 A. Penn Radio Cab at that time had filed an
14 application for citywide authority and was one of the
15 applications which was consolidated into the ID 171
16 investigation. There were over a hundred different
17 applications validated into that proceeding.

18 Q. What was the Commission's ultimate
19 determination about Penn Radio Cab?

20 A. Ultimately there was an order issued by the
21 Commission following the ID 171 commission -- I'm sorry.
22 The ID 171 decision, which found a need for additional
23 authority.

24 The staff was directed to implement the
25 additional taxicabs, and we took the pending

7 1 applications that we had before us that were being held
2 in obedience in ID 171 and began to make recommendations
3 to the Commission with regard to additional taxicab
4 certificates. Penn Radio was one of those applicants.

5 Q. What did the Commission do about Penn Radio
6 Cab's request for certificates?

7 A. The Commission in 1979 granted 30 citywide
8 taxicab certificates to Penn Radio on several
9 conditions.

10 Q. Can you tell us those conditions, Mr.
11 Ernst?

12 A. One condition being that they would be
13 radio dispatched at that time, and prior to ID 171 only
14 Yellow Cabs were radio dispatched citywide. They
15 require that those 30 cabs be radio dispatched and they
16 also issued, specifically issued, those 30 cabs in
17 addition to the cabs that were being operated within the
18 Germantown area served by Penn Radio at the time, and
19 they also specifically stated in that order that the
20 service within the Germantown area should not be
21 diminished.

22 Q. So that your recollection is that the
23 Commission ordered the neighborhood authority in
24 Germantown to continue?

25 A. Specifically.

8

1 Q. And that was in lieu of providing Penn
2 Radio Cab with citywide authority without restriction?

3 A. Correct. I don't know whether I used the
4 term in lieu of. I think I used the term in addition.
5 Two distinct types of services, and it actually required
6 at the time or we had recommended and the Commission
7 adopted that the cabs be specifically identified as
8 those citywide cabs. The Commission at that time
9 intended or at least we intended our recommendation to
10 the Commission there be two distinct services.

11 Q. So since 1979, Penn Radio Cab or Philly Cab
12 has operated medallion, with the advent of the medallion
13 cab, and the neighborhood authority; is that correct?

14 A. To my knowledge. I assume it's been
15 continuous.

16 Q. Mr. Ernst, I'd like to ask some nuts and
17 bolts questions about some figures.

18 Can you tell us right now how many cabs are
19 registered with the Commission's Bureau of
20 Transportation to Philly Cab?

21 A. There's two series of cabs. They are
22 authorized a total presently of 36 taxicabs in the
23 medallion program of citywide taxicabs.

24 Q. And do you have the number that are
25 presently registered in the neighborhood service?

8

1 A. They have voluntarily subjected these
2 taxicabs to our inspection efforts in Philadelphia in
3 the medallion program and have agreed to identify it so
4 that we know specifically that they are operating 42
5 taxicabs at the present time in Germantown or have
6 identified 42 taxicabs to be operated.

7 Q. I asked you to find by looking through
8 Commission' records, are there any other non-citywide
9 authorities for taxicabs in Philadelphia? Specifically
10 are there any other neighborhood authorities such as the
11 one in Germantown?

12 A. I don't know whether I'd describe them as
13 neighborhood authority. In answering your question, yes
14 we have identified two taxicab companies who hold
15 authority, unlimited authority, within Philadelphia.
16 However, these two differ from Penn Radio in that they
17 are substantial suburban operations.

18 Q. Let me just make a distinction that may not
19 in fact be a real distinction, but there are no
20 neighborhood services. There are two suburban services
21 that are nonmedallion and working within the boundaries
22 of Philadelphia?

23 A. That's correct.

24 Q. Just for clarification, we'll give them
25 those distinct names without reason. Let me ask you how

8

1 many medallions are presently allowed by the Commission
2 in the City of Philadelphia?

3 A. What we are authorized to do or how many we
4 presently have operating?

5 Q. What we are authorized to do.

6 A. The Commission is authorized to have a
7 total of 1,600 medallion cabs within the City of
8 Philadelphia.

9 Q. How many are currently working medallions?

10 A. That's a figure which fluctuates. However,
11 when I checked that figure yesterday, we presently have
12 1,444. That fluctuates because of the Commission's
13 cancellations and reinstatements.

14 Q. We have approximately 156 as of yesterday
15 that would be available without going over the cap
16 allowed by the Commission?

17 A. That's correct. Although I don't think the
18 Commission has ever been at that cap. We are
19 authorized, yes. If the mathematics are correct, as of
20 yesterday we could issue an additional 156 medallions in
21 Philadelphia.

22 Q. I'm going to draw upon your background,
23 your 22 years in the Bureau of Transportation for the
24 Commission, and ask you what you personally think would
25 happen if the citywide medallions were issued to Philly

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1 Cab for those 42 neighborhood cabs they are operating.

2 MR. MELTZER: I would object. I don't know if
3 he's qualified, Your Honor, to say what would happen,
4 how this company would operate should medallions be
5 issued to the cab company.

6 MS. SLOAN: Your Honor, this man has spent 22
7 years in the Bureau of Transportation. He has extensive
8 knowledge of what has happened throughout the history,
9 pre-certificate, pre-medallion, medallion. I think he
10 has every experience and personal knowledge that would
11 allow him to answer a hypothetical question.

12 JUDGE WILLIAMS: Would you rephrase it in terms
13 of the Commission' activity versus the company'
14 activity.

15 BY MS. SLOAN:

16 Q. Let me rephrase it in this way: Mr. Ernst,
17 in the past, what is your experience and personal
18 observation of service to small neighborhoods when a cab
19 company receives citywide or medallion service
20 authority?

21 A. The experience is that the cabs tend to
22 concentrate in the more lucrative areas of Center City
23 and the airport. Traditionally we have had this concern
24 and we address this concern in the Penn Radio' order.
25 At least our Bureau's recommendation and the

8 1 Commission's determination of what to do and even the
2 legislature in our initial legislation addressed this by
3 attempting to require a certain number of trips to
4 originate in certain areas of the city.

5 We have always been very concerned that
6 neighborhoods are not being adequately serviced, and
7 cabs were congregating in Center City and at the
8 airport.

9 Q. Mr. Ernst, you've just described a zone
10 situation that was part of the legislation.

11 Can you tell us again in your experience what
12 that zone ended up doing to the service?

13 A. The zone legislation was an attempt, albeit
14 an unsuccessful attempt, to get cab service out of
15 Center City, away from the airport and into the various
16 neighborhoods of Philadelphia.

17 The original enabling legislation which was
18 passed in the late '70's as a result of the ID 171
19 directed the Commission to establish zones within the
20 city where a percentage of all trips would have to
21 originate and terminate. Unfortunately, the members of
22 the industry found ways to circumvent it, and it didn't
23 work as we had envisioned.

24 Q. Another hypothetical. What in your
25 experience would be the result if the Commission

9

1 determined that this authority should be cancelled
2 outright?

3 A. If the Penn Radio Authority should be
4 cancelled within Germantown?

5 Q. Yes.

6 A. What it would do in my view it would be a
7 disservice to the residence of the Germantown area. We
8 probably have, again, in my opinion a better taxicab
9 service in most neighborhoods outside of Center City.

10 MS. SLOAN: Thank you, Mr. Ernst.

11 I have no further questions at this time.

12 JUDGE WILLIAMS: Mr. Meltzer.

13 MR. MELTZER: I have a few.

14 CROSS-EXAMINATION

15 BY MR. MELTZER:

16 Q. Mr. Ernst, this is Richard Meltzer.

17 You stated that there were 1,600 medallions
18 authorized by the Commission.

19 Do you know what the high number of the
20 medallions that were operating has been over the years?

21 A. As I recall -- and again I'm going back
22 from memory, and I haven't looked at these figures. I
23 recall about 1,535 as being a high water mark.

24 Q. So it's dropped about 90, since the high
25 water mark?

9

1 A. That's correct. Through cancellations for
2 various reasons.

3 Q. That was my next question.

4 What would the reasons be for the drop? What
5 reasons exist for a cab to be cancelled, for a medallion
6 to be cancelled?

7 A. They are obviously for violations of
8 Commission' rules and regulations. However, in trying
9 to be more specific for you, probably not having
10 insurance filed with us, failure to file annual reports,
11 this type of thing.

12 Over the years, we have come down from 1,535 to
13 1,474.

14

15 Q. Let me search your memory, as Janet did.
16 Do you recall when the 1,535 existed?

17 A. Again, don't hold me to that figure.
18 That's recollection from my head, but the peak period
19 would have been initially when we began to grant the
20 medallions immediately after the enactment of the
21 medallion program.

22 I must be honest with you. I'm not quite sure
23 whether the peak was at 1,535 was with the medallion
24 program or right before the medallion program when we
25 began to issue the additional certificates.

9

1 There's a couple things in there that cloud my
2 memory, and really distort the number of cabs, and that
3 is the Yellow Cab situation, the initial capping of
4 their authority.

5 Q. You also mentioned or discussed the zone
6 legislation.

7 A. Correct.

8 Q. You said that has not been successful; is
9 that correct?

10 A. Only because members of the industry found
11 ways to defeat it, and we quite frankly had a great deal
12 of difficulty in enforcing those provisions.

13 Q. Mr. Harrison is here. I think he could
14 testify to that.

15 In regard to the area of Germantown or the actual
16 territory of operation, call it the Germantown or the
17 neighborhood authority exists for Philly Cab; do you know
18 how many square miles that entails?

19 A. I don't.

20 Q. But you would agree it's not just the
21 Germantown area. It does go broader than just
22 Germantown.

23 A. I'm not that familiar with the neighborhood
24 descriptions of Philadelphia. I know roughly the area,
25 and I have sat down and read the authority which is

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1 bordered by various streets and things, which I am not
2 familiar. I'd have to find them on a map, in all
3 probability, probably an old map.

4 Q. Would you agree that Germantown cab or
5 let's call it the neighborhood cab in Germantown that
6 we're discussing today would not continue to be in
7 existence unless it operated successfully or the drivers
8 and the owners were able to make money?

9 A. I would assume that they are making money.
10 I have not looked at the annual reports, but certainly
11 they would not be operating that --

12 JUDGE WILLIAMS: Would you repeat the end of your
13 last statement?

14 MR. ERNST: My ending of my last statement was
15 that it is reasonable to assume that they would not be
16 operating the number of cabs that they are operating in
17 Germantown if it were not profitable to do so.

18 BY MR. MELTZER:

19 Q. You also discussed the ramifications if the
20 authority were to be cancelled in Germantown.

21 Do you know if there are any other cab companies
22 other than citywide cab companies that have the
23 authority to operate in this area?

24 A. The Germantown area?

25 Q. Yes.

9

1 A. Not to my knowledge.

2 Q. You had mentioned earlier in your direct
3 testimony the suburban cabs that have some authority to
4 operate in the City of Philadelphia --

5 A. Yes, sir.

6 Q. -- but are primarily operating in the
7 suburbs?

8 A. The City Line area. Basically the
9 Montgomery County, Philadelphia overlap area.

10 Q. You're talking about the City Line area as
11 opposed to, we'll call it the Jenkintown --

12 A. Specifically one indeed is Walsh Cab out of
13 Jenkintown.

14 Q. Do you know what the authority is for Walsh
15 Cab?

16 A. I have their operating authority in front
17 of me. I can't testify to it specifically. I can sit
18 here and read it word for word. It's basically a
19 suburban authority that overlaps a portion of the city.

20 Q. From your recollection or from your review
21 of the authority of Walsh Cab, does it overlap in any
22 way the territory that Philly suburban or Philly
23 Germantown has?

24 A. That I specifically have not looked at.
25 I've got the authorities. I could sit here and read

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10

1 them to you and see if they do. I have just not had
2 reason to look at that.

3 Q. Would you agree, however, that none of the
4 suburban cabs that do have some authority to operate in
5 the City of Philadelphia are required to comply with any
6 of the aspects of the Medallion Law?

7 A. That's correct. They were specifically
8 exempted, which was our recommendation at the Commission
9 at the time the medallion program was operating. We
10 looked at it. The medallion is applying only to those
11 taxicabs with citywide operating authority.

12 Q. And if it's determined that Philly Cab -- I
13 guess maybe the consistent way we'll try to phrase it --
14 is not a medallion cab, than would it be your
15 understanding that it would not be required to comply
16 with any of the aspects of the Medallion Law?

17 A. That's correct.

18 Q. And would it be your understanding that
19 that not be consistent with the public interest?

20 A. Again, the only major actor we have here is
21 Penn Radio who has voluntarily -- and the big concern
22 here is safety of equipment and drivers, and my
23 understanding is that they have voluntarily brought
24 those taxicabs into compliance.

25 Q. But they are not legally required to do so

10

1 as long as they are not required to be held to the same
2 standards as medallion cabs; is that correct?

3 A. That's correct. Yes, sir.

4 Q. Do you know how many medallion cabs Philly
5 currently operates as opposed to the number that are
6 authorized?

7 I think you said there were 36 cabs. Is that how
8 many cabs they currently have operating?

9 A. How many they are authorized to have. I
10 don't know their current operating figure.

11 Q. In the Walsh Cab situation, do you know how
12 many cabs Walsh Cab is authorized to operate?

13 A. I don't have that information in front of
14 me.

15 How many they are authorized to operate? I
16 misunderstood that. They have an unlimited certificate.

17 Q. Do you know how many they are currently
18 operating?

19 A. That's the figure I don't know.

20 Q. That's the figure I thought you didn't
21 have.

22 MR. MELTZER: Those are all the questions that I
23 have.

24 JUDGE WILLIAMS: Mr. Ernst, this is Judge
25 Williams, and I'm going to go back to the two suburban

10

1 authorities that you've mentioned. You've identified
2 one, Walsh Cab in Jenkintown, and you've referred to the
3 fact that you have the certificate in front of you.

4 Would you read that so I can get an idea what
5 part of the city the cabs operate in?

6 MR. ERNST: Yes, Your Honor. Just bear with me.

7 I will read, if it's all right with you, merely
8 that portion which is applicable to Philadelphia.

9 JUDGE WILLIAMS: That's fine.

10 MR. MELTZER: Mr. Kenney has it also.

11 MR. ERNST: Transport as a common carrier by
12 motor vehicle persons upon --

13 JUDGE WILLIAMS: Would you speak up so the court
14 reporter can hear you?

15 MR. ERNST: To transport as a common carrier by
16 motor vehicle persons upon call or demand between that
17 part of Philadelphia bounded by the Philadelphia
18 Montgomery County Line, and then paren after that,
19 Northwestern Avenue, Schuylkill River -- these are the
20 boundary lines. School Lane, Church Lane, Wister Street
21 W-i-s-t-e-r, Stenton, S-t-e-n-t-o-n, Avenue, Vernon
22 Road, Cheltenham Avenue, Cresatim, C-r-e-s-a-t-i-m,
23 Street and Stenton Avenue and between points in the
24 Townships of -- again, we're getting into the suburban
25 areas -- Whitmarsh, Springfield, Montgomery Counties.

10

1 JUDGE WILLIAMS: Thank you.

2 The other suburban authority, what is the name of
3 that and what area does that transport people in?

4 MR. ERNST: The other one is in the Mainline
5 area. It's Bennett Taxicab.

6 Your Honor, would you like me to read the
7 specific --

8 JUDGE WILLIAMS: Yes.

9 MR. ERNST: To transport as a common carrier
10 persons upon call or demand that portion of the City and
11 County of Philadelphia bounded by City Line, Seventh
12 Street, Columbia Avenue, Lebanon Avenue, Haverford
13 Avenue, Lansdowne Avenue, and Cobbs Creek, and that
14 portion of the Bureau of Narberth and the Township of
15 Lower Merion, Montgomery County as bounded by Montgomery
16 Avenue, Merion Road and Merion Avenue, City Line Avenue
17 and Waynewood Road, and on City Line Avenue between 52nd
18 Street and Haverford Road.

19 JUDGE WILLIAMS: Thank you.

20 Now, you've indicated that the Commission has had
21 difficulty in ensuring that the taxicabs provide a
22 sufficient service to the neighborhood.

23 MR. ERNST: Yes, Your Honor.

24 JUDGE WILLIAMS: If a taxicab company decided
25 that they wanted to operate in one section of the city

11

1 and they applied for authority, would they be given
2 authority without a medallion or would they have to
3 apply for citywide service?

4 MR. ERNST: That's a very interesting question,
5 Your Honor.

6 We've never had it presented to us. At this
7 point a taxicab company operating or applying to operate
8 in the neighborhood, apparently would not be bound by
9 the medallion legislation and the Commission could issue
10 neighborhood taxicab authority based on a showing of
11 need within a specific neighborhood.

