



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

FILED

01/05/24

04:59 PM

R1212011

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 CRUISE LLC FOR ALTERNATIVE DISPUTE RESOLUTION AND
DEFERRAL OF THE ORDER TO SHOW CAUSE PROCEEDINGS**

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Dated: January 5, 2024

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On December 1, 2023, Assigned Commissioner Genevieve Shiroma and Administrative Law Judge Robert M. Mason III issued an Order to Show Cause Ruling (“OSC Ruling”) requiring Cruise LLC (“Cruise”) to address issues related to Cruise’s interactions with the California Public Utilities Commission (“Commission”) in the aftermath of an incident involving a Cruise autonomous vehicle (“AV”) that occurred on October 2, 2023 (the “Incident”). Pursuant to Rule 11.1 of the Commission’s Rules of Practice and Procedure, Cruise respectfully brings this motion to request an opportunity to resolve the issues raised in the OSC Ruling through the Commission’s Alternative Dispute Resolution Program (“ADR”) Program and to defer the OSC proceedings to allow time for ADR.

Cruise is committed to working collaboratively and cooperatively with the Commission to address the issues raised in the OSC Ruling. Cruise also is committed to operating with the highest standards to protect the safety of passengers and the public, increased transparency and cooperation with the Commission, and undertaking significant process improvements with respect to its interactions with regulators. Cruise has retained an outside law firm to investigate Cruise’s interactions with regulators, including the Commission, in the aftermath of the Incident. The investigation is expected to be completed and the findings made available to the public before the February 6, 2024 hearing currently set in the OSC Ruling.

Cruise respectfully submits that the issues the OSC Ruling raises would be most effectively addressed and resolved through a collaborative dialogue with the Consumer Protection and Enforcement Division (“CPED”), the Transportation Enforcement Branch (“TEB”), and the Transportation Licensing and Analysis Branch (“TLAB”), rather than the proceeding contemplated by the OSC Ruling. Concurrently, with this Motion for Alternative Dispute Resolution and Deferral of the Order to Show Cause Proceedings, Cruise is filing an Offer of Settlement described below.¹

The Commission long has acknowledged the strong public policy favoring the settlement of disputes.² This policy supports many goals, including allowing parties to focus their time and resources on activities that enhance safety and advance the Commission’s goals for its AV program, conserving Commission resources, and allowing parties to avoid the costs of litigation. The Commission’s Alternative Dispute Resolution Program is designed to advance these goals.³

¹ A copy of the Offer of Settlement also is attached for the Commission’s convenience as Attachment A.

² D.88-12-083, *Opinion*, 1988 Cal. PUC LEXIS 886, at *85 (Cal. P.U.C. Dec. 19, 1988); D.07-05-060, *Opinion Adopting Settlement Agreement*, 2007 Cal. PUC LEXIS 159, at *7-8 (Cal. P.U.C. May 24, 2007); D.22-12-006, *Decision Adopting a Settlement Agreement, Authorizing the Use of Facilities Fees to Offset the Costs for Plant Upgrades, and Setting the Rate of Interest for Allowance for Funds Used During Construction and Post-In-Service Expenses*, 2022 Cal. PUC LEXIS 521, at *12 (Cal. P.U.C. Dec. 1, 2022).

³ In Resolution ALJ-185, entitled *Expanding the Opportunities for and Use of Alternative Dispute Resolution Processes at the Public Utilities Commission*, the Commission “endorse[d] the policies behind ADR” and “encourage[d] its more frequent and systemic application in formal proceedings.” Res. ALJ-185 at 1, 9 (August 25, 2006). The Commission went on to explain that it “believe[s] ADR offers great potential to the Commission, and all who practice before the Commission, for improving decisionmaking processes in formal proceedings and certain other disputes.” Res. ALJ-185 at 9.

Accordingly, Cruise respectfully requests an opportunity to resolve the issues raised in the OSC Ruling through the Commission's ADR Program and requests deferral of the OSC proceedings to allow time for ADR.

SUMMARY OF OFFER OF SETTLEMENT

Cruise acknowledges that the actions of its representatives in the aftermath of the Incident have raised concerns about whether Cruise provided accurate, complete, and timely information to the Commission. Cruise has retained an outside law firm to investigate Cruise's interactions with regulators, including the Commission, in the aftermath of the Incident. The investigation is expected to be completed and the findings made available to the public before the February 6, 2024 hearing currently set in the OSC Ruling.

Following an initial analysis of the Incident and Cruise's response and interactions with the Commission and other regulators, nine employees departed Cruise, including key leaders from Legal, Government Affairs, Commercial Operations, and Safety and Systems. Since the Incident, the Chief Executive Officer and Chief Product Officer of Cruise also have departed. Cruise believes these departures were an appropriate step as Cruise moves forward with its commitment to rebuild trust with its regulators and the public with paramount focus on safety, integrity, and accountability.

Cruise is committed to operating with the highest standards to protect the safety of passengers and the public, increased transparency and cooperation with the Commission, and undertaking significant process improvements with respect to its interactions with regulators. Cruise also is committed to providing the Commission with the data and information the Commission needs to ensure that AV service is safe, equitable, accessible to the widest range of potential riders, and meets the environmental goals of the Commission's AV program.

