

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking on  
Regulations Relating to Passenger  
Carriers, Ridesharing, and New Online-  
Enabled Transportation Services

Rulemaking 12-12-011  
(Filed December 20, 2012)

**MOTION OF RASIER-CA, LLC FOR LEAVE TO FILE UNDER SEAL THE  
REPORT OF RASIER-CA PURSUANT TO D.16-04-041 DEMONSTRATING  
THE NATURE OF THE UBERPOOL PRODUCT AND THE CALCULATION OF  
FARES BASED ON TIME AND DISTANCE**

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May 26, 2016

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Pursuant to General Order 66-C, Public Utilities Code Sections 583 and 5412.5, Rule 11.4 of the Commission’s Rules of Practice and Procedure, and Decision (“D.”) 16-04-041, Rasier-CA, LLC (“Rasier-CA”) moves for leave to file under seal a confidential version of the Report of Rasier-CA Pursuant to D.16-04-041 Demonstrating the Nature of the uberPOOL Product and the Calculation of Fares (“Report”). The Report contains confidential and proprietary information that could reveal Rasier-CA’s internal methods and processes, and that information is exempt from public disclosure pursuant to D.16-04-041, Public Utilities Code Sections 583 and 5412.5 and the California Uniform Trade Secrets Act (“CTSA”). D.16-04-041, issued April 26, 2016, expressly contemplated that in submitting this Report, a TNC may file a motion for leave to submit information regarding the calculation of the fare-split under seal.<sup>1</sup> In doing so, the Commission recognized that such information is sensitive and proprietary.

The confidential information that Rasier-CA is seeking to file under seal includes:

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<sup>1</sup> Decision (“D.”) 16-04-041 at 58 (Ordering Paragraph 12).

- Figure 5, Week of May 2, 2016, Average Rider Fare by Trip Duration  
(Week of 5/2)
- Figure 6, Week of May 2, 2016, Average Rider Fare by Trip Distance  
(Week of 5/2)
- Redacted portions of the Report (Marked as “CONFIDENTIAL  
INFORMATION”)

Under the CTSA, trade secrets include any “compilation” or “method” that “derives independent economic value from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use.” Cal. Civ. Code 3426.1(d). Figures 5 and 6 in the Report show average uberPOOL trip fares over a specific time period. This information is very recent, which makes it especially valuable to Rasier-CA and its competitors. Rasier-CA does not disclose average fare information to the public because Rasier-CA’s competitors or potential competitors could use this information to gain an advantage over Rasier-CA. For example, other transportation network companies or other transportation companies could use this information to undercut Rasier-CA’s current fares. They could also use this information to infer the performance and efficiency of Rasier-CA’s routing and navigation.

The redacted portions of the Report discuss factors that go into Rasier-CA’s proprietary algorithms for calculating fares. Disclosure of this information would reveal details regarding Rasier-CA’s current and future pricing and operations that, if publicly disclosed, could provide opportunities for its competitors and potential competitors to gain an unfair advantage.

The harm that would result from disclosure of this information outweighs any countervailing public interest in disclosure of the information. Disclosure of the information here would directly harm Rasier-CA and its corporate affiliates by giving their competitors an unfair and unearned business advantage. Disclosure of this information would also harm the Commission. If Rasier-CA's confidential information is disclosed here, regulated entities in future filings will be less likely to share confidential information with the Commission. If regulated entities cannot share confidential business information with the Commission, the regulatory process may be negatively impacted because the Commission may not have all the information it needs to make regulatory decisions.

Because this information would be so valuable to Rasier-CA's competitors, Rasier-CA and its affiliates go to great lengths to protect this information from public disclosure. This information is maintained on protected computer servers, and only specific individuals at Rasier-CA and its affiliated companies have knowledge of the proprietary aspects of the fare calculation algorithm. Moreover, those employees that do have access to this information enter into contractual agreements not to disclose this information, during or after their employment.

Similarly, General Order 66-C excludes from public inspection records of a confidential nature furnished to the Commission, including "Reports, records, and information requested or required by the Commission which, if revealed, would place the regulated company at an unfair business disadvantage."<sup>2</sup> As discussed above, disclosure of Rasier-CA's confidential information, including fare information and calculation methodology, would place Rasier-CA at an unfair business advantage.

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<sup>2</sup> General Order 66-C.

For these reasons, Raiser-CA's confidential information merits confidential treatment under the CTSA, General Order 66-C and Public Utilities Code Sections 583 and 5412.5. Raiser-CA respectfully requests that the Commission grant its motion for leave to file the confidential version of the Report under seal, and afford protective treatment to the confidential information contained therein.

A proposed order is attached.

Respectfully submitted,

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**[PROPOSED] ORDER GRANTING THE MOTION OF RASIER-CA, LLC  
FOR LEAVE TO FILE THE CONFIDENTIAL VERSION OF THE REPORT OF  
RASIER-CA PURSUANT TO D.16-04-041 DEMONSTRATING THE NATURE  
OF THE UBERPOOL PRODUCT AND THE CALCULATION OF FARES  
BASED ON TIME AND DISTANCE UNDER SEAL**

On May 26, 2016, Rasier-CA, LLC (“Rasier-CA”) filed its Report of Rasier-CA Pursuant to D.16-04-041 Demonstrating the Nature of the uberPOOL Product and the Calculation of Fares Based on Time and Distance (“Report”). Concurrently, and pursuant to General Order 66-C, California Public Utilities Code Sections 583 and 5412.5, and Rule 11.4 of the Commission’s Rules of Practice and Procedure, Rasier-CA filed a motion to file under seal the confidential version of the Report (the “Motion”). Rasier-CA asserts that the confidential version of the Report includes proprietary, commercially sensitive information, the release of which could result in a significant unfair business disadvantage in the competitive marketplace.

The Commission has considered Rasier-CA’s Motion and, good cause having been shown, grants Rasier-CA’s Motion. Accordingly, it is hereby ORDERED that:

1. Rasier-CA shall file a public version of its Report with the confidential information redacted.

2. The confidential version of Rasier-CA's Report shall be received under seal, shall remain under seal, and shall not be made accessible to the public or disclosed to anyone other than Commission staff, except upon further order or ruling of the Commission after due notice to Rasier-CA and an opportunity for Rasier-CA to respond.

Dated \_\_\_\_\_, 2016, at San Francisco, California.

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Robert M. Mason III  
Administrative Law Judge

**ATTACHMENT**

**(Confidential Document Filed Under Seal)**