12 I would imagine the Commission has that authority
13 and jurisdiction.

14 JUDGE WILLIAMS: Thank you.

15 Ms. Sloan, do you have any redirect?

16 MS. SLOAN: No.

17 JUDGE WILLIAMS: Mr. Meltzer?

18 MR. MELTZER: Yes.

19 RE CROSS EXAMINATION

20 BY MR. MELTZER:

21 Q. Are you aware of any policy adopted by the
22 Commission regarding issuing or I guess approving
23 applications for authority to operate in one section of
24 the city?

25 A. No. I'm not aware of any specific

11

1 Commission' policy with regard to that.

2 Q. Would one requirement, just in your
3 experience, would one element be whether or not that
4 portion of the city is currently underserved?

5 A. It would have to out of necessity be an
6 issue of just that, necessity and inadequacy. That's
7 our basic entry test.

8 Q. And certainly if Philly Cab did not operate
9 in Germantown, that area in your opinion would not be
10 served?

11 A. I'm not so sure it would not be served, but
12 in my opinion the level of service would be diminished.

13 MR. MELTZER: Thank you.

14 MS. SLOAN: Thank you, Mr. Ernst.

15 JUDGE WILLIAMS: Thank you.

16 (Recess.)

17 JUDGE WILLIAMS: We're back on the record now.

18 We've finished the testimony of Mr. Ernst, which
19 was telephonic testimony, and we're back in Hearing Room
20 1, and the decision has been made to let the Law Bureau
21 continue its case, and then the applicant will put on
22 its case.

23 MS. SLOAN: Your Honor, I turn this portion over
24 to Ms. Daviston.

25 MS. DAVISTON: Your Honor, I would like to call

11

1 Sant Harrison to the stand.

2 JUDGE WILLIAMS: Would you stand and raise your
3 right hand, please.

4 SANT HARRISON, called as a witness, having been
5 duly sworn, was examined and testified as follows:

6 JUDGE WILLIAMS: Would you state your name and
7 your business address for the record, please?

8 MR. HARRISON: My name is Sant Harrison, S-a-n-t.
9 My business address is 3549 B Street, Philadelphia
10 19134.

11 JUDGE WILLIAMS: Thank you.

12 Ms. Daviston, you may proceed.

13 DIRECT EXAMINATION

14 BY MS. DAVISTON:

15 Q. Mr. Harrison, would you state who you are
16 employed by and your title, please?

17 A. I'm employed by the Public Utility
18 Commission in Philadelphia, and my title is Regional
19 Manager.

20 Q. How long have you been in that position?

21 A. Seven years.

22 Q. What are the job duties of a Regional
23 Manager?

24 A. We oversee and inspect the Philadelphia
25 medallion taxicab, also conduct investigations and

11

1 handle complaints of taxicabs.

2 Q. Do you also deal with driver certification?

3 A. That's correct.

4 Q. And, Mr. Harrison, what bureau do you work
5 with in the Commission?

6 A. Safety and Compliance.

7 Q. Are you a city resident?

8 A. Yes, I am.

9 Q. How long have you been a city resident?

10 A. 54 years.

11 Q. Are you familiar with the Germantown area,
12 Mr. Harrison?

13 A. I am.

14 Q. How have you come to be familiar with this
15 area?

16 A. I have lived in the Germantown area
17 approximately 54 years.

18 Q. In your experience how would you
19 characterize this area?

20 A. The Germantown area in itself is unique.
21 The logistics of it is quite difficult for anyone to get
22 around if they are not familiar with the area.

23 Q. Are you familiar with the economic
24 condition of this area?

25 A. Yes.

11

1 Q. Would you describe it for us, please?

2 A. It's a diverse type area, because you have
3 the wealthy, you have -- it's no different than any
4 other part of the city, really.

5 You have wealthy on one side and on the other
6 side you have poverty. The city itself is a city of
7 neighborhoods and Germantown is one of them.

8 Q. Are you also familiar with Philly Cab
9 Company?

10 A. Yes, I am.

11 Q. And how did you come to be familiar with
12 this company?

13 A. After Philly Cab took over Penn Radio's
14 rights, we started getting more service in the
15 Germantown, Chestnut Hill, Manayunk area.

16 Q. Are you also familiar with them on a
17 personal level?

18 A. Yes.

19 Q. Would you explain that to us, as well?

20 A. One personal aspect of it, my mother rides
21 Philly Cabs and she seems quite satisfied with their
22 service. We haven't had many complaints against Philly
23 Cabs.

24 Q. We already know that there are 42 cabs
25 operating. Is your office responsible for the

11 1 inspection of cabs owned by this cab company?

2 A. We do inspect Philly Cabs. However, Philly
3 Cab themselves have volunteered to be inspected on an
4 annual basis, the same as the nonmedallion taxis. They
5 also have volunteered to have their drivers certified.
6 We inspect them on an annual basis, and also
7 semi-annually the get inspected.

8 Q. Do they undergo similar inspections as
9 medallion cabs?

10 A. Exact same inspections.

11 Q. Are there any differences between the
12 inspection of the medallion and a nonmedallion cab?

13 A. Yes. Nonmedallion cabs aren't required to
14 have a partition, and the year of the car is different.

15 Q. Are Philly Cab drivers held to the same
16 standards as medallion cab drivers?

17 A. Yes, they are.

18 Q. Are there any differences at all?

19 A. None.

20 Q. Is your office responsible for the
21 investigation of complaints against this cab company?

22 A. Yes, we are.

23 Q. Could you characterize the nonmedallion
24 portion of Philly Cabs with regard to complaints from
25 Germantown residents?

12

1 A. We have not had many complaints at all
2 against Philly Cab Company. The complaints are at a
3 minimum and they are mostly with the drivers not knowing
4 the logistics of the area.

5 Q. Do you receive any complaints from other
6 Philadelphia cab companies or drivers, regarding this
7 cab company?

8 A. Numerous.

9 Q. Numerous.

10 A. Numerous complaints from other cab
11 companies against Philly Cabs.

12 Q. And would you describe the nature of those
13 complaints?

14 A. Mostly because they are not aware that
15 Philly Cabs can go into Center City and pick people up
16 and transport them back to the area. As soon as a cab
17 company sees that Philly Cab is in Center City, we get a
18 complaint. They are not aware that they were called
19 down there to pick a person up to transport them back to
20 the area which they are allowed to do.

21 That's the types of complaints we get from the
22 other cab owners.

23 Q. Would you be able to tell us today the
24 approximate number of complaints you've received in the
25 past year regarding Philly Cab?

12

1 A. No, but it would be minimal. It would be
2 under 20.

3 MR. MELTZER: Are we talking about from cab
4 companies or from passengers, because you've referred to
5 two types?

6 MS. DAVISTON: I could do it separately.

7 MR. HARRISON: From cab companies we would get
8 quite a few, because every time they would see a Philly
9 Cab in Center City or any other area of the city that
10 are not bounded by Philly's rights, we get a call.

11 As for complaints that are verified, I would say
12 less than 20 in this physical year.

13 BY MS. DAVISTON:

14 Q. Do you investigate each complaint?

15 A. Each and every complaint, yes.

16 Q. To the best of your ability, would you be
17 able to tell us about the reputation of Philly Cab in
18 the neighborhoods?

19 A. They have an outstanding reputation in the
20 neighborhoods. The citizens of Germantown and Chestnut
21 Hill and Manayunk are thrilled to have a company come
22 and serve their area. Before that did not have any.

23 Q. Would you be able to tell us about the
24 reputation in Philadelphia in general?

25 A. It would be the same as just stated with

12

1 the community itself.

2 Q. I have a hypothetical for you.

3 Based upon your knowledge and experience as a
4 regional supervisor in Philadelphia and a life-long
5 resident of Philadelphia, what would you expect the
6 result to be of the Commission cancelling the
7 neighborhood authority now operated by Philly Cab?

8 A. It would be a disaster.

9 Q. Why do you think it would be a disaster?

10 A. You wouldn't have taxicab service in the
11 areas of Germantown, Chestnut Hill and Manayunk.

12 Q. And your reason is because --

13 A. Because of the logistics of the area. You
14 don't find that many drivers who can get around in such
15 an area.

16 Q. What do you think would happen if we
17 changed the nonmedallion cabs to medallion cabs?

18 A. I've always advocated it should be. It
19 would be easier for enforcement. We wouldn't have half
20 as many problems as we have now if they would get
21 medallions.

22 Q. Do you think changing the nonmedallion cabs
23 to medallion cabs would change the nature of the service
24 to the Germantown area?

25 A. No.

12

1 Q. Would you like to expand upon that?

2 A. I think we would get better service. We
3 would have more vehicles available. I don't think --
4 the taxicab drivers are a certain breed. They go in
5 certain areas. The cab drivers that work the Germantown
6 area would stay in Germantown?

7 Q. You don't think they would leave and go to
8 the more lucrative areas outside of Germantown?

9 A. No, I don't.

10 MS. DAVISTON: I don't have anymore questions for
11 this witness.

12 JUDGE WILLIAMS: Mr. Meltzer.

13 CROSS-EXAMINATION

14 BY MR. MELTZER.

15 Q. Mr. Harrison, you would agree that other
16 than the voluntary compliance that the nonmedallion cabs
17 of Philly Cab have met, you have no ability to require
18 their drivers to be certified; is that correct?

19 A. That's correct.

20 Q. And currently if Philly Cab said I don't
21 want to have my drivers go through that process, there's
22 really nothing at current you could do about that; is
23 that correct?

24 A. There's no way we can enforce or anything.

25 Q. The same way with the vehicle inspections.

12

1 If they didn't want to do it voluntarily, there's
2 nothing you could do about it?

3 A. We could. Yes, we could do that.

4 Q. I'm sorry. Because there are some
5 inspections that you could maintain that are both under
6 medallion and nonmedallion cabs?

7 A. Yes.

8 Q. Am I correct that the only vehicles that
9 your department deals with or drivers that your
10 department deals with are those that have authority to
11 operate in Philadelphia?

12 A. That's correct.

13

13 Q. You've heard Mr. Ernst discuss Walsh Cab.
14 Do you have the ability -- because there's some
15 authority they have to operate in Philadelphia. Do you
16 have any dealings with that cab company?

17 A. We inspect the vehicles annually. We have
18 no control over their drivers.

19 Q. Is the inspection that you perform for
20 nonmedallion cabs the same inspection that you perform
21 for medallion cabs?

22 A. The exact same thing, only they are not
23 required to have the partition and the year of the
24 vehicle.

25 Q. What is the current requirement for the age

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of the vehicle, medallion cabs?

A. Six years.

Q. And again you would not be able or you cannot compel Walsh Cab or Philly Cab to comply with that age requirement; is that correct?

A. That's correct.

Q. But if Philly Cab did have the medallions, then you could require the age and all the other requirements of the medallion cabs?

A. That's correct.

Q. Can you describe for the record what the certification driver process is?

A. They must have their criminal records checked. They must have driver's records checked. They must have a current driver's license, and they have to pay for these with certified checks, ten, ten, and twenty. They get their pictures taken. The dress code is they must have a shirt with a collar on. They must have trousers. They must wear socks, no sneaks, no sandals.

Q. That certification process again has been agreed to by Philly Cab?

A. That's correct.

Q. Without any of the advantages, assuming there are some, to being a medallion cab; is that

13

1 correct?

2 A. That's correct.

3 Q. Are there any other requirements under the
4 medallion program that Philly Cab has voluntarily
5 complied with?

6 A. Yes. They've volunteered to come in
7 annually to have their vehicles inspected.

8 Q. I thought you said that that's the same
9 requirement that you would have for nonmedallion cabs.

10 A. But they don't have to come to our building
11 to be inspected. Philly has volunteered to come to our
12 location to be inspected.

13 Q. Which is a disadvantage for it as opposed
14 to the other --

15 A. The other suburban cabs would go to that
16 location.

17 Q. The Germantown area, which you have
18 described as unique, can you provide a little bit more
19 detail why it's so unique?

20 A. Like I said, again, it's the logistics of
21 it. You may be on 16th Street and the next thing you
22 know you are on 78th Avenue. It's the way it's layed
23 out in Germantown. Totally confusing. It's very
24 difficult to get around.

25 Q. Based on your knowledge of the Philadelphia

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1 cab industry, are you aware of any other cab companies
2 having citywide rights that operate in that area?

3 Based on your experience would you know that
4 other cab companies operate if they did operate in that
5 area on a regular basis?

6 A. On a regular basis there are none. You
7 have a few drivers that will go and sit on certain
8 locations, Germantown and Sheldon, someplace like that,
9 you have certain drivers that would sit there, but other
10 than that on a regular basis, no.

11 Q. Certainly your mother would tell you;
12 right?

13 A. Certainly.

14 Q. Would you agree that in order to drive in
15 Germantown the driver would have to be familiar with
16 that area?

17 A. He would definitely have to be familiar
18 with that area.

19 Q. You stated that in your opinion that if a
20 medallion were required of the suburban Philly cab, the
21 service to Germantown would not decrease; is that
22 correct?

23 A. That's correct.

24 Q. And what is the the reason for that?

25 A. As I said before, most drivers are

13

1 creatures of habit. They have a particular area that
2 they work, and if they work Germantown that's where they
3 would stay.

4 Q. Based on your knowledge of the cab
5 business, assuming that there's no other cabs operating
6 in Germantown, would that be a profitable area for the
7 cab drivers operating?

8 A. Yes, it has to be. I think they have quite
9 a few drivers there.

10 Q. 42 cabs, which we believe are currently
11 operating in the Germantown area is a significant sized
12 company in the Philadelphia community; is that correct?

13 A. That's correct.

14 Q. And in your opinion with the limited
15 authority that it has, those cabs would not be operating
16 unless it were able to service those particular
17 customers?

18 A. That's also correct.

19 Q. Why would the ability to -- why would it be
20 easier for your agency to handle Philly Cab's operations
21 or inspect Philly Cab's operation better if they had
22 medallion cabs?

23 A. If they had medallions, the requirements
24 would be the same all over the city. It wouldn't be
25 nonmedallions have to operate one way and medallions the

13

1 other. To enforce it would be quite easier for us to do
2 so with the medallions.

3 Q. Would Philly Cab also have the obligation
4 then to pay for each medallion cab?

5 A. Yes, they would.

14

6 Q. And that would increase the coffers of the
7 agency that receives a medallion fee; is that correct?

8 A. I'm sure it would.

9 Q. Part of that could go towards hiring new
10 personnel or additional personnel for your agency; is
11 that correct?

12 A. It probably would, due to the fact that we
13 would need more personnel to inspect these vehicles.

14 Q. Well, you inspect them now on a voluntary
15 basis; is that correct?

16 A. Yes.

17 Q. Without deriving any revenue that the
18 medallion fee would create?

19 A. That's correct.

20 Q. What is the approximate medallion fee now?

21 A. \$825.

22 Q. Do you have an opinion as to the number of
23 medallion cabs that Philly might be able to receive and
24 still ensure the service of the Germantown area?

25 A. I think they are operating 42 now. I would

14

1 say 60.

2 Q. You've already given an opinion that it
3 would not change the service of the Germantown community
4 because the cabs wouldn't leave there; correct?

5 A. That's correct.

6 Q. You don't feel that it would create a
7 disadvantage to existing cab drivers throughout the rest
8 of the city?

9 A. None whatsoever.

10 Q. It would also cut down on the complaints of
11 other drivers that Philly Cab is operating outside the
12 area?

13 A. That's also true.

14 Q. And also eliminate the possibility that you
15 would have to investigate a complaint that a cab driver
16 is operating outside of his authority?

17 A. It would save quite a bit of man-hours,
18 yes.

19 Q. Do you know where Philly Cab's office is?

20 A. Yes. Don't ask the address.

21 Q. But it's in the Germantown area?

22 A. Yes.

23 Q. And you would agree that Philly Cab has the
24 authority to operate not just in the specific Germantown
25 area, but further points in Manayunk, etcetera?

14

1 A. Yes.

2 Q. And also parts of Montgomery County?

3 A. That's correct.

4 Q. To your knowledge is Philly Cab the only
5 nonmedallion cab that operates in a neighborhood of
6 Philadelphia that has that limited authority present?

7 A. Yes, they are.

8 MR. MELTZER: One moment, Your Honor. I think
9 that's all.

10 Q. In regard to the tariff, again, I believe
11 Philly Cab has agreed to comply with the rates of
12 nonmedallion cabs; is that correct?

13 A. That is true.

14 Q. But right now if it's not a medallion cab
15 it could modify its rates up or down, than those
16 compared -- or at least seek approval to modify its
17 tariff one way or the other if it was not a medallion
18 cab; is that correct?

19 A. If it got approval, yes.

20 Q. But if it became a medallion cab, they
21 would have to charge the same rate whether or not they
22 are operating just inside the Germantown area.

23 A. That's correct.

24 Q. In regards to the number of medallion cabs,
25 have you seen the number decrease rather than increase

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through the years?