To resolve the OSC, Cruise has made the following Offer of Settlement:

1. Cruise will adopt voluntarily the following new data reporting enhancements:
 - a. Cruise will provide to the Commission collision reports for collisions in California at the same time Cruise provides these collision reports to the National Highway Traffic Safety Administration (“NHTSA”) under NHTSA’s Standing General Order 2021-01.
 - b. Cruise will provide to the Commission collision reports modeled on the California Department of Motor Vehicles’ (“DMV”) form OL 316 for collisions in California involving AVs operating under a DMV deployment permit that resulted in property damage, bodily injury, or death.
 - c. Cruise will provide monthly reporting of AVs that entered a minimal risk condition (“MRC”) state while operating in California under a DMV deployment permit that resulted in a physical retrieval by field personnel where the AV blocked or partially blocked a travel lane, bike lane, or transit-only lane, or was within 200 feet of the nearest rail of any rail crossing. This monthly reporting will include the following information:
 - License plate, VIN, or other unique identifier for the AV involved
 - Date and time
 - Latitude and longitude of where the MRC occurred
 - Duration of the MRC
 - Result of the MRC – e.g., AV blocked or partially blocked a travel lane, bike lane, or transit-only lane, or was within 200 feet of the nearest rail of any rail crossing
 - Response time – approximate time of dispatch, arrival at vehicle, vehicle removed

- Involvement of law enforcement or other first responders at the scene
 - Number of passengers in the vehicle, if applicable
 - If passengers were present in the vehicle, how the ride was resolved – e.g., completed in a different vehicle, passenger ended ride early, etc.
2. Cruise will provide the Commission with Cruise’s responses to the DMV’s permit reinstatement questions at the same time Cruise provides those responses to the DMV.
 3. Cruise will make a payment of \$75,000 to the State General Fund within ten (10) days of the Commission’s approval of the Offer of Settlement without modification.
 4. Upon the Commission’s approval of the Offer of Settlement, the OSC proceeding will be closed.

RELIEF REQUESTED

Cruise respectfully requests that the Commission enter an order:

1. Directing Cruise, CPED, TEB, and TLAB to engage in the Commission’s ADR Program to resolve the issues raised in the OSC;
2. Deferring all OSC proceedings to allow time for resolution of these issues through ADR.

Dated: January 5, 2024

Respectfully submitted,

By: /s/ Craig Glidden

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Attachment A
Offer of Settlement

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Rulemaking 12-12-011
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**CRUISE LLC'S OFFER OF SETTLEMENT IN RESPONSE TO JOINT ASSIGNED
COMMISSIONER'S AND ASSIGNED ADMINISTRATIVE LAW JUDGE'S RULING
ORDERING CRUISE LLC TO SHOW CAUSE WHY IT SHOULD NOT BE
SANCTIONED BY THE COMMISSION FOR FAILING TO PROVIDE COMPLETE
INFORMATION AND FOR MAKING MISLEADING PUBLIC COMMENTS
REGARDING THE OCTOBER 2, 2023 CRUISE RELATED INCIDENT AND ITS
SUBSEQUENT INTERACTIONS WITH THE COMMISSION**

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WHEREAS, Cruise acknowledges that the actions of its representatives in the aftermath of the Incident have raised concerns about whether Cruise provided accurate, complete, and timely information to the Commission as required by the Commission’s *Decision Authorizing Deployment of Drivered and Driverless Autonomous Vehicle Passenger Service*, D.20-11-046 (Cal. P.U.C. Nov. 19, 2020), as modified by *Order Modifying Certain Holdings of Decision 20-11-046 and Denying Rehearing of the Decision*, D.21-05-017 (Cal. P.U.C. May 6, 2021);

WHEREAS, Cruise has retained an outside law firm to investigate Cruise's interactions with regulators, including the Commission, in the aftermath of the Incident;

WHEREAS, the investigation is expected to be completed and the findings made available to the public before the February 6, 2024 hearing currently set in the OSC Ruling;

WHEREAS, following an initial analysis of the Incident and Cruise's response and interactions with the Commission and other regulators, nine employees departed Cruise, including key leaders from Legal, Government Affairs, Commercial Operations, and Safety and Systems. Since the Incident, the Chief Executive Officer and Chief Product Officer of Cruise also have departed;

WHEREAS, Cruise believes these departures were an appropriate step as Cruise moves forward with rebuilding trust with its regulators and the public with paramount focus on safety, integrity, and accountability;

WHEREAS, Cruise is committed to operating with the highest standards to protect the safety of passengers and the public;

WHEREAS, Cruise is committed to increased transparency, cooperation, and rebuilding regulatory trust with the Commission;

WHEREAS, Cruise is committed to undertaking significant process improvements with respect to its interactions with regulators;

WHEREAS, Cruise is committed to providing the Commission with the data and information the Commission needs to ensure that AV service is safe, equitable, accessible to the widest range of potential riders, and meets the environmental goals of the Commission's AV program;

WHEREAS, the Commission has a longstanding policy favoring the settlement of disputes;

WHEREAS, settlement of the OSC Ruling would allow Cruise to focus its time and resources on activities that would enhance safety and advance the Commission's goals for its AV program;

WHEREAS, settlement of the OSC Ruling is in the public interest;

WHEREAS, Cruise makes the following Offer of Settlement to resolve the OSC Ruling:

1. Cruise will adopt voluntarily the following new data reporting enhancements:
 - a. Cruise will provide to the Commission collision reports for collisions in California at the same time Cruise provides these collision reports to the National Highway Traffic Safety Administration ("NHTSA") under NHTSA's Standing General Order 2021-01.
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nearest rail of any rail crossing. This monthly reporting will include the following information:

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