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2885

October 3, 2011

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

RE: Philadelphia Parking Authority Final Form Regulations for
the Philadelphia Taxi Industry

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IRRC
2011 OCT - 3 P 4:01

Dear Chairman Lutkewitte:

As the representative of the Pennsylvania Taxi Association which represents over 1,300 medallion owners, I write to endorse the Authority's final-form regulations and respectfully request that the Independent Regulatory Review Commission ("Commission") approve those regulations at its October 6, 2011 meeting. Over these last nine months since the PPA initiated the proposed regulations much concern was generated throughout the industry. Through hard work and give and take on both sides we have reached a point where we are comfortable with the regulations as they stand. It is important that the industry has a strong regulatory base for its continued viability. While we will never be in full agreement with the PPA we have reached a level of mutual respect that has resulted in this endorsement. There still remains several issues related to the regulation which the authority has promised to review and for which we will offer our assistance and continued input. The two primary issues which we will continue to review outside of the regulation, along with others that may arise are:

Penalties

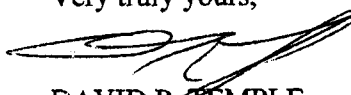
A major point of contention over the last few months has been the overbearing penalty schedule proposed by the Authority and for that purpose we sought its inclusion in the regulatory process. Since that time the PPA has presented a revised penalty schedule which has addressed some of our concerns. While the penalty schedule still needs some work we have observed the Authority's willingness to consider penalty alternatives that are beneficial to all parties. Because the PPA has shown their willingness to address our issues we are comfortable with discussing this matter outside of the regulations. We shall continue to offer input in developing a final set of penalties and look forward to the presentation of an even further revised schedule shortly as promised by the Authority.

GPS/Meter

Another issue of concern remains the imposition of a monopolized GPS/Meter system. While the regulations state only what is required of the system, the PPA has selected only one vendor (Verifone-Taxitronics (VTS), contrast to other cities, to install and maintain GPS and credit card processing, resulting in a pure monopoly. This monopoly stifles competition and results in higher charges for owners and drivers while halting technological progress. The single-vendor system also creates a bottleneck when GPS equipment has to be moved from one vehicle to another because the lone vendor cannot serve industry demand. This backlog is especially severe in October, when many cars go out of service because of statutory yearend expiration limits. In addition, VTS charges fees for equipment transfers because of its grasp on the market. Other vendors in other cities do not charge a fee for this service or charge very little because these fees are eliminated through competition. The lack of competition in Philadelphia has also created a stagnant environment for technological upgrades. Other cities and vendors have interactive monitors, free wifi to attract customers, advertisements for tourism and entertainment specific to their city, and provide lower credit card rates with faster processing. Philadelphia taxicabs are getting left behind because of the monopoly on GPS vendors. The PPA has promised to look into this issue and to make sure that its imposition of any authorized systems are in the best interests of the industry. We look forward to working with the PPA in offering different alternatives to their current system which will provide for a more efficient provision of service and benefit the public for which we provide service.

We welcome the implementation of these new regulations and look forward to working with the PPA in furthering a cooperative relationship for the benefit of all industry members and the public that relies upon our services.

Very truly yours,



DAVID P. TEMPLE