A. Decrease.

Q. Do you know the reasons for that?

A. Mostly it's insurance and the business is not there.

Q. Is that another reason for your opinion that even if it were granted medallions, Philly Cab would still operate in Germantown, because it would not have as much competition?

A. That's correct.

Q. Just to reiterate, if Philly cab ceased to operate in the Germantown area, that would have a negative impact on that community?

A. That's correct.

Q. As well as the other areas of its authority. When I say "Germantown," I'm really talking about the entire area of authority that it operates inside of.

A. Yes.

Q. Do you know what zone Philly Cab currently has? There was some reference by Mr. Ernst to zones.

A. I have no idea.

Q. Am I correct that based on what Mr. Ernst said that that's an area that is not really regulated by your department?

14

1 A. All the taxis at one time did have zones,
2 but because it was an enforcement nightmare it has been
3 discontinued.

4 Q. Are there zones still in there in some of
5 the cabs authorities?

6 A. Yes.

7 Q. But it's something because of practicality
8 that just is not scrutinized?

9 A. That's right.

10 Q. In your opinion is hail service by Philly
11 Cab important in their area of operation?

12 A. Yes.

13 MR. MELTZER: Those are all the questions that I
14 have, Your Honor.

15 JUDGE WILLIAMS: Thank you.

16 Mr. Harrison, maybe you can help me out with the
17 authority that Philly Cab currently has with respect to
18 this application.

19 You have indicated that they took over Penn
20 Radio's rights, and as I understand it at that time
21 there was a call box and you went to that location.

22 Is it true that Philly Cab now has radio
23 dispatch?

24 MR. HARRISON: That's correct, Your Honor.

25 JUDGE WILLIAMS: And in addition to the radio

14 1 dispatch section, I'm looking at what I have as the
2 application, and some of the streets that are listed
3 here or some of the streets that were listed by Mr.
4 Ernst in his testimony regarding the service area for
5 Walsh Cab.

6 Are you familiar with those two service areas?

15 7 MR. HARRISON: Yes.

8 JUDGE WILLIAMS: Is there some overlap between
9 the area that Walsh Cab operates in and the area that
10 Penn Cab would be operating in?

11 MR. HARRISON: There is an overlap, Your Honor.

12 JUDGE WILLIAMS: Now with regard to the other
13 suburban Cab, Mainline, it seems that that operates in
14 maybe the Winfield section and the Cobbs Creek area?

15 MR. HARRISON: Mostly City Line Avenue.

16 I don't think, Your Honor, they have more than
17 six taxis. They are very seldom in the Philadelphia
18 area itself. If you would see one, it would be around
19 the hotels, the Marriott, City Line Avenue.

20 JUDGE WILLIAMS: With regard to neighborhood
21 authority you heard Mr. Ernst testify and it was his
22 opinion that the Commission could issue certificates for
23 just neighborhood authority and that would not be a
24 medallion cab.

25 Do you have any information or any opinion

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1 regarding that?

2 MR. HARRISON: That would be an enforcement
3 nightmare.

4 JUDGE WILLIAMS: Could you describe some more of
5 the differences between the medallion and the
6 nonmedallion cab?

7 You've indicated that there's a medallion fee of
8 \$825. Is there an assessment or some other fee that is
9 paid by a nonmedallion cab to the Public Utility
10 Commission?

11 MR. HARRISON: A nonmedallion cab does not have
12 to pay the \$825, Your Honor.

13 JUDGE WILLIAMS: Do they pay any type of
14 assessment fees?

15 MR. HARRISON: I think the assessments are going
16 to be eliminated. I'm not sure if they've done it yet
17 or not.

18 JUDGE WILLIAMS: In terms of inspections in
19 addition to the annual inspection that a medallion cab
20 has to undergo to get a new medallion each year, their
21 on the street inspections, have there been on the street
22 inspections of the Philly Cab that are nonmedallion?

23 MR. HARRISON: Yes, they have been randomly
24 inspected, Your Honor.

25 JUDGE WILLIAMS: When you characterize the

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1 economic situation in Germantown I think you -- and I
2 just want to make sure that this is correct on the
3 record -- that you indicated that it was similar to
4 other sections of the city?

5 MR. HARRISON: Yes, Your Honor.

6 JUDGE WILLIAMS: And my question really was
7 whether Germantown was more economically depressed than
8 other areas?

9 MR. HARRISON: I wouldn't say so, Your Honor.

10 JUDGE WILLIAMS: Have you received complaints
11 from other sections of the city that their neighborhoods
12 were not serviced properly or that medallion taxicabs
13 would not come to their area?

14 MR. HARRISON: Yes, Your Honor.

15 JUDGE WILLIAMS: I have no further questions.

16 MS. SLOAN: I just have two quick questions for
17 clarification.

18 REDIRECT EXAMINATION

19 BY MS. SLOAN:

20 Q. Just so that we understand, you have
21 testified that in your opinion Philadelphia Cab would
22 continue to service the Germantown area if the
23 medallions were issued to them because of the cab
24 drivers and they tend to stay in their known region.

25 Would there be any preventive measures from

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1 Philadelphia Cab having medallions hiring non Germantown
2 drivers?

3 A. None.

4 Q. And if they were in fact to change their
5 drivers to non Germantown residents, would you think
6 that would effect the area?

7 A. I don't think so.

8 Q. And you've also testified that you think
9 that 60 medallions would be a decent and reputable
10 number to issue medallions to Philly Cab.

11 Can you explain to us why you think there should
12 be an increase in the number of cabs since they are
13 currently operating 42?

14 A. My explanation of that is they have 42 now
15 and we are losing medallions annually citywide. So if
16 they can operate 42, I'm sure they can do 60 and the
17 differences between would also operate citywide.

18 Q. And during our short conversation you
19 indicated your source of information as to why
20 assessments would be eliminated. Can you tell the
21 Court?

22 A. Your Honor, that's only rumor.

23 MS. SLOAN: Thank you, Your Honor.

24 JUDGE WILLIAMS: Mr. Meltzer.

25

15

1 BY MR. MELTZER:

2 Q. I just wanted to clarify. You don't
3 believe if the Court or the PUC or whoever deems it
4 appropriate for Philly Cab to have medallions that that
5 would then suggest that Walsh Cab, which is as Mr. Ernst
6 testified a suburban cab, would have to be a medallion
7 cab?

8 A. No.

9 Q. Can you explain why?

10 A. Walsh Cab primarily operates in the
11 Suburban area. They come to Philadelphia only
12 occasionally. It's nothing everyday with Walsh Cab.

13 Q. In your opinion Walsh Cab would not want to
14 undertake all the financial and other requirements of a
15 medallion cab if it doesn't operate in the Philadelphia
16 area on a regular basis?

17 A. That's correct.

18 MR. MELTZER: That's all I have, Your Honor.

19 JUDGE WILLIAMS: The Law Bureau.

20 MS. SLOAN: Well, let me just clarify.

21 Q. I assume your same answer would apply to
22 the other suburban cabs that operate in the City Line
23 area in the City of Philadelphia?

24 A. That's correct.

25 JUDGE WILLIAMS: Thank you, Mr. Harrison.

15

1 You may be excused from the stand.

2

MS. SLOAN: We have no further witnesses, Your Honor.

3

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JUDGE WILLIAMS: Mr. Meltzer.

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MS. SLOAN: Your Honor, may I request a short recess, please?

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JUDGE WILLIAMS: I was going to ask him how many witnesses he had.

9

10

MR. MELTZER: Maybe we can go off the record, Your Honor.

11

(Discussion held off the record.)

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JUDGE WILLIAMS: Mr. Meltzer.

13

MR. MELTZER: Earl Huling, please.

14

15

EARL HULING, called as a witness, having been duly sworn, was examined and testified as follows:

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17

JUDGE WILLIAMS: Would you state your name and address for the record, please?

18

19

MR. HULING: My name is Earl Huling, H-u-l-i-n-g. My address is 716 East Sheldon Avenue, Philadelphia 19144.

20

21

JUDGE WILLIAMS: Mr. Meltzer, you may proceed.

22

DIRECT EXAMINATION

23

BY MR. MELTZER:

24

Q. How are you presently employed?

25

A. Presently I'm a driver for Philly Cab

16

1 Company.

2 Q. For how long have you been a driver?

3 A. Almost three years. Since February of
4 1992.

5 Q. Prior to driving for Philly Cab, did you
6 operate a cab?

7 A. Yes, I did.

8 Q. For whom?

9 A. Yellow Cab Company, Penn Radio Cab Company,
10 Sheldon Cab Company -- Sheldon Radio Cab Company.

11 Q. Do you reside in the Germantown area?

12 A. Yes, we do.

13 Q. And for how long have you lived in the
14 Germantown area?

15 A. 25 years.

16 Q. As a driver for Philly Cab, what area do
17 you drive in?

18 A. Germantown, Mount Airy, West Oak Lane,
19 Chestnut Hill, Roxborough, Manayunk, the outlying
20 suburbs.

21 Q. Are you familiar with the streets in the
22 Germantown area?

23 A. Yes, we are.

24 Q. We've had some testimony about the unique
25 nature of the Germantown neighborhood, but could you

16

1 describe in some detail the ease or the difficulty of
2 operating a cab in the Germantown area?

3 A. It's very difficult. The Germantown area
4 and its environs, have the largest number of one block
5 streets of any other neighborhood in the entire city.
6 So there are specific streets in Germantown that only
7 run one block. They give you an address on that one
8 block, and if you don't specifically, precisely know
9 where that one block is, you're not going to find it and
10 the customer will consequently not be served.

11 Q. Is there any other specific knowledge that
12 someone would need to operate a cab in Germantown other
13 than the one block streets?

14 A. It would also be in terms of where the
15 customers are going, and then they say: I want to go to
16 the 5500 block of James, and you say: Do you know where
17 it is. They say: No, you're the cab driver. You take
18 me there. And if you don't know how to get them to the
19 5500 block of James coming from Wheaton Street, you're
20 at a loss, the customer's complaining, you know. What
21 am I paying you for? Take me to James Street. But I
22 don't know how to get there.

23 So we not only have to know where addresses are,
24 but we also have to know precisely where the destination
25 is and how to get there in the shortest route, which

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1 makes it the cheapest route.

2 Q. In your opinion without having specific
3 knowledge of the Germantown area, could a taxi driver be
4 successful in operating that area?

5 A. No. He'd wind up losing money, losing time
6 in getting to the addresses. The customers would be
7 complaining, they'd be waiting for the cabs too long.
8 Then he'd have a problem of not knowing how to get them
9 to where they're going. It would be a disaster.
10 Without the unique personnel to operate the company, it
11 wouldn't work.

12 Q. You've been operating in Germantown for
13 Philly Cab for approximately three years.

14 Do you see other cab companies operating in your
15 area of operation on a regular basis?

16 A. A few. Very few.

17 Q. At some point did you have another position
18 with Philly Cab?

19 A. I'm a part-time dispatcher, as well.

20 Q. And what does a dispatcher do?

21 A. A dispatcher takes the tickets from the
22 operators on the telephones and speaks over the radio
23 and directs the cabs to the particular address that are
24 coming in.

25 Q. Where is the Philly Cab' office?

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- 1 A. 4800 Germantown Avenue.
- 2 Q. How long has that office been at that
- 3 location?
- 4 A. Two months, three months.
- 5 Q. Prior to that time, where was the office?
- 6 A. Down at Broad and Pike, at the Yellow
- 7 Eagles Garage.
- 8 Q. And prior to that where was the office?
- 9 A. Lafayette Hills.
- 10 Q. And at the present location it has a radio
- 11 dispatch system?
- 12 A. We've always had a radio dispatch system
- 13 even from the first day of operation.
- 14 Q. Now, when you were a dispatcher or when you
- 15 served as a part-time dispatcher, can you give us an
- 16 approximation, if you can, of the number of calls or
- 17 wires, that are called that come in in the course of --
- 18 we'll call it a day for Philly Cab?
- 19 A. Your Honor, in a 7 to 3 shift in the
- 20 beginning of the month when more people are moving and
- 21 going places, we can run 4 to 500 wires. In an 8-hour
- 22 shift, 7 to 3. In a 24-hour period of time, in the
- 23 early part of the month, we can run as high as 1,500
- 24 wires in a 24-hour period.
- 25 As it goes toward the third and fourth weeks of

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1 the month, the number of wires start to drop because
2 people have less cash and it's not moving as many places
3 as they are during the first two weeks.

4 Q. Does Philly Cab have any corporate accounts
5 or regular accounts?

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6 A. Yes, we do. We service Crestview Nursing
7 Home. The nursing home found out that it was actually
8 less expensive to use taxicabs to carry their employees
9 from Fernrock Train Station to the nursing home, than it
10 was to actually purchase and lease vans and hire drivers
11 and actually use their own people. So they essentially
12 outplaced that service to Philly Cab.

13 Q. And you drive the employees to work?

14 A. Yes, three shifts a day, as well corporate
15 accounts like Eagle Lodge, Chestnut Hill Rehabilitation
16 Center, etcetera.

17 Q. Do you also have regular customers,
18 individuals?

19 A. Most of the regular drivers have lists of
20 regular customers. So all of us have regulars. They
21 call in and say: Is Earl working. Tell him I'm at
22 so-and-so. Tell him to come and get me. And the
23 dispatcher tells him: You have a call from Mrs. Hunter.
24 Go and pick her up.

25 Q. What type of locations do you transport

17

1 your customers to?

2 A. It's predominantly medical, doctors
3 offices, hospitals, therapy sessions. Then you have
4 your food shopping, your other merchandise shopping and
5 school activities, running ladies' children to the day
6 care center so they can go to work, but it's
7 predominantly medical, because we run in and out of
8 seven hospitals daily, dozens of times.

9 Q. Based on your experience at Philly Cab and
10 on the customers that you serve, how many are repeat
11 customers, would you say?

12 When I say "how many," I'm talking about what
13 percentage of total trips that you would take?

14 A. Eighty, ninety percent are steady two and
15 three times a week or more than that.

16 Q. Are you familiar with other drivers of
17 Philly Cab?

18 A. Yes, I know all of the drivers.

19 Q. Are all of them familiar with the Germtown
20 area?

21 A. Yes, it's essential. If they are not
22 familiar with the Germantown area, it becomes evident
23 very, very quickly, because the customers start to
24 complain.

25 Q. If you were operating a cab at Philly Cab

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1 and it had citywide authority, would you still remain in
2 the Germantown area that you're presently serving?

3 A. Exactly.

4 Q. You certainly are free today to drive for a
5 cab having a medallion or citywide authority; is that
6 correct?

7 A. That's correct.

8 Q. And yet you choose to drive for Philly Cab
9 in the Germantown area?

10 A. That's correct.

11 Q. Why is that?

12 A. I can consistently make \$100 a day with
13 Philly Cab, consistently. The most important thing
14 about cab money is consistency. You can have a bad day
15 and a good day.

16 I could go to other companies in other areas and
17 I can have a good day and a string of bad days. Philly
18 Cab, the Germantown area money it's consistent. There's
19 a certain number of people that are going to ride every
20 day. The sun comes up, they are going to ride. That
21 makes the money consistent, and that makes it a
22 desirable place to work.

23 Q. But is it true that the types of trips are
24 not the real expensive long distance trips?

25 A. Granted. You don't expect someone to pay

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1 \$20 a day who calls every day. But 6's and 7's add up
2 very quickly, and you just keep, you know, all day long.

3 Q. Do your cabs in your experience when
4 you've driven cabs having citywide authority, do your
5 cabs drive less miles or put in less miles than you
6 would if you had citywide authority?

7 A. We tend to because as I said, we're moving
8 shorter distances, we're staying in the area. We get,
9 out of 20 jobs a day, we might go Downtown twice. Other
10 than that, we're staying in the area.

11 Q. Does that save you not only miles, but gas?

12 A. Exactly. We can get away with only
13 spending \$10 or \$12 a day in gas.

14 Q. Your cabs do not have partitions; is that
15 correct?

16 A. Exactly.

17 Q. Do you know what your tariff is?

18 A. It's \$1.80 for the first 6th of a mile,
19 then 30 cents every 6th of a mile.

20 Q. The same as a medallion cab?

21 A. Yes.

22 Q. I don't know if you were here when Mr.
23 Harrison testified, but your vehicles get inspected down
24 at the PUC?

25 A. Correct.

17

1 Q. And you also have to go through the
2 certification process?

3 A. Um-hum.

4 Q. What is the public transportation situation
5 in the Germantown area?

6 How would you describe it?

7 A. It's reasonably good. It's reasonably
8 good, but there's a preponderance of elderly people, and
9 you can't imagine the amount of times that we get a call
10 to pick someone up that tells us: I just can't make
11 that first step on a Septa bus. I'm sorry it's a short
12 trip, but I need you to help me in the cab, take me to
13 the short distance and help me out, because I just can't
14 climb the steps on a Septa bus. That happens to us many
15 times a day.

