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April 14, 2015

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105-3265

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**RE: Comments on Proposed Public Utility Commission Regulation 57-296 (IRRC #3033)
Final Regulatory Order re: Vehicle List, Age and Mileage Requirements for Taxis
and Limousines
Our File No.: 26002/00605**

Dear Ms Chiavetta:

Please accept these comments regarding the Final Regulatory Order regarding Vehicle List, Age and Mileage Requirements for Taxis and Limousines on behalf of the Yellow Cab Company of Pittsburgh (Yellow Cab) and the Pittsburgh Transportation Group of Companies.

First, Yellow Cab has a fleet of roughly 305 taxis of varying ages and mileage. That fleet presently contains 120 vehicles which would presently exceed the mileage limitation proposed by the PUC. Yellow Cab does not have any 10 year old vehicles on the road.

The primary reason that Yellow Cab is able to maintain its fleet in a mechanically sound and capable fashion is because it has 16 full-time mechanics and a fully functional garage facility. Yellow Cab mechanics can change engines and transmissions (if economically feasible) to keep vehicles on the road in a safe and reliable manner. This provides for longer vehicle life and utility. Yellow Cab taxis average nearly 60,000 miles per year. In most cases, the taxis with mileage exceeding 350,000 miles are indistinguishable from those vehicles with a third of the miles. The interiors are regularly cleaned and kept free from torn or cut upholstery.

To change one third of its fleet in a six month period would be an insurmountable financial burden; would cost jobs at Yellow Cab; would cause a significant decline in service levels; would require unbudgeted and unplanned capital expenditure; and, would require an increase in fares to the public via tariff relief.

Further, the six month compliance window would certainly mean that Yellow Cab and other carriers would be forced to replace high mileage vehicles with the least expensive option available.

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Obviously, this would not be new, low mileage vehicles, but rather cheap vehicles with 100,000 plus miles. They would be run for a year or two and then “thrown away”. The present phase in time period does not allow for carriers with larger fleets to reposition themselves to purchase newer replacement vehicles. New cars may require less maintenance, but they cost more to acquire and can cost more to maintain because parts are more expensive.

For these reasons, and others, Yellow Cab would request a 36 month transition or phase in period so that it may “reset” its timetable and budget for fleet purchase and vehicle turnover. It is specifically suggested that Yellow Cab, or similarly situated carriers, must replace a minimum of 25 taxis or 15% of its “over mileage” fleet every year for the next 36 months.

Additionally, Yellow Cab would suggest that no vehicle may be put into initial service which has more than 75,000 miles (similar to the Philadelphia Parking Authority) but that the 350,000 mile limit on vehicle longevity apply only to the additional “taxi” miles for which the vehicle is kept in service. This would allow for an aggregate of 425,000 total miles on any vehicle in service. All existing taxis, presently in use, would be required to retire at 425,000 miles.

Finally, and alternatively, Yellow Cab suggests that the regulations be amended to require that any taxi reaching its 350,000 total mile limit in a given year must be retired at the end of that calendar year. For example, if a taxi turned 350,000 miles in February 2015, then that taxi would have 10 more months of service. If a taxi turned 350,000 miles in November 2015, it would have one more month of service.

No taxi over 10 model years shall be in service.

Respectfully submitted,

Ray F. Middleman
Counsel for Yellow Cab Company and
the Pittsburgh Transportation Group

RFM/kjb

cc: Michelle L. Elliott, Regulatory Analyst (via email)
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