16 Q. And you also have hail service; is that
17 correct?

18 A. Yes.

19 Q. Approximately what percentage is hail
20 service, if you know?

21 A. Approximately 20 percent.

22 Q. Are you familiar with the p.m. shift or
23 we'll call it the midnight through the morning shift
24 type of service that's called for, for the cabs
25 operating that period?

18

18

1 A. Yes. We have a 11 to 7 shift. We operate
2 24 hours a day, 7 days a week. The 11 to 7 shift gets
3 as many as 200 calls a night. One of the things about
4 the 11 to 7 shift is a number of suburban cab companies
5 don't operate at all. It's nothing for a Philly Cab to
6 be called up to Abington or Rolling Hills or Lafayette
7 Hills, because a suburban person wants to move from the
8 suburbs to even someplace in the suburbs, but there's no
9 other cab service available. Norristown Cab shuts down
10 at 10 p.m. There's no one else to call but us.

11 Q. What type of service do you provide to
12 people during that 11 to 7 shift?

13 A. Essential service. There are people who
14 have to be at work at 6 or at 5 or have to catch an
15 early morning plane or catch an early morning train that
16 have no other way to get away from their house. We have
17 24 hour a day dispatching and 24 hour cabs.

18 Q. Other than the difficulty of driving in the
19 area and one not familiar with it, are there any other
20 reasons in your opinion that other cab companies would
21 not operate in the current area of operation for Philly
22 Cab?

23 A. Well, they'd have to make a significant
24 investment in equipment first. Then they'd have to make
25 a significant investment in radio dispatching system

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1 which costs us \$2,500 a week. Then they'd have to make
2 a significant commitment in getting experienced
3 Germantown knowledgeable drivers.

4 That would take time and money, and I cannot
5 imagine them recouping their investment for three to
6 five years. It really wouldn't be worth it to start it
7 up from scratch in terms of trying to compete against
8 us.

9 Q. In your opinion if you had citywide
10 authority would other drivers currently driving for
11 Philly Cab continue to operate in Germantown if you were
12 a medallion cab?

13 A. Exactly. Once again it's consistent daily
14 money.

15 Q. On the other side if Philly Cab were to
16 lose its authority for whatever reason, what impact in
17 your opinion would that have not only on you as a driver
18 but also the community in general in the Germantown
19 area?

20 A. It would have a disastrous impact on it. I
21 can't count the number of times that someone has told us
22 that they've called United Cab, Yellow, Keystone and us.
23 They'll call four and five different cab companies and
24 they'll tell us, the first one who gets to my house is
25 the one who gets my business. We consistently get there

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1 first, but yet I've also heard people tell me they've
2 called Yellow Cab or United two hours ago and then
3 decided to call us, and we were there in 15 minutes and
4 the Yellow or United Cab still hadn't arrived yet.

5 That's the problem. You see, once you give the
6 driver that taxicab, you tend to lose control of it.
7 Especially with people like United and Yellow. Ours is
8 more closer and tight-nit. Since the drivers know the
9 area and the money's consistent there, they have the
10 greater incentive to shoot right to that address.

11 MR. MELTZER: Those are all the questions that I
12 have.

13 CROSS-EXAMINATION

14 BY MS. SLOAN:

15 Q. Mr. Huling, you've stated that you've been
16 driving for Philly Cab Company since February of 1992
17 and then listed three other previous taxicabs.

18 In total how long have you been a Philadelphia
19 taxicab driver?

20 A. 24 years.

21 Q. You also listed Penn Radio Cab as one of
22 your previous. Is that the predecessor to Philly Cab?

23 A. Yes.

24 Q. Yellow Cab I know is not involved in this?

25 A. Yes.

18

- 1 Q. What about Sheldon Radio Cab?
- 2 A. I worked for them, as well.
- 3 Q. Do they provide citywide?
- 4 A. Sheldon is out of business now.
- 5 Q. Did they provide?
- 6 A. No. It was strictly in the Germantown,
7 West Oak Lane, Mount Airy, Chestnut Hill area.
- 8 Q. In fact it was a competitor when it
9 existed?
- 10 A. It was a predecessor.
- 11 Q. That's what I needed to know. Thank you.
12 When did you drive for Yellow Cab? I'm curious
13 as to what time periods.
- 14 A. I started with Yellow Cab March the 5th,
15 1970. I worked on and off for them up to '86. I
16 started with Sheldon from '86 of January and I worked
17 with Sheldon until Yellow took him over in October of
18 '89. I worked briefly for Yellow from October of '89
19 until I left them and came to Philly in February of '92.
- 20 Q. Okay. So based on that history, you have
21 had experience with driving citywide; is that correct?
- 22 A. Yes, I have.
- 23 Q. And so some of your testimony is based on
24 your personal experience as a citywide driver?
- 25 A. Not some of it. All of it.

18 1 Q. When were you employed as a part-time
2 dispatcher?

19 3 A. That started over a year ago and ever since
4 then, off and on, any time one of the dispatchers need
5 time off or Mike needs me to fill in, I help him out.

6 MR. MELTZER: For the record, Mike is the manager
7 or the general manager.

8 BY MS. SLOAN:

9 Q. When you testified about the consistency of
10 the daily intake, could you give us an approximate
11 number of runs that you would make in your shift per
12 day?

13 A. I worked 6 a.m. to 6 p.m. I'm looking for
14 20 wires in that 12-hour period of time. You can
15 imagine that if there are 40 cabs out there, then they
16 can handle 1,600 wires a day, but that's only for the
17 a.m. shift. The p.m. shift is the same way.

18 Q. But based on that, I'm going to use some
19 rough math. Your average fare is approximately \$5 based
20 on your hundred dollar a day consistency and your 20
21 runs?

22 A. No, about \$8.

23 Q. Okay. How old is the vehicle you are
24 currently operating?

25 A. Ten years old.

19

1 Q. And based on your close-nit and complete
2 experience, approximately how old are the vehicles run
3 by Philly Cab?

4 A. How old are they?

5 Q. Yes.

6 A. Averaging?

7 Q. Right.

8 A. About seven or eight years ago.

9 The reason mine is so old is it's in
10 mint-condition.

11 Q. In your estimation would there be an affect
12 if you were required to have a protective barrier in
13 your cab?

14 A. Two problems. Operational problems.
15 Number one, I have a number of elderly ladies, and you
16 ladies know as ladies get older they begin to have
17 problems with their knees, and they say: Earl, can I
18 please sit up front? So I let them sit up front.
19 That's because actually they have a medical condition
20 that they really can't bend their needs.

21 The other problem is -- not a problem. The other
22 situation. I have a Mercury Marquis. It's virtually a
23 large car. I can move the seat all the way back, giving
24 them maximum room to pivot and put their legs up. You
25 put the shield in, that seat is frozen and stopped.

19

1 It's locked. I can see them having a problems getting
2 in the front or the back with that shield in, just from
3 a purely operational point of view.

4 The second thing is the shield prevents intimacy
5 of conversation. You ride passengers to the point where
6 you know about their daughters, their sons, their
7 grandchildren, their babies. They tell you everything.
8 The shield would prevent that intimacy of conversation,
9 which is part of the experience, really. That's why
10 they call for the same driver every day, because they
11 develop relationships with them.

12 Q. Again, based on your 24 years and your
13 experience with Philly Cab, if you were required to have
14 a newer vehicle and the protective barrier, do you think
15 that would in fact affect your relationship with your
16 customers?

17 A. It would, for those two reasons.

18 MS. SLOAN: I have no further questions.

19 REDIRECT EXAMINATION

20 BY MR. MELTZER:

21 Q. The vehicle that you have now is still
22 inspected on a regular basis; is that correct?

23 A. Yes.

24 Q. And that's done by Mr. Harrison's
25 department; is that correct?

19

1 A. Exactly.

2 JUDGE WILLIAMS: I have one question.

3 We've talked about radio dispatch. If I were new
4 to the Germantown area and I wanted to locate your cab,
5 what would I look under to get the telephone number?

6 MR. HULING: It's listed alphabetically.

7 JUDGE WILLIAMS: But would I look under Philly
8 Cab or --

9 MR. HULING: Yes. It would be listed there.

10 JUDGE WILLIAMS: So it would be listed as Philly
11 Cab and when I called Philly Cab, I would get your radio
12 dispatch as opposed to the medallion cabs for Philly?

13 MR. HULING: Exactly.

14 MR. MELTZER: We could have testimony to that.

15 JUDGE WILLIAMS: Okay.

16 MR. MELTZER: Maybe I can clarify that.

17 Q. Philly Cab has medallion and nonmedallion
18 cabs?

19 A. Correct.

20 Q. Is there the same phone number for both the
21 medallion and the nonmedallion cabs?

22 A. Yes. All calls come to the same radio
23 dispatch room.

24 Q. But if I live in Germantown and I call that
25 number and I say I want you to pick me up on Stenton

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1 Avenue, such and such street, the dispatcher would
2 dispatch the nonmedallion cabs, wouldn't it, or could it
3 dispatch either?

4 A. No. Closest to the customer, but there
5 have been situations, numerous times, where one of the
6 elderly will actually say: Please don't send a
7 medallion. Why. I have problems getting in medallion
8 cabs. Please send me a Philly Cab. I have two bad
9 knees. I have arthritis in my knees.

10 Q. In your experience there are both medallion
11 and nonmedallion cabs serving the Germantown area;
12 correct?

13 A. Correct.

14 JUDGE WILLIAMS: Does either counsel have anymore
15 questions.

16 MR. MELTZER: I have no other questions.

17 JUDGE WILLIAMS: Thank you, very much.

18 MR. MELTZER: The additional driver's here are
19 Evelyn Whiting, William Jackson, Bazil Malone, Donald
20 Marshall, and Leroy Middleton is not here.

21 We have a dispatcher here, Pam Coston, Your
22 Honor.

23 JUDGE WILLIAMS: Would you spell your last name,
24 please?

25 MS. COSTON: C-o-s-t-o-n.

19

1 MR. MELTZER: We also have a customer, Your
2 Honor, Joan Shumaker, who is a regular patron of Philly
3 Cab.

4 I would only ask her a few separate questions,
5 but basically, I believe that all of their testimony,
6 from the driver's standpoint or the patron's standpoint,
7 in my opinion would be cumulative of what Mr. Huling
8 testified to.

9 JUDGE WILLIAMS: Would everyone remain standing
10 and raise your right hands, please.

11 (Witnesses sworn en masse.)

12 JUDGE WILLIAMS: Let the record reflect they all
13 said "I do."

14 You may be seated until Mr. Meltzer asks you a
15 question.

16 DIRECT EXAMINATION

17 BY MR. MELTZER:

18 Q. Ms. Whiting, you've been present during Mr.
19 Huling's testimony; correct?

20 A. Yes.

21 Q. And do you basically adopt the testimony
22 that you've heard from Mr. Huling regarding the
23 operation of Philly Cab, the customers in the area that
24 you serve and the other aspects he's been cross-examined
25 and direct-examined on?

20

1 A. Yes, I do.

2 Q. Is there anything you wish to add?

3 A. No.

4 JUDGE WILLIAMS: Would you ask her how long she's
5 been driving.

6 BY MR. MELTZER:

7 Q. Okay. How long have you been driving for
8 Philly Cab?

9 A. Two and a half years.

10 Q. How long have you been a cab driver?

11 A. About four years.

12 Q. And where do you reside?

13 A. Germantown.

14 Q. And what's the address?

15 A. 223 East Washington Lane 19144.

16 MR. MELTZER: I don't have anything further.

17 JUDGE WILLIAMS: Ms. Sloan.

18 CROSS-EXAMINATION

19 BY MS. SLOAN:

20 Q. Would you change any of the testimony you
21 heard Mr. Huling had?

22 A. No.

23 MR. MELTZER: Mr. Jackson.

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25DIRECT EXAMINATION

BY MR. MELTZER:

Q. Could you state your address for the record, please?

A. 115 East Colter Street.

Q. Is that in Germantown?

A. Yes.

Q. How long have you been a driver for Philly Cab?

A. Three years.

Q. You've heard Mr. Hulings testimony on direct and cross-examination; is that correct?

A. Yes, I did.

Q. Do you adopt his testimony?

A. Yes.

Q. Is there anything you wish to change or modify?

A. No.

Q. For how long have you been a cab driver?

A. Roughly around 18 years.

MR. MELTZER: Any questions?

MS. SLOAN: No.

JUDGE WILLIAMS: Thank you.

MR. MELTZER: Mr. Malone.

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MR. MELTZER: Mr. Marshall.

DIRECT EXAMINATION

BY MR. MELTZER:

Q. State your address, please.

A. 119 East Price Street.

Q. Is that in Germantown?

A. Yes.

Q. For how long have you lived in Germantown?

A. Four years.

Q. And you are a driver for Philly Cab?

A. Yes.

Q. How long have you been a driver for Philly
Cab?

A. Two years.

Q. How long have you been a cab driver?

A. For about 16.

Q. You've heard Mr. Huling's testimony.

Do you adopt it?

A. Everything, yes.

Q. Is there anything you wish to alter or add?

A. No.

CROSS-EXAMINATION

BY MS. SLOAN:

Q. Just for the record, do you adopt Mr.
Holland's testimony, as well?

20

1 A. Yes.

2 JUDGE WILLIAMS: Mr. Huling is his name.

3 MS. SLOAN: I'm sorry. I've been calling you the
4 wrong thing.

5 MR. MELTZER: Mrs. Shumaker.

6 DIRECT EXAMINATION

7 BY MR. MELTZER:

8 Q. Where do you reside, Ms. Shumaker?

9 A. In Mount Airy, 271 East Nehan Avenue.

10 Q. For how long have you been a patron of
11 Philly Cab?

12 A. I don't know. I hate to tell you, I just
13 checked my diary. I have 18 cab companies that I have
14 occasionally called.

15 A. At least three years.

16 Q. How long have you been a resident of the
17 Mount Airy area?

18 A. 47 years.

19 Q. Are you satisfied with the services of
20 Philly Cab?

21 A. Yes, I am.

22 Q. And you've heard Mr. Huling's testimony
23 regarding the impact on the residents of your area if
24 Philly Cab would go out of business. Do you adopt that
25 conclusion?

20

1 A. I certainly do.

2 CROSS-EXAMINATION

3 BY MS. SLOAN:

4 Q. For the record, I have noticed that you
5 have some difficulty.

6 JUDGE WILLIAMS: For the record, she has two
7 canes that she just lifted.

8 BY MS. SLOAN:

9 Q. Let me ask do you find the testimony of Mr.
10 Huling correct about the protective barriers and the
11 entry into the vehicles?

12 A. Yes, I do. Every one of them, they don't
13 all have a handle that you can hold onto when you get
14 it, but I would suggest that even a fabric handle would
15 help. But you can grip the backrest.

16 Q. Do you find it difficult to get into and
17 out of a cab that has the barrier?

18 A. The partition, yes.

19 MS. SLOAN: Thank you.

20 JUDGE WILLIAMS: Ms. Shumaker, you're the only
21 patron that we have here, so I just want to get some
22 more information from you about the service.

23 Could you tell us a little bit about how you feel
24 the service is?

25 MS. SHUMAKER: Fine. I was a school teacher for

20 1 many years and I took Penn Radio as a rule to school
2 every morning, but when they went out of business, I
3 tried others. I tried of course Yellow Cab, and I had
4 two problems with Yellow Cab. One was that they were
1 5 not reliable as far as time goes. I sometimes waited an
6 hour, three quarters, two hours and a quarter, even when
7 I called to remind them I was still waiting.

8 The other thing was they had a meter that was
9 wrong, and one of our refugees came in. At that time
10 the fare in town was \$18 or \$19 all the way into the
11 historical society, and he charged \$28, so I called in
12 to complain, and you have to complain to a recorder.
13 However, I did complain, but I switched to Philly Cab
14 and they are reliable and they are reasonable, and I
15 call them all the time. I can ask for one special
16 driver if I wish.

17 JUDGE WILLIAMS: Thank you.

18 MR. MELTZER: Do you want to go in our
19 advertisements?

20 I have no other questions.

21 JUDGE WILLIAMS: Thank the witnesses that came.

22 At this point, it's 25 minutes to 1. How long do
23 you think your other witnesses would be?

24 MR. MELTZER: I would like to have a relatively
25 short break for lunch and I don't think it would be more

1 1 than a half hour, 45 minutes depending on
2 2 cross-examination.

3 JUDGE WILLIAMS: Why don't we return from lunch
4 4 by 1:30.

5 (Whereupon, at 12:35 p.m., a luncheon recess
6 6 was taken.)

7 JUDGE WILLIAMS: Mr. Meltzer, you may continue
8 8 with your case.

9 MR. MELTZER: Mr. Gabbay.

10 Your Honor, just as a point of information or an
11 11 offer of proof, it's my understanding that this is not
12 12 the normal application process type hearing. There are
13 13 no protests, so I don't think it necessary and I'm not
14 14 prepared to go into -- though I'll refer to it, the
15 15 financial background and all the normal elements,
16 16 because there haven't been any protests filed. I think
17 17 the issue here is should they be medallion cabs or not
18 18 be medallion cabs and whether the area is completely
19 19 served.

20 JUDGE WILLIAMS: That's my understanding that
21 21 there's no need to put on information about the
22 22 financial background or the experience of the owner.

23 Is that your understanding?

24 MS. SLOAN: That's correct, Your Honor. We are
25 25 not prepared to delve into those issues at all.

1

1 MR. MELTZER: That's fine.

2 JUDGE WILLIAMS: Would you raise your right hand,
3 please?

4 JACOB GABBAY, called as a witness, having been
5 duly sworn, was examined and testified as follows:

6 JUDGE WILLIAMS: Would you state your name and
7 your business address for the record, please?

8 MR. GABBAY: Jacob Gabbay, G-a-b-b-a-y, 1314
9 Chestnut Street, Philadelphia, PA 19107.

10 JUDGE WILLIAMS: You may continue.

11 DIRECT EXAMINATION

12 BY MR. MELTZER:

13 Q. Mr. Gabbay, you are one of the owners of
14 Philly Cab; is that correct?

15 A. Yes.

16 Q. For how long have you been an owner of
17 Philly Cab or Penn Radio?

18 A. Somewhere around ten years.

19 Q. And you acquired Penn Radio through a
20 bankruptcy proceeding; is that correct?

21 A. Yes, I bought it through bankruptcy court.

22 Q. Where is the present headquarters of Philly
23 Cab?

24 A. Germantown Avenue.

25 Q. How long has it been at the location of

1

1 Germantown Avenue?

2 A. Couple months. A few months.

3 Q. Who owns the building?

4 A. Philly Cab Company purchased the building
5 and we refurbished the whole building and built the
6 dispatch room down there and garage.7 Q. That was my next question. That is where
8 the garage is located?

9 A. Yes.

10 Q. And that is where the radio dispatch
11 operates from?

12 A. Yes.

13 Q. Do you have a full-time manager or managers
14 at Philly Cab?

15 A. Yes.

16 Q. Who is that?

17 A. Mike.

18 Q. Last name.

19 A. Reibenbach.

20 Q. Now Philly Cab has both medallion and
21 nonmedallion cabs; correct?

22 A. Yes.

23 Q. Am I correct that both medallion and
24 nonmedallion cabs operate out of the Philly Cab dispatch
25 system?

1 A. Yes.

2 Q. If the suburban-type operation of Philly
3 Cab is required to have a medallion, is it your intent
4 to continue to service the Germantown area?

5 A. Sure.

6 Q. Do some of the medallion cabs presently
7 serve the Germantown area?

8 A. Yes, they do.

9 Q. As well as the nonmedallion cabs?

10 A. Yes, they do.

11 Q. Would it be your intent to continue to
12 instruct your personnel to hire drivers or retain
13 drivers that are familiar with the Germantown area?

14 A. Yes.

15 Q. Is Mr. Reibenbach your manager on a
16 day-to-day basis?

17 A. Yes.

18 Q. How many cabs does Philly Cab non-suburban
19 operation currently operate?

20 A. Somewhere 42 or 45.

21 Q. Those are the only questions that I have,
22 Your Honor.

23 JUDGE WILLIAMS: Ms. Sloan.

24

25

CROSS-EXAMINATION

1
2 BY MS. SLOAN:

3 Q. Mr. Gabbay, the 42 to 45 cabs operated by
4 Philly Cab, are those owned by Philly Cab?

5 A. Yes.

6 Q. How many of them would meet the age
7 requirements if you would convert to medallions?

8 A. Not too many.

9 Q. So most of them are over the six-year age
10 limit?

11 A. Yes.

12 Q. There would be a substantial requirement of
13 investment on your part therefore to convert to
14 medallions; is that correct?

15 A. Yes.

16 Q. As owner of Philly Cab do you think that
17 would hurt your operations?

18 A. It will hurt my operation if -- if you're
19 talking about only the neighborhood cab.

20 Q. So there would in fact be some business
21 considerations to converting all 42 of those cabs or as
22 Mr. Harrison suggested, even more, 60 cabs to
23 medallions?

24 A. Yes, but it would be the good and the bad.
25 If I'm going to stay with the same right, it will hurt

2

1 me, but if I get more right, the medallion right, it
2 would be beneficial to the company.

3 Q. How would it be of benefit to the company?

4 A. They will have more wide range of doing
5 business in the City of Philadelphia and not just
6 restricted to an area.

7 Q. So that some of your cabs in order to
8 recoup the investment you would make to get the
9 medallion, some of your cabs would be required to go
10 outside Germantown?

11 A. I'm not saying required. I'm saying if
12 they are outside they can still pick up a fare and not
13 have to run back to the base or the designated area.
14 They can stay all over the city.

15 I give you an example. If we have a ride now
16 from Germantown to the airport, the cab have to leave
17 immediately the airport to go back to Germantown. If
18 it's a medallion cab, he'll stay in the airport and pick
19 up a fare either back to the city and continue to
20 Germantown -- I think you are not familiar with
21 Philadelphia and airport. We're on this side. Center
22 City is over here and the airport is over here. So at
23 least they'll get a fare to Center City and continue to
24 Germantown, so at least he'll have a benefit of having a
25 regular medallion.

2 1 Q. Mr. Gabbay, you also have a portion of the
2 authority that are nonmedallion; is that correct?

3 A. Yes.

4 Q. So you are familiar with the current
5 situation at the airport; would that also be correct?

6 A. Yes.

7 Q. Is it unfair to characterize the waiting
8 pen as anywhere between three to four hours for pickup
9 at the airport?

10 A. They do and they don't. Sometimes -- it's
11 a lot of people that work just only in the airport.
12 They get the fare. They run to the city and come right
13 back to the airport and wait, and that's the way they
14 operate.

15 Our benefit is on some days that you can't get a
16 cab in the airports. You just can't get a cab in the
17 airport. Some days you have to wait three or four hours
18 for a fare. It varies. Sometimes during the daytime
19 and during the nighttime it's all different day.
20 Sometimes the airport is busy. Sometimes it's not.

21 Q. Would it be fair that the example that you
22 gave as to how Philly Cab could benefit from the
23 expanded authority, could also mean that a cab could be
24 tied up at the airport and not servicing Germantown?

25 A. In some respect yes and some no, because we

2

1 are going to put more cabs in Germantown so that if we
2 lose the ten percent that goes out of town, we're still
3 servicing the Germantown area.

4 Q. If you are held to a certain number, let's
5 say we give you 42 medallions, is there any assurances
6 to the community and to the Commission that there will
7 be sufficient service for the Germantown, Chestnut Hill
8 Mount Airy and Manayunk areas?

9 Q. First of all, we are currently operating on
10 a low cabs, because of various reasons: One we move to
11 a new building. There are things as insurance problems,
12 but we certainly gone high much more on a 60 cabs, as
13 you heard the testimony. They have somewhere around
14 1,500, even 2,000 calls a day, and we need more cabs to
15 put on the street.

16 So I assume that 42 cabs it wouldn't be -- I
17 don't think, if we're talking about 60 or 70 cabs, then
18 if we lose about ten percent out of it outside the area,
19 we still can serve very good Germantown, Mount Airy,
20 whatever our place.

21 Q. It is your request that if in fact the
22 Commission were to convert your authority to medallion
23 cabs, you would be requesting more than the 42 cabs you
24 are currently operating?

25 A. As I said, we operate sometimes more than

2 1 42 cabs. We are now on the lower stage of 42 cabs.

2 Q. But at this point you have 42 cabs that are
3 operating this authority.

4 A. Right.

5 Q. Would you be requesting from the Commission
6 more than that number of medallions?

7 A. It's possible. Don't forget that we have
8 the unlimited right to put as many cabs as we want to.

9 Q. Well, you're going to lose that right if
10 you convert to medallion.

11 A. Okay. But at least I will have a certain
12 amount of cabs that I can operate.

13 Q. This Commission may not have 60 or 70
14 medallions to give you. There is that concern.

15 You realize that?

16 A. I'm not sure. I can't run the Commission,
17 so I don't know.

18 Q. I'm telling you at this point there is some
19 question about how many medallions are available for the
20 Commission --

21 A. I understand the medallion available is
22 over 130 cabs.

23 Q. And there are others who may in fact be
24 getting those medallions.

25 A. I'm not sure.

2 1 Q. I understand that you don't. I'm
3 2 explaining that that is the situation.

3 3 If that is the situation and there are not 60 or
4 4 70 medallions to offer your company in exchange for the
5 5 unlimited authority you now have, would your company
6 6 find that it is a financial loss to have only 20 or 30
7 7 or 40 medallions issued to you?

8 8 A. It will come to the point that it will,
9 9 because we have administration costs that we need
10 10 certain amounts of cabs in the street to cover for
11 11 telephone operator, the county, lot people, dispatcher
12 12 people, office supply. So therefore the certain amount
13 13 of cabs that we need to have on the street to cover
14 14 those expenses if we are going to go lower than that, we
15 15 are probably going to lose money and probably eventually
16 16 close the company.

17 17 Q. Your application is to separate your
18 18 medallion operation from what we term in the Commission,
19 19 neighborhood operations?

20 20 A. Yes.

21 21 Q. Would in fact your company be able to
22 22 continue to operate the neighborhood authority as it now
23 23 exists?

24 24 A. Yes.

25 25 MS. SLOAN: Thank you. I have no further

3

1 questions.

2 MR. MELTZER: I have a few questions on redirect,
3 Your Honor.

4 REDIRECT EXAMINATION

5 BY MR. MELTZER:

6 Q. If the Commission granted you a number of
7 medallions, less than even the 42 that you currently
8 have, as I understand it, you would have only a limited
9 number of cabs to service not just the city, but also
10 the Germantown area.

11 In your opinion if you do not receive at a
12 minimum the 42 or perhaps the 60 medallions that have
13 been suggested here, would you be able to continue to
14 service the Germantown area?

15 A. Like I say, if it's coming to the point
16 that we cannot take care of administration costs --

17 Q. I'm not talking about administration costs.
18 I'm talking about your ability to service.

19 A. The ability is not going to be there
20 because it's going to be lower. We are I think now at
21 the lowest stage that we can stay. That's why we went
22 in because of various reasons I said. One of them is
23 insurance costs. So we stay at a minimum just to keep
24 ourselves floating and not taking money out of our
25 pockets.

3

1 Q. In your opinion if you were required to be
2 a medallion cab, what number would be sufficient to
3 service Germantown Cab, given that it wouldn't be an
4 unlimited number, what number would be appropriate to
5 service the Germantown area and yet be a medallion cab?

6 A. I'd rather see a hundred of them, but if we
7 can get 70 I think it will be sufficient so that we
8 can -- to run the whole operation.

9 Q. You heard Mr. Harrison mention the number
10 60.

11 In your opinion would 60 be possibly sufficient
12 to service the area?

13 A. Yes.

14 Q. When your cabs -- when the neighborhood
15 cabs go into Center City on a fare or returning from
16 Center City on a fare, are you aware of instances of
17 harassment by medallion cab drivers against your
18 drivers?

19 A. Yes.

20 Q. Would that be eliminated in your opinion if
21 your cabs were also medallion cabs?

22 A. Of course. I think also the PUC and the
23 police can govern it better when they see full
24 authority --

25 Q. Other than Mr. Harrison's department, is

3

1 there a portion of the Philadelphia Police Department
2 that also has some type of enforcement?

3 A. Taxi squad.

4 Q. Taxi squad?

5 A. Yes.

6 Q. It's called the taxi squad?

7 A. Yes.

8 Q. In your experience, are they as familiar as
9 Mr. Harrison is with the nonmedallion versus medallion
10 issue?

11 A. I assume they do.

12 Q. Have your drivers experienced some
13 harassment from members of the taxi squad because the
14 medallions don't appear on the hoods of the cars?

15 A. Yes.

16 Q. Whether or not it's in Germantown?

17 A. Yes.

18 MR. MELTZER: I have no other questions.

19 JUDGE WILLIAMS: Mr. Gabbay, when Mr. Huling was
20 testifying, he made mention of the radio dispatch and
21 you've also talked about the radio dispatch.

22 Prior to going to Germantown Avenue, were your
23 medallion taxicabs under a different radio association?

24 A. Some of them under our association and some
25 of them with a different association.

3

1 Q. Was that United?

2 A. United and Crescent.

3 Q. And are you saying that now all of the
4 cabs, whether they are medallion or nonmedallions are
5 under Philly Radio Association?

6 A. No, not all of them. Some of them are
7 under United and some of them are under Philly Cab
8 Company.

9 Well, one time I was the president of United Cab
10 Company, so I don't know if it's good or bad.

11 MR. MELTZER: Well, you don't brag about it.

12 MR. GABBAY: I don't brag about it, so I brought
13 a lot of cabs to United Cab Company.

14 JUDGE WILLIAMS: What is your present position
15 with Philly Cab Company?

16 MR. GABBAY: I'm the owner.

17 JUDGE WILLIAMS: Are you also addressed as
18 president?

19 MR. GABBAY: No.

20 JUDGE WILLIAMS: Are you the sole owner?

21 MR. GABBAY: Me and my brother.

22 JUDGE WILLIAMS: What is your brother's name?

23 MR. GABBAY: Maurice Gabbay.

24 JUDGE WILLIAMS: Do you have any other questions?

25 MS. SLOAN: No.

4

4

1 JUDGE WILLIAMS: Mr. Meltzer.

2 MR. MELTZER: Just one, although I don't know how
3 relevant it is for this hearing, but maybe the record
4 should have it.

5 BY MR. MELTZER:

6 Q. The reason to initially carve out -- the
7 reason for this application was to segregate in a
8 separate company the nonmedallion and medallion cabs; is
9 that correct?

10 A. Yes.

11 Q. There would be no need for that if the
12 nonmedallion became medallion cabs; is that correct?

13 A. Yes.

14 Q. What was the reason to try and carve it out
15 initially, to try to separate medallion --

16 A. We tried because of insurance purposes.

17 Q. But as far as the operation, it wouldn't
18 change?

19 A. No, it wouldn't change at all.

20 MR. MELTZER: That's all I have.

21 JUDGE WILLIAMS: So at the present time, Penn Cab
22 Company does not operate any cabs?

23 MR. GABBAY: They do operate under Philly Cab
24 Company. When we have the transfer, then Penn Cab will
25 take the name Philly Cab. It will be the same thing.

4

1 JUDGE WILLIAMS: Thank you.

2 MR. MELTZER: Mr. Kenney.

3 JUDGE WILLIAMS: Please raise your right hand.

4 PAUL KENNEY, SR., called as a witness, having
5 been duly sworn, was examined and testified as follows:

6 JUDGE WILLIAMS: Would you state your name and
7 your business address for the record, please?

8 MR. KENNEY: My name is Paul I. Kenney,
9 K-e-n-n-e-y. My business address is 620 Park Avenue,
10 New Cumberland, Pennsylvania 17070.

11 JUDGE WILLIAMS: Mr. Meltzer, you may proceed.

12 DIRECT EXAMINATION

13 BY MR. MELTZER:

14 Q. Mr. Kenney, by whom are you presently
15 employed?

16 A. I am president of P.I. Kenney Associates.

17 Q. And what is P.I. Kenney Associates?

18 A. It's a consulting firm that deals in
19 transportation companies, mainly passenger.

20 Q. Could you briefly describe your employment
21 experience with the Public Utility Commission?

22 A. I started with the Public Utility
23 Commission in November of 1954 and I was in the fixed
24 utility section. It was an interim of ten years when I
25 was associated with the consulting firm of Webber, Fig

4 1 and Wilson and two years while I was with Penn Fuel Gas.

2 In those capacities I dealt with the original
3 cost section, continuing property records and while with
4 Penn Fuel I established a plan for both the
5 construction, retirement and maintenance plan I
6 submitted to the Commission and was accepted by the
7 Commission.

8 Shortly after that, with the start of the
9 changing and the electric utility field and because of
10 my background in continuing property records, I returned
11 to the Public Utility Commission in 1968, and I've
12 stayed in that fixed utility section until the end of
13 1971. When there was a vacancy in the Transportation
14 Bureau, I was given the opportunity to go into that
15 section as the supervisor of the analysts.

16 From 1972 through 1986 I was in transportation.
17 In 1979 I was given a job of manager in the finance
18 division in which I held until I retired in 1986.

19 I've been a member of the Nassau State
20 Transportation Specialists, I was with the chairman of
21 the rate committee. I was on the railroad and the motor
22 carrier committees.

23 Since February of 1986, I've had my little
24 consulting firm going. I've been dealing with the
25 passenger carriers mainly. I've done a few of the

4 1 property carriers, but my main field has been with
2 passenger; that's bus, taxi, limousine, airport
3 transfer.

4 Q. Mr. Kenney, you were present when Mr. Ernst
5 testified this morning regarding the brief history of
6 the authority of Penn Radio slash Philly Cab; is that
7 correct?

8 A. That's correct, yes.

9 Q. At my request had you examined the history
10 of the authority of Penn Radio and Philly Cab?

11 A. Yes, I have.

12 Q. And do you have anything to add to Mr.
13 Ernst's recitation of the history of the authority of
14 Philly Cab based upon your review of the records?

15 A. Based on my review of Penn Radio Cab, I
16 found that the original authority was granted back in
17 the 1920's to a -- if I may look at my notes.

18 JUDGE WILLIAMS: Sure.

19 MR. KENNEY: I had them all together at one time.

20 It was issued to an Andrew Jennings, and Mr.
21 Jennings in 1951 sold that to Mr. Jack Giller, who then
22 traded as proprietorship of Penn Radio Cab.

23 In the times of 1952 it was the first time he
24 tried -- you've got to remember that we're talking about
25 Right No. 1.

4 1 Right No. 1 of course had the elements in there
2 of the hourly rate, the \$2 minimum charge, and the
3 address of 529 West Cedrick Street. That was not the
4 original address it was in. It had changed later on to
5 this 529.

6 The Commission had on several occasions denied
7 the ability to remove the time rates, the specific
8 location and the restriction on the address.

5 9 In 1951 I found that the Commission issued a
10 cease and desist order against Mr. Giller for running a
11 corps of demand service. The Commission at that point
12 in time designated that he was really running a
13 limousine, as we know it today.

14 Mr. Giller in 1959 purchased from Francis J.
15 Macnamara and David Maroni, they were partners who
16 traded as Chestnut Hill Radio Cab, and the Chestnut Hill
17 Radio Cab is what we would designate in this authority
18 as No. 2.

19 Q. Based on No. 2, in tracing that authority,
20 do you have anything to add from what Mr. Ernst had said
21 that significantly bears on his testimony in any way or
22 is it basically correct from his review of the same
23 records that you apparently reviewed?

24 A. Well, as I say, I took my analysis up to
25 what I was establishing what this No. 2 authority should

5

1 be. And as I was requested that the parties had a
2 problem with what they call "closing the boundaries."

3 Q. Let me get to that part.

4 Based on my requests, did you review the records
5 and attempt to come up with a clarification of some of
6 the authority for No. 2 in regard to the street
7 locations?

8 A. Yes.

9 Q. What did you find in regard to the
10 territory in No. 2 that needed clarification or
11 revision?

12 A. I have a copy of the original order that
13 was issued to Francis MacNamara and David Maroni.

14 Q. What did you find about the streets?

15 A. In there they had, for instance, as you
16 come down in the description after Port Royal Avenue
17 there's the word "cross street." Now there's no cross
18 street located, according to the city maps, in that
19 area. Cross street is located down in South
20 Philadelphia, and what they were -- my interpretation is
21 that they were trying to describe an area with an
22 unnamed street that was a cross street that would take
23 them from Port Royal Avenue to Shawmont Avenue.

24 Q. And at my request --

25 A. Then there was also the misspelling of the

5 1 word Manatanna. M-a-n-n-a -- which is a strike over on
2 the original of the "T." And the correct spelling is
3 M-a-n-a-t-a-n-n-a. And that's according to the street
4 map of Philadelphia.

5 JUDGE WILLIAMS: Would you say that again?

6 MR. KENNEY: M-a-n-a-t-a-n-n-a.

7 MS. SLOAN: Excuse me, Mr. Kenney.

8 Your Honor, do you have a copy of what Mr. Kenney
9 is reading?

10 JUDGE WILLIAMS: No. I just have the order.

11 MS. SLOAN: It should be on the order.

12 MR. MELTZER: Well, let me try to clarify.

13 BY MR. MELTZER:

14 Q. The initial authority that you were
15 reviewing, you felt after talking to people at the
16 Commission there was something regarding closure.

17 By closure, you mean making a complete bordered
18 territory?

19 A. That's correct.

20 Q. In addition to that, there were streets
21 that either were misspelled or apparently not in
22 existence; is that correct?

23 A. Yes.

24 Q. And you attempted to close the borders
25 consistent with the territory that existed and also

5

1 correct the misspelling of streets and to insert the
2 proper name for that cross street --

3 A. Yes.

4 Q. -- that didn't exist in the territory?

5 A. That's correct.

6 Q. And did you consistent with that come up
7 with a map that closed the borders showing all of the
8 streets that should be inside that authority?

9 A. Yes.

10 Q. Now, let me have that and I'll have it
11 marked.

12 A. Do you want to use this map?

13 MR. MELTZER: We'll call this Applicant 1, Your
14 Honor.

15 JUDGE WILLIAMS: Yes, that's fine.

16 BY MR. MELTZER:

17 Q. Now, showing you Applicant's 1, which is
18 not the reduced size, that you have in front of you,
19 from reviewing the authority in the No. 2 right of
20 authority for Philly Cab or Penn Radio, is this the
21 authority that you believe should be modernized or
22 updated consistent with the streets?

23 A. Yes, sir. And as I say, I have the correct
24 spelling of the names.

25 Q. What names had to be corrected?

5 1 A. Manatanna was corrected and there is a
2 street there that is -- if you can see 19128 on the map.

3 It's right up under where it says Upper
4 Roxborough. When you are coming over from Port Royal,
5 you're coming down, it says Port Royal Avenue, and then
6 cross street and then Shawmont. In that section there
7 there was a street that's not named, but in order to get
8 onto Shawmont Avenue and to get onto Umbria Street,
9 Umbria is the -- if you see that hook. It looks like a
10 hook.

11 Q. Did you add a name to that street?

12 A. No, I didn't. But I'm taking out the word
13 cross street, because it doesn't belong.

14 Q. There was no cross street by name?

15 A. No.

16 Q. And did you correct the spelling of what
17 appeared to be Limekiller?

18 A. Yes, that's Limeklin Pike.

19 JUDGE WILLIAMS: Could you give us the correct
20 spelling of that for the record, please?

21 MR. KENNEY: L-i-m-e-k-l-i-n, Pike.

22 BY MR. MELTZER:

23 Q. Am I correct that under authority 2 it
24 does provide call and demand service? Am I correct?

25 A. Correct. When I do the complete right in

6

1 verbiage, the problem with Limeklin Pike is that
2 Limeklin Pike is not in Springfield Township. Limeklin
3 Pike is maybe 50 feet outside of Springfield Township,
4 so that when you speak of the boundary of Springfield
5 Township, I'm going to have to drop the word Limeklin
6 Pike.

7 Q. Did you prepare an appropriate revised
8 authority to, let's call it, modernize or update the
9 authority?

10 A. Yes, which is the same -- the only thing
11 changing from what was here is we're going to drop
12 Limeklin Pike out of the authority and cross street out
13 of the authority and correct the spelling of the word
14 Manatanna, and then stopping -- going down and in said
15 areas to points outside the area and vice versa and
16 strike the next four lines in answer to calls made
17 either in person or by telephone to the Chestnut Hill
18 station of the Reading Company. That's now a Septa
19 Station.

20 Q. So that doesn't exist anymore; correct?

21 A. Right. Which is 45 Chestnut Street, and if
22 I might just point out this morning when Mr. Ernst
23 talked about Walsh Cab, that same reference is in Walsh
24 Cab's authority of 45 East Chestnut Hill Avenue.

25 Q. So you've eliminated that provision?

6

1 A. I've eliminated those four lines from that
2 written authority.

3 Q. So other than what may be required,
4 assuming it's not a medallion authority, it would be the
5 territory that you've described basically call and
6 demand service or hail service in that designated
7 territory of operation?

8 A. Yes.

9 Q. You've had some discussions with a
10 representative of the Commission regarding closing the
11 territory; is that correct?

12 A. Right. I met with Mr. Bruce Bigelow of the
13 Burea, and we went over this map. I'm talking about the
14 large map.

15 Of course, I would like to footnote that he
16 didn't make any official statement.

17 Q. That would still have to be approved by the
18 Commission?

19 A. Correct.

20 Q. But it's more or less correcting what is
21 already in existence?

22 A. Correct.

23 Q. You mentioned Walsh Cab. Walsh Cab has
24 been designated as a suburban cab.

25 A. Right.

6 1 Q. Did you review Walsh Cab's authority?

2 A. Yes, I did.

3 Q. And how does that compare with the
4 authority that we've been discussing here in terms of
5 territory?

6 A. It's almost an exact duplication of the
7 Penn Radio Authority. There are other sections that
8 Walsh Cab has that are extraneous to this discussion.

9 Q. But you've heard Mr. Ernst testify that
10 it's been designated as a suburban cab.

11 Are you familiar at all with Walsh Cab's
12 operation?

13 A. Yes, I am.

14 Q. And do they primarily operate outside the
15 Philadelphia territory?

16 A. Primarily, unless they are called upon to
17 serve in this lower area, they primarily are right at
18 the city line. They operate in Germantown, Glenside,
19 Cheltenham area.

20 Q. But their present authority does not
21 contain any of the requirements of compliance with
22 aspect of the Medallion Law; is that correct?

23 A. That's correct.

24 MR. MELTZER: I have no other questions.

25 JUDGE WILLIAMS: Ms. Sloan.

6

1 MS. SLOAN: I have no questions.

2 JUDGE WILLIAMS: Mr. Kenney, were you involved in
3 ID 171?

4 MR. KENNEY: Yes, ma'am.

5 JUDGE WILLIAMS: Do you have anything additional
6 to add to what Mr. Ernst said about that investigation?

7 MR. KENNEY: Yes, ma'am. I guess I was the lead
8 person out in the field. I had four of the analysts
9 with me. We went out and we made the studies of the
10 adequacy of the service throughout the City of
11 Philadelphia. It was almost a month. We would go into
12 an area, we would make phone calls, we would call Yellow
13 Cab, we would call United Cab and we would test how long
14 it took for them to come service us.

15 A lot of my report that I made at the end of our
16 trips was part of the legislation that came down that
17 set up Zones A, B and C.

18 JUDGE WILLIAMS: I have nothing further for this
19 witness.

20 Does either counsel?

21 MR. MELTZER: One moment, Your Honor.

22 BY MR. MELTZER:

23 Q. To your knowledge this is the only company
24 that has rights limiting its area in Philadelphia as
25 opposed to medallion cab; is that correct?

6 1 A. Yes. Other than Walsh Cab, which is
2 primarily suburban.

3 Q. So this is the only Philadelphia cab
4 company with headquarters in Philadelphia that is not a
5 medallion cab?

6 A. That's correct.

7 MR. MELTZER: I have no other questions.

8 MS. SLOAN: None, Your Honor.

9 JUDGE WILLIAMS: Thank you, Mr. Kenney.

10 MR. MELTZER: I would move for the admission of
11 Applicant 1, the map, Your Honor.

12 JUDGE WILLIAMS: Any objections?

13 MS. SLOAN: No.

14 JUDGE WILLIAMS: Thank you. It's therefore
15 submitted.

16 (Applicant's Exhibit No. 1 was admitted.)

17 MR. MELTZER: Unless Your Honor wishes to hear
18 from the operational people or person at Philly Cab, we
19 have no other evidence.

20 I don't know how relevant that would be, but for
21 the completion of the record if Your Honor would like to
22 ask any questions of the general manager, he is present.

23 JUDGE WILLIAMS: Does the Law Bureau have any
24 questions for this witness?

25 MS. SLOAN: We have no questions of this

7

1 gentleman.

2 JUDGE WILLIAMS: Just put him on to indicate who
3 he is. He's been referenced to during the course of the
4 hearing.

5 Would you raise your right hand, please?

6 MENACHEN REIBENBACH, called as a witness, having
7 been duly sworn, was examined and testified as follows:

8 JUDGE WILLIAMS: Would you state your name and
9 your business address for the record, please?

10 MR. REIBENBACH: Menachen, M-e-n-a-c-h-e-n,
11 Reibenbach, R-e-i-b-e-n-b-a-c-h, 4800 Germantown
12 Philadelphia 19144.

13 DIRECT EXAMINATION

14 BY MR. MELTZER:

15 Q. Mr. Reibenbach, by whom are you employed?

16 A. Philly Cab Company.

17 Q. What capacity?

18 A. I'm the manager of Philly Cab.

19 Q. For how long have you been the manager?

20 A. Three years.

21 Q. How long has it been at 4800 Germantown
22 Avenue?

23 A. Three months.

24 Q. And it owns the building?

25 A. Philly Cab owns the building, yes.

7

1 Q. Prior to that, where did it operate?

2 A. From numerous places. Haynes Street, 2231
3 East Haynes in Germantown. We were on 5200 Germantown,
4 and we were in the place right now.

5 Q. So you've always been in the Germantown
6 area?

7 A. Yes.

8 Q. Have you always serviced the Germantown
9 area?

10 A. Only.

11 Q. And if Philly Cab is issued a certain
12 number of medallions, would it be your intent to
13 continue the service to the Germantown area?

14 A. Only Germantown area. Germantown, East
15 Oaklane, West Oaklane.

16 Q. I'm talking about your current territory of
17 operation?

18 A. Right.

19 MR. MELTZER: I have no other questions.

20 JUDGE WILLIAMS: I have just one question. Mr.
21 Reibenbach, are you in charge of both the medallion and
22 the nonmedallion cabs?

23 MR. REIBENBACH: I'm responsible for Philly Cab
24 Company. Medallion got their own managers. They are
25 working with our radio system.

7 1 MS. SLOAN: Your Honor, I have one question.

2 CROSS-EXAMINATION

3 BY MS. SLOAN:

4 Q. You've sat through this entire proceeding.

5 Do you have anything that you want to add to the
6 testimony, anything you disagree with the testimony or
7 do you adopt what you've heard today?

8 A. I adopt what I've heard, and I think the
9 testimony was very good.

10 REDIRECT EXAMINATION

11 BY MR. MELTZER:

12 Q. This should be on the record as far as your
13 opinion is concerned.

14 Right now Philly Cab has an unlimited number of
15 cabs that could be used to operate in Germantown.

16 Currently you have approximately 42 vehicles.

17 A. Yes.

18 Q. What the most or what is the highest number
19 that you used to have at one point to serve the
20 Germantown area, nonmedallion cab?

21 A. We go on 42 cabs and we were working.
22 Really we have like over 60 vehicles right now.

23 Q. And if the Commission is limited in the
24 number of medallion cabs to 20 or 25, would you be able
25 to serve the Germantown area as sufficiently as you are

7

1 doing now with your 42 or 60 cabs?

2 A. No. If it's going to be only 20 medallion.

3 Q. You heard Mr. Harrison testify regarding
4 the number of 60.

5 Is that the number of medallions that you would
6 feel comfortable with in order to render the appropriate
7 service in your area?

8 A. I think we would be comfortable between 70
9 up to a hundred.

10 MR. MELTZER: I have no other questions.

11 JUDGE WILLIAMS: Ms. Sloan.

12 MS. SLOAN: No.

13 JUDGE WILLIAMS: Thank you, very much.

14 (Recess.)

15 JUDGE WILLIAMS: We are back on the record.

16 After the end of the testimony, the Law Bureau
17 and Mr. Meltzer had discussions and then they had
18 discussions with me regarding the problems of
19 implementing decisions that might be issued.

20 We have determined that there are some other
21 decisions, for instance, Judge Kranzel's decision that
22 impacts on this case. Therefore, at this point the
23 record will not be closed in case there are other
24 documents that need to be submitted.

25 We assume that there will be no further testimony

7
1 that needs to be held, so therefore we will not request
2 another hearing date at this time. But in case there
3 are other documents that need to be submitted, we will
4 hold the record open for a period of time.

5 I have indicated to the counsel that I will be on
6 vacation next week and will not be able to address this
7 matter, but will address it when I return, and at that
8 point I will let them know which direction I'm leaning
9 in, so if they need to submit other documents to me,
10 they can do so at that time.

11 Before we close this hearing, Mr. Meltzer, do you
12 have anything else to say at this time?

13 MR. MELTZER: No.

14 JUDGE WILLIAMS: Ms. Sloan?

15 MS. SLOAN: Actually, Your Honor, I think I do,
16 and that is only that previously in today's hearing we
17 made reference to a case. I think at this point it
18 would only be fair if we would ask you to take official
19 notice of this and supply you with a copy of it. It's
20 Genco Services, Inc. t/a Cheldon Radio Cab Company, Inc.
21 A-00106517C9102, and I will provide you with a copy, but
22 ask that you take notice of that.

23 JUDGE WILLIAMS: It will be officially noticed.

24 I thank counsel and all the witnesses who
25 participated today and I thank you for your indulgence.

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(Whereupon the hearing concluded.)

- - - - -

I hereby certify that the evidence and proceedings are contained fully and accurately in the notes taken by me during the hearing of the within cause, and that this is a true and correct transcript of the same.



B. MARIE MICKENS
Court Reporter

HOLBERT ASSOCIATES
P.O. Box 6144
Harrisburg, Pennsylvania 17112-0144

THE FOREGOING CERTIFICATION OF THIS TRANSCRIPT DOES NOT APPLY TO ANY REPRODUCTION OF THE SAME BY ANY MEANS UNLESS UNDER THE DIRECT CONTROL AND/OR SUPERVISION OF THE CERTIFYING REPORTER.

18 Section 20. The following provisions shall not apply to or
 19 affect the validity of any contract otherwise within the purview
 20 of such provisions entered into by the Pennsylvania Public
 21 Utility Commission prior to the effective date of this section:

- 22 (1) The reenactment of 53 Pa.C.S. § 5505(d) (23).
- 23 (2) The reenactment of 53 Pa.C.S. § 5508.1(o).
- 24 (2.1) The reenactment of 53 Pa.C.S. § 5508.2.
- 25 (3) The reenactment of 53 Pa.C.S. §§ 5510.1 through
- 26 5510.11.
- 27 (4) The reenactment, amendment or addition of 53 Pa.C.S.
- 28 §§ 5701, 5701.1, 5702, 5703, 5704, 5705, 5706, 5707, 5711,
- 29 5712, 5713, 5714, 5715, 5716, 5717, 5718, 5719, 5720, 5721,
- 30 5722, 5723, 5724, 5725, 5741, 5741.1, 5742, 5743, 5744 and

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- 1 5745.
- 2 (5) Section 19 of this act.
- 3 (6) Section 21 of this act.
- 4 (7) Section 22 of this act.
- 5 (8) Section 24 of this act.

6 Section 21. The following provisions do not affect any act
 7 done, liability incurred or right accrued or vested or affect
 8 any civil or criminal proceeding pending or to be commenced to
 9 enforce any right or penalty or punish any offense under any
 10 provision of law repealed by section 4 of this act:

- 11 (1) The reenactment of 53 Pa.C.S. § 5508.1(o).
- 12 (2) The reenactment of 53 Pa.C.S. § 5508.2.
- 13 (3) The reenactment of 53 Pa.C.S. §§ 5510.1 through
- 14 5510.11.
- 15 (4) The reenactment, amendment or addition of 53 Pa.C.S.
- 16 §§ 5701, 5701.1, 5702, 5703, 5704, 5705, 5706, 5707, 5711,
- 17 5712, 5713, 5714, 5715, 5716, 5717, 5718, 5719, 5720, 5721,
- 18 5722, 5723, 5724, 5725, 5741, 5741.1, 5742, 5743, 5744 and
- 19 5745.
- 20 (5) The provisions of 66 Pa.C.S. §§ 510(b) (5) and
- 21 1103(c) and Ch.24.
- 22 (6) Section 20 of this act.
- 23 (7) Section 22 of this act.
- 24 (8) Section 24 of this act.

25 **Section 22.** The following shall apply:
 26 (1) The Pennsylvania Public Utility Commission's
 27 appropriations, allocations, documents, records, equipment,
 28 materials, powers, duties, contracts, rights and obligations
 29 which are utilized or accrue in connection with the functions
 30 under 66 Pa.C.S. Ch. 24 and in connection with limousine

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- 1 regulation in cities of the first class shall be transferred
- 2 to the Philadelphia Parking Authority in accordance with an
- 3 agreement between the commission and the authority.
- 4 (2) Regulations, orders, programs and policies of the
- 5 commission under 66 Pa.C.S. Ch. 24 and concerning limousine
- 6 service regulation within cities of the first class shall
- 7 remain in effect until specifically amended, rescinded or
- 8 altered by the authority.
- 9 (3) The State Treasurer shall coordinate with the
- 10 authority and transfer the First Class City Taxicab
- 11 Regulatory Fund to the authority. Upon transfer, fiduciary
- 12 responsibility over the fund shall pass from the State
- 13 Treasurer to the authority.
- 14 (4) The commission shall assist the authority to prepare
- 15 for the transfer and to ensure a smooth transition with as
- 16 little disruption as possible to public safety, consumer
- 17 convenience and the impacted industries. The commission and
- 18 the authority are empowered to resolve by mutual agreement
- 19 any jurisdictional issues that may be associated with the
- 20 transfer. Any agreement shall be reported to the
- 21 Appropriations Committee of the Senate and the Appropriations
- 22 Committee of the House of Representatives and will be
- 23 considered effective unless either the Senate or the House of
- 24 Representatives rejects the submitted agreement by resolution
- 25 within ten legislative days of submission. Upon becoming
- 26 effective, an agreement shall be published in the
- 27 Pennsylvania Bulletin.

- 28 (4.1) Any revenues generated by a taxicab or limousine
- 29 while operating under the jurisdiction of the authority shall
- 30 be exempt from assessment by the commission. The provisions

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- 1 of this paragraph shall have no effect on the fees allowed to
- 2 be charged by the authority in accordance with the provisions
- 3 of section 5707.
- 4 (5) As soon as is practical but no later than 60 days

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 851 Session of
1989

INTRODUCED BY SALVATORE, FUMO, TILGHMAN, ROCKS, FATTAH, WILLIAMS
AND JONES, APRIL 25, 1989

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
MARCH 13, 1990

AN ACT

1 Amending Title 66 (Public Utilities) of the Pennsylvania
2 Consolidated Statutes, providing for the regulation of
3 taxicabs in first class cities.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Sections 510(b) and 1103(c) of Title 66 of the
7 Pennsylvania Consolidated Statutes are amended to read:

8 § 510. Assessment for regulatory expenses upon public
9 utilities.

10 * * *

11 (b) Allocation of assessment.--On or before March 31 of each
12 year, every public utility shall file with the commission a
13 statement under oath showing its gross intrastate operating
14 revenues for the preceding calendar year. If any public utility
15 shall fail to file such statement on or before March 31, the
16 commission shall estimate such revenues, which estimate shall be
17 binding upon the public utility for the purposes of this

1 section. For each fiscal year, the allocation shall be made as
2 follows:

3 (1) The commission shall determine for the preceding
4 calendar year the amount of its expenditures directly
5 attributable to the regulation of each group of utilities
6 furnishing the same kind of service, and debit the amount so
7 determined to such group.

8 (2) The commission shall also determine for the
9 preceding calendar year the balance of its expenditures, not
10 debited as aforesaid, and allocate such balance to each group
11 in the proportion which the gross intrastate operating
12 revenues of such group for that year bear to the gross
13 intrastate operating revenues of all groups for that year.

14 (3) The commission shall then allocate the total
15 assessment prescribed by subsection (a) to each group in the
16 proportion which the sum of the debits made to it bears to
17 the sum of the debits made to all groups.

18 (4) Each public utility within a group shall then be
19 assessed for and shall pay to the commission such proportion
20 of the amount allocated to its group as the gross intrastate
21 operating revenues of the public utility for the preceding
22 calendar year bear to the total gross intrastate operating
23 revenues of its group for that year.

24 (5) The assessment provided for in this section shall
25 not be made against utilities governed by the provisions of
26 Chapter 24 (relating to taxicabs in first class cities).

27 * * *

28 § 1103. Procedure to obtain certificates of public convenience.

29 * * *

30 (c) Taxicabs.--

1 (1) A certificate of public convenience to provide
2 taxicab service within cities of the first class shall be
3 granted by order of the commission without proof of the need
4 for the service if the commission finds or determines that
5 the applicant is capable of providing dependable taxicab
6 service to the public according to the rules and regulations
7 of the commission.

8 (2) The commission is authorized to issue a maximum of
9 [1,400] 1,600 certificates of public convenience for taxi
10 service in any city of the first class upon the effective
11 date of this [subsection. Eighteen months after the effective
12 date of this subsection, the commission is authorized to
13 issue in its discretion a maximum of 1,700 certificates of
14 public convenience for taxi service in any city of the first
15 class. Thirty months after the effective date of this
16 subsection, the commission is authorized to issue in its
17 discretion a maximum of 2,000 certificates of public
18 convenience for taxi service in any city of the first class]
19 amendatory act. Upon the second year of the effective date of
20 this [subsection] amendatory act, the commission shall
21 institute a formal investigation on the future need for taxi
22 service in any city of the first class. The commission shall
23 report to the Senate and House Consumer Affairs Committees
24 its findings, conclusions and recommendations.

25 (3) It is hereby declared to be the policy of the
26 General Assembly to regulate the provision of taxicab service
27 within cities of the first class in such a manner that any
28 certificate of public convenience hereinafter granted by
29 order of the commission shall, in addition to any other
30 conditions imposed by the commission, require that at least

1 40% of such trips of such taxicab service shall be derived
2 from such service provided to and from points within specific
3 geographical areas to be determined by the commission as
4 being in the public interest. The commission shall have the
5 power to rescind or revoke any certificate of public
6 convenience granted to any existing holder or any new
7 recipient for the operation of taxicabs within a city of the
8 first class whenever it is shown that the holder of the
9 certificate is not operating the taxicabs on an average of
10 50% of the time over any consecutive three-month period.

11 (4) The commission shall have the authority to grant
12 immediate temporary certificates of public convenience for
13 taxicab service in cities of the first class. Such temporary
14 certificates are subject to further investigation before a
15 permanent certificate shall be granted by the commission.

16 [(5) In cities of the first class, all operators shall
17 utilize the services of a centralized dispatch system
18 utilizing radio. Any existing holder or any new recipient of
19 a certificate of public convenience for the operation of
20 taxicabs in cities of the first class which owns or operates
21 a centralized radio dispatch system shall make such system
22 available to all other taxicab operations for a reasonable
23 fee as described in a tariff to be filed with the commission
24 for its review and approval but with no obligation to use any
25 specific radio system. It is mandatory, however, that every
26 taxi operated in the city be linked to a central radio
27 service.]

28 (6) A minimum of 5% of all certificates of public
29 convenience issued under this subsection in cities of the
30 first class shall be issued to minority persons or to

1 corporations in which 51% or more of the voting shares or
2 interest in the corporation is held by minority individuals.
3 For purposes of this paragraph, "minority" shall describe one
4 who is Black, Puerto Rican, Hispanic, American Indian,
5 Eskimo, Aleut or Oriental.

6 (7) The transfer of a certificate of public convenience,
7 by any means or device, shall be subject to the prior
8 approval of the commission which may, in its sole or peculiar
9 discretion as it deems appropriate, attach such conditions,
10 including the appropriate allocation of proceeds, as it may
11 find to be necessary or proper.

12 [(8) In cities of the first class, any new holder of a
13 certificate of public convenience for the operation of a
14 taxicab shall, prior to the initial operation of such
15 taxicab, have such taxicab inspected under the supervision of
16 a State Police Officer at the expense of the holder of such
17 certificate. The holder of said certificate shall make
18 payment of such expenses at the time of the inspection with a
19 certified check payable to the Pennsylvania Department of
20 Transportation.]

21 * * *

22 Section 2. Title 66 is amended by adding a chapter to read:

23 CHAPTER 24
24 TAXICABS IN FIRST CLASS CITIES

25 Sec.

26 2401. Definitions.

27 2402. Medallion system created.

28 2403. Property and licensing rights.

29 2404. Certificate and medallion required.

30 2405. Contested complaints.

- 1 2406. Reissuance of medallion.
- 2 2407. Additional certificates and medallions.
- 3 2408. Restrictions.
- 4 2409. Driver ~~licensing~~ CERTIFICATION program. ←
- 5 2410. Wages.
- 6 2411. Centralized dispatcher.
- 7 2412. Regulations.
- 8 2413. Enforcement.
- 9 2414. Budgets and fees.
- 10 2415. Penalties.
- 11 2416. Applicability.
- 12 § 2401. Definitions.

13 The following words and phrases when used in this chapter
14 shall have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "First Class City Taxicab Regulatory Fund" or "Fund." A fund
17 administered by the commission to which all moneys collected
18 pursuant to the requirements of this chapter shall be deposited
19 and from which all expenses and costs associated with
20 administration and enforcement of this chapter shall be paid.
21 Moneys deposited in the fund shall not be used for any purpose
22 not specified herein.

23 "Taxicab." A motor vehicle designed for carrying no more
24 than eight passengers, exclusive of the driver, on a call or
25 demand basis and used for the transportation of persons for
26 compensation.

27 ~~"Taxi driver's license."~~ A license CERTIFICATE." A ←
28 CERTIFICATE or permit to drive a taxicab issued pursuant to
29 section 2409 (relating to driver ~~licensing~~ CERTIFICATION ←
30 program).

1 § 2402. Medallion system created.

2 There is hereby created a medallion system in cities of the
3 first class in order to provide holders of certificates of
4 public convenience which authorize citywide call or demand
5 service the opportunity to upgrade and improve the operations of
6 taxicabs. Each current holder of a certificate of public
7 convenience which authorizes citywide call or demand service in
8 cities of the first class is entitled to apply to obtain a
9 medallion from the commission at its offices within 90 days of
10 the effective date of this chapter for an initial fee in an
11 amount to be determined pursuant to the requirements of section
12 2414 (relating to budgets and fees). In the case of a corporate
13 certificate holder, a medallion shall be issued in the name of
14 the corporation to its corporate president. The medallion shall
15 be marked with the taxicab number assigned to the corresponding
16 certificate of public convenience.

17 § 2403. Property and licensing rights.

18 (a) Property rights.--Medallions are property and may not be
19 revoked or canceled by the commission. Medallions may be pledged
20 to lenders or creditors as security on debt. All lenders or
21 creditors who accept a medallion as security shall file with the
22 commission a notice of lien which describes the loan
23 transaction. A lien on a medallion is void by operation of law
24 unless a notice of lien is filed with the commission. The
25 commission may not permit a sale of a medallion if a notice of
26 lien has been filed on the medallion until the lien is removed
27 or unless the commission is notified by the lienholder that the
28 lien will be satisfied from the proceeds of the sale. If a
29 lender or creditor executes on or seizes a medallion, it shall
30 immediately notify the commission, in writing. Any sale of the

1 medallion, upon seizure or execution, shall occur at commission
2 offices pursuant to the requirements of section 2408 (relating
3 to restrictions) within one year of the seizure or execution. If
4 the medallion is not sold within one year, the medallion will
5 become nontransferable, and possession must be surrendered to
6 the commission.

7 (b) Licensing rights.--A certificate of public convenience
8 is a licensing right which accompanies each medallion and
9 authorizes the operation of one taxicab in cities of the first
10 class. No property interest shall exist in the certificate
11 itself. A certificate may not be pledged to lenders or creditors
12 as security on debt. A certificate may be canceled by the
13 commission, upon due cause shown, for violation of this title or
14 commission regulations. If the commission cancels a certificate,
15 the certificate holder shall have the right to sell the
16 accompanying medallion within six months of the date of
17 cancellation and the certificate holder must turn the medallion
18 over to the commission office within five days of cancellation
19 of the certificate for safekeeping until the medallion is sold.
20 This six-month time period shall be extended during the pendency
21 of a petition for reinstatement of the certificate of public
22 convenience. If the medallion is not sold within the statutory
23 period, the medallion will become nontransferable, and
24 possession must be surrendered to the commission.

25 § 2404. Certificate and medallion required.

26 (a) Procedure.--A vehicle may not be operated as a taxicab
27 in cities of the first class unless a certificate of public
28 convenience is issued, authorizing the operation of the taxicab,
29 and a medallion is attached to the hood of the vehicle. Prior to
30 the issuance of a medallion, the certificate holder shall have

1 its vehicle inspected by the commission. The commission shall
2 require, by order or regulation, that each medallion holder
3 submit to a periodic vehicle inspection of its taxicab by
4 commission personnel to ensure that the vehicle meets the
5 requirements of this title and commission regulations.
6 Commission inspection requirements shall be in addition to the
7 vehicle requirements set forth in Title 75 (relating to
8 vehicles). Commission inspection and recording requirements
9 shall be established by regulations. No vehicle which is more
10 than ~~five~~ SIX years old shall continue in operation as a ←
11 taxicab. Notwithstanding the foregoing, the commission may
12 authorize the operation of antique vehicles in call or demand
13 service in such circumstances as the commission may deem
14 appropriate. Each medallion holder's tariff rates shall be
15 clearly and visibly displayed in each taxicab. A medallion shall
16 not be removed from a vehicle without prior notification to and
17 permission of the commission. A medallion authorizes operation
18 of a vehicle as a taxicab only for the fiscal year for which the
19 medallion is issued.

20 (b) Protective barrier.--Each taxicab in cities of the first
21 class shall be equipped with a protective barrier for the
22 protection of the driver, separating the front seat from the
23 back seat. The commission may provide for additional driver
24 protection measures by order or regulation.

25 (c) Service.--A vehicle authorized by a certificate to
26 provide call or demand service in cities of the first class may
27 transport persons and their baggage upon call or demand and
28 parcels, packages and property at the same basic metered rates
29 charged to passengers:

30 (1) between points in the city of the first class for

1 which its certificate is issued;

2 (2) from any point in the city of the first class for
3 which its certificate is issued to any point in this
4 Commonwealth;

5 (3) from any point in this Commonwealth to any point in
6 the city of the first class for which its certificate is
7 issued, if the request for service for such transportation is
8 received by call to its radio dispatch service; and

9 (4) from any point in the city of the first class for
10 which its certificate is issued to any point outside this
11 Commonwealth as a continuous part of a trip.

12 (d) Other vehicles.--A vehicle which is not authorized by a
13 certificate to provide call or demand service in cities of the
14 first class, but which is operated by the holder of a
15 certificate of public convenience from the commission
16 authorizing call or demand service elsewhere in this
17 Commonwealth, may transport persons and property:

18 (1) to cities of the first class in accordance with the
19 service authorized under its certificate of public
20 convenience; and

21 (2) from any point in a city of the first class to any
22 point in this Commonwealth beyond that city of the first
23 class if the request for service for such transportation is
24 received by call to its radio dispatch service.

25 (e) Penalties involving certificated taxicabs.--Operating a
26 certificated taxicab in violation of subsections (a) and (b), or
27 authorizing or permitting such operation, is a nontraffic
28 summary offense. Offenders of subsections (a) and (b) may also
29 be subject to civil penalties pursuant to section 3301 (relating
30 to civil penalties for violations).

1 (f) Unauthorized vehicles.--Operating an unauthorized
2 vehicle as a taxicab, or giving the appearance of offering call
3 or demand service with an unauthorized vehicle, without first
4 having received a certificate of public convenience and a
5 medallion is a nontraffic summary offense in the first instance
6 and a misdemeanor of the third degree for each offense
7 thereafter. The owner and the driver of a vehicle being operated
8 as or appearing as a taxicab without a certificate of public
9 convenience and a medallion are also subject to civil penalties
10 pursuant to section 3301. Civil penalties which have been
11 assessed and collected shall be deposited in the fund.

12 (g) Confiscation and impoundment of vehicles.--In addition
13 to penalties provided for in subsection (f), police officers in
14 cities of the first class are empowered to confiscate and
15 impound vehicles and equipment utilized to provide call or
16 demand service without a certificate of public convenience and a
17 medallion. Upon satisfaction of all penalties imposed and all
18 outstanding fines assessed against the owner or operator of the
19 unauthorized vehicle and payment of the city's costs associated
20 with confiscation and impoundment, the vehicle and equipment
21 shall be returned to its owner. Failure to timely satisfy these
22 conditions within 90 days of impoundment may result in the sale
23 of confiscated property by a city of the first class at auction.
24 Proceeds received from the sale of confiscated property, after
25 payment of the city's costs associated with confiscation, shall
26 be deposited into the fund.

27 (h) Counterfeit medallions.--The manufacture or possession
28 of a counterfeit medallion is a misdemeanor of the third degree
29 for each offense.

30 § 2405. Contested complaints.

1 (a) Adjudication.--Contested complaints brought before the
2 commission, alleging violations of this chapter or rules and
3 regulations promulgated by the commission pursuant to this
4 chapter, shall be assigned by the commission to a presiding
5 officer who shall be a special agent or administrative law judge
6 for adjudication. Presiding officers assigned to cases pursuant
7 to this chapter may be removed by the commission only for good
8 cause shown. Following the taking and receiving of evidence, the
9 presiding officer shall issue a decision which determines the
10 merits of the complaint and assesses a penalty, if warranted. In
11 extraordinary circumstances, the presiding officer may require
12 the filing of briefs prior to issuing a decision. The presiding
13 officer's decision shall not be subject to exception or
14 administrative appeal. In its discretion, the commission may
15 exercise review of a presiding officer's decision within 15 days
16 of the date of issuance. If the commission does not exercise its
17 authority to review a presiding officer's decision, the decision
18 will become a final order without further commission action. The
19 commission may establish orders or regulations which designate
20 rules and procedures for the adjudication of complaints brought
21 pursuant to this chapter.

22 (b) Commencement of complaints.--Commission enforcement
23 officers and police officers or licensing officials in cities of
24 the first class may commence and prosecute complaints brought
25 before the commission pursuant to this chapter and provisions of
26 this title and commission regulations applicable to taxicab
27 operations in cities of the first class.

28 (c) Other penalties.--Nothing in this section shall be
29 deemed to limit the ability of any city of the first class to
30 prosecute violations and seek criminal penalties in a court of

1 law.

2 § 2406. Reissuance of medallion.

3 Within 30 days of the close of each fiscal year, a medallion
4 holder shall apply to obtain from the commission a reissued
5 medallion for a fee in an amount to be determined pursuant to
6 the requirements of section 2414 (relating to budgets and fees).
7 Each year's medallion shall designate the year of issuance and
8 shall be identifiable by a distinctive tint or color and shape,
9 to be determined by the commission. A medallion may not be
10 issued by the commission unless all outstanding commission
11 fines, penalties and fees have been paid in full and unless all
12 insurance, tariff and vehicle inspection filings are current.
13 Immediately prior to reissuance of a medallion, a medallion
14 holder shall remove the prior year's medallion from the hood of
15 its taxicab and surrender it to the commission. Upon reissuance,
16 the new medallion shall be immediately attached to the vehicle.
17 The annual fee paid under this section shall be in lieu of the
18 assessment set forth in section 510 (relating to assessment for
19 regulatory expenses upon public utilities).

20 § 2407. Additional certificates and medallions.

21 Subject to the limits established in section 1103(c)
22 (relating to procedure to obtain certificates of public
23 convenience), the commission may increase the number of
24 certificates and medallions if it finds a need for additional
25 taxicab service in cities of the first class by issuing
26 certificates and corresponding medallions to applicants on a
27 first-come-first-served basis. Each applicant shall pay a fee in
28 an amount equal to the reasonable market value of the medallions
29 at the time of issuance as determined by the commission. The fee
30 is payable prior to the time of issuance. In determining the

1 reasonable market value of a medallion, the commission shall
2 consider the purchase price in medallion transactions over the
3 prior year as reflected in commission records. The Commission in
4 its discretion may hold hearings to determine the reasonable
5 market value of a medallion. In no case shall the number of
6 certificates and medallions issued by the commission exceed
7 1,600 each.

8 § 2408. Restrictions.

9 (a) Place of transaction.--A medallion may not be sold or
10 transferred to another party unless the closing of the sales
11 transaction occurs at commission offices in the presence of a
12 designated commission staff member. The commission staff member
13 shall witness the execution of each contract of sale to evidence
14 staff presence at the execution. All contracts for the sale of
15 medallions which are not executed at commission offices and
16 witnessed by a commission staff member are void by operation of
17 law. All sales contracts shall conform to such rules and
18 regulations as the commission may prescribe. Prior to each
19 closing, the buyer of the medallion shall pay a fee in an amount
20 to be determined pursuant to the requirements of section 2414
21 (relating to budget and fees).

22 (b) Issuance of certificate.--Upon the witnessing of a sale
23 of a medallion and upon application of the purchaser and
24 compliance with commission tariff, insurance and inspection
25 requirements, the commission staff shall issue an accompanying
26 certificate to the new medallion holder unless the commission
27 determines that the transfer of the certificate is inconsistent
28 with the public interest. Where there is a determination that a
29 transfer is not in the public interest, the new medallion holder
30 shall have six months from the date the adverse determination is

1 entered to sell the medallion to a new owner. If a sale is not
2 consummated before commission personnel within six months, the
3 medallion will become nontransferable and possession must be
4 surrendered to the commission.

5 (c) Criminal records.--No person or corporation may purchase
6 a medallion or apply for a certificate if the person or
7 corporation or an officer or director of the corporation has
8 been convicted or found guilty of a felony within the five-year
9 period immediately preceding the transfer. All applications for
10 a certificate shall contain a sworn affidavit certifying that
11 the purchaser has not been convicted of a felony in the previous
12 five years. If, at any time, the commission finds that a
13 medallion holder has been convicted of a felony while holding
14 the medallion or during the five years immediately preceding its
15 purchase, the commission shall cancel the corresponding
16 certificate.

17 § 2409. Driver ~~licensing~~ CERTIFICATION program. ←

18 (a) General rule.--The commission shall provide for the
19 establishment of a driver ~~licensing~~ CERTIFICATION program for ←
20 drivers of taxicabs in cities of the first class. Standards for
21 fitness of taxi drivers shall be established under such rules
22 and regulations as the commission may prescribe. The commission
23 may revoke or suspend a taxi driver's ~~license~~ CERTIFICATE upon a ←
24 finding that the individual is not fit to operate a taxicab.
25 Each applicant for a taxi driver's ~~license~~ CERTIFICATE shall pay ←
26 a fee in an amount to be determined pursuant to the requirements
27 of section 2414 (relating to budget and fees). Upon approval, a
28 picture taxi driver's ~~license~~ CERTIFICATE will be issued to an ←
29 applicant. No individual shall operate a taxicab at any time
30 unless the individual is ~~licensed~~ CERTIFIED as a taxi driver by ←

1 the commission. Each ~~licensed~~ CERTIFIED taxi driver shall carry <—
2 and display in full view a taxi driver's ~~license~~ CERTIFICATE at <—
3 all times of operation of a taxicab. The commission may
4 establish orders or regulations which designate additional
5 requirements governing the ~~licensing~~ CERTIFICATION of drivers <—
6 and the operation of taxicabs by drivers, including, but not
7 limited to, dress codes for drivers.

8 (b) Violations.--Operating a taxicab without a taxi driver's
9 ~~license~~ CERTIFICATE or authorizing or permitting the operation <—
10 of a taxicab by a driver who is not ~~licensed~~ CERTIFIED as a taxi <—
11 driver in cities of the first class is a nontraffic summary
12 offense in the first instance and a misdemeanor of the third
13 degree for each offense thereafter. The commission may by
14 regulation provide for suspension and revocation of taxi
15 ~~driver's licenses~~ DRIVERS' CERTIFICATES for violations of this <—
16 chapter and commission regulations.

17 (c) Agreements delegating responsibilities.--The commission
18 is hereby authorized to enter into agreements or contracts
19 delegating the duties and responsibilities designated in
20 subsection (a) to a different governmental entity or to another
21 party.

22 § 2410. Wages.

23 (a) Minimum wage.--Each medallion holder shall pay at least
24 a prevailing minimum wage rate or, in the alternative, charge at
25 most a prevailing maximum lease amount to the drivers of its
26 taxicab, as determined by the commission upon investigation. The
27 minimum wage rate and the maximum lease amount, as established
28 by the commission, may include employee benefits.

29 (b) Uniform rates.--All taxicabs in cities of the first
30 class shall charge a uniform rate to passengers, as determined

1 by the commission upon investigation.

2 (c) Reopen investigations.--Any medallion holder or licensed
3 driver may petition the commission to reopen the investigations
4 addressed by subsections (a) and (b) no less than 18 months
5 after the close of the preceding investigation.

6 § 2411. Centralized dispatcher.

7 In cities of the first class, all medallion holders shall
8 utilize the services of a centralized dispatch radio system. Any
9 owner of a centralized radio dispatch system shall make such
10 system available to all medallion holders for a reasonable fee,
11 as described in a rate schedule to be filed with the commission.
12 The commission, in its discretion, may review the rate schedules
13 of radio associations to determine if rates charged discriminate
14 against new applicants. Medallion holders shall have no
15 obligation to use any particular radio system.

16 § 2412. Regulations.

17 The commission may prescribe such rules and regulations as it
18 deems necessary to govern the regulation of taxicabs in cities
19 of the first class pursuant to the provisions of this chapter.

20 § 2413. Enforcement.

21 The provisions of this chapter and the rules and regulations
22 promulgated by the commission pursuant to this act shall be
23 enforced by commission personnel in conjunction with the police
24 department in each first class city to the degree funding is
25 provided. The commission shall enter into contracts with each
26 first class city or its police department to provide for
27 continuous enforcement of this chapter. ~~The number, experience~~ ←
28 ~~and ranks of personnel, and the level of operating and fixed~~
29 ~~asset funding, necessary to provide for full enforcement of this~~
30 ~~chapter shall be established annually by the commission prior to~~

1 ~~submitting a budget and proposed fee schedule.~~ SUCH CONTRACTS <—
2 SHALL INCLUDE SPECIFIC DELINEATION OF PERSONNEL, INCLUDING
3 SUPERVISORY, FIELD, SUPPORT AND LEGAL PERSONNEL, AND OTHER
4 RESOURCES TO BE SUPPLIED BY THE FIRST CLASS CITY AND A LISTING
5 OF ACTIVITIES WHICH SHALL BE ADDRESSED. ANNUALLY, PRIOR TO THE
6 COMMISSION SUBMITTING A BUDGET AND PROPOSED FEE SCHEDULE AND
7 BASED UPON DISCUSSIONS AND NEGOTIATIONS WITH THE POLICE
8 DEPARTMENTS OF EACH FIRST CLASS CITY, THE COMMISSION SHALL
9 DETERMINE THE NUMBER OF POLICE (FIELD) OFFICERS DESIRED FOR
10 ENFORCEMENT. BASED ON THIS DETERMINATION, EACH FIRST CLASS CITY
11 SHALL SUBMIT TO THE COMMISSION, FOR ITS CONSIDERATION WITHIN 30
12 DAYS OF RECEIPT OF SUCH DETERMINATION, A BUDGET WHICH LISTS THE
13 NUMBER, EXPERIENCE AND RANKS OF PERSONNEL, INCLUDING
14 SUPERVISORY, FIELD, SUPPORT AND LEGAL PERSONNEL, AND THE LEVEL
15 OF OPERATING AND FIXED ASSET FUNDING. The commission shall
16 provide for full funding of the city enforcement activities, as
17 ~~established~~ AGREED UPON by the commission AND A FIRST CLASS <—
18 CITY, from the fund.

19 § 2414. Budget and fees.

20 (a) Initial budget and fees.--After execution of a contract
21 between the commission and a first class city or its police
22 department pursuant to section 2413 (relating to enforcement),
23 the commission shall complete an initial budget and fee
24 schedule. The fee schedule shall identify the initial fees for
25 initial issuance of a medallion, transfer of a medallion and
26 issuance of a taxi driver's license. The commission's initial
27 budget and fee schedule shall be submitted to the House Consumer
28 Affairs Committee and the Senate Consumer Protection and
29 Professional Licensure Committee. Unless either the Senate or
30 the House of Representatives acts to disapprove through adoption

1 of a resolution within ten legislative days from the date of
2 submittal, the commission's fee schedule shall become effective
3 and the commission shall notify each medallion holder by
4 certified letter of the initial fee schedule.

5 (b) Fiscal year budget and fees.--The fiscal year for the
6 fund shall commence on July 1 of each year. Prior to the close
7 of each fiscal year, the commission shall submit a budget and
8 proposed fee schedule for the coming fiscal year along with
9 comprehensive financial data from the past fiscal year to the
10 House Consumer Affairs Committee and the Senate Consumer
11 Protection and Professional Licensure Committee. Unless either
12 the Senate or the House of Representatives acts to disapprove
13 through adoption of a resolution within ten legislative days
14 from the submission, the commission fee schedule shall become
15 effective. The commission shall notify all medallion holders of
16 the fee schedule for the coming fiscal year by certified letter.
17 § 2415. Penalties.

*Medallions
Always has
to go thru
Budget + Fee
Process*

18 For the purpose of this chapter, any person or corporation
19 convicted of:

20 (1) a summary offense shall be sentenced to pay a fine
21 of \$500 and may be sentenced to a term of imprisonment not to
22 exceed 90 days, or both; or

23 (2) a misdemeanor shall be sentenced to pay a fine of
24 \$2,500 and may be sentenced to a term of imprisonment not to
25 exceed one year, or both.

26 § 2416. Applicability.

27 Where other provisions of this title or other laws of this
28 Commonwealth are in conflict with the provisions of this
29 chapter, the provisions of this chapter shall govern taxicabs in
30 cities of the first class and other conflicting provisions are

1 hereby suspended insofar as they govern taxicabs in cities of
2 the first class.

3 Section 3. This act does not affect any act done, liability
4 incurred or right accrued or vested or affect any civil or
5 criminal proceeding pending or to be commenced to enforce any
6 right or penalty or punish any offense under any statute or part
7 of a statute suspended by this act.

8 Section 4. This act shall take effect as follows:

9 (1) The provisions of section 2404(a) that prohibit the
10 operation of taxicabs more than ~~five~~ SIX years old shall take ←
11 effect in one year.

12 (2) The remainder of this act shall take effect in 90
13 days.