



FILED

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

2024

03:05 PM

R1212011

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

Rulemaking 12-12-011

ADMINISTRATIVE LAW JUDGE’S RULING ON MOTION OF CRUISE LLC FOR ALTERNATIVE DISPUTE RESOLUTION AND DEFERRAL OF THE ORDER TO SHOW CAUSE PROCEEDINGS

This *Ruling* in response to the *Motion of Cruise LLC for Alternative Dispute Resolution and Deferral of the Order to Show Cause Proceeding* is as follows:

The *Motion for Alternative Dispute Resolution* is denied. The Commission’s ADR process is designed to help facilitate the resolution of disputes between multiple parties who disagree as to how the substantive issues in a Commission proceeding should be resolved.¹ Here, however, as Cruise LLC (Cruise) is the only party to the Order to Show Cause (OSC) portion of this proceeding, Cruise would, in effect, be negotiating against and with itself. As such, using the Commission’s resources to permit Cruise to avail itself of the ADR process would not be productive.

1. Background

On January 5, 2024, Cruise filed its *Motion for Alternative Dispute Resolution and Deferral of the Order to Show Cause Proceedings (Motion for ADR)*, which

¹ See Resolution ALJ-185 (*Expanding the Opportunities for and Use of Alternative Dispute Resolution Processes at the Public Utilities Commission*) at 1: “ADR commonly refers to the process of resolving a dispute between two or more persons without obtaining a formal, binding resolution of the dispute by a court[.]”

included the terms of a settlement agreement in which Cruise proposes to pay \$75,000 to the state General Fund and to adopt new data reporting enhancements for providing the Commission with information about collisions and minimal risk conditions (*i.e.* instances where a Cruise AV blocks or partially blocks a travel lane, bike lane, transit-only lane, or was within 200 feet of the nearest rail or any rail crossing). Cruise also seeks the deferral of the OSC so that it may participate in the Commission's ADR program to resolve the dispute.

2. Discussion

As noted, *supra*, Cruise has presented a proposed settlement agreement, this *Ruling* orders Cruise to file a motion for approval of that settlement pursuant to Rule 12 of the Commission's Rules of Practice and Procedure by January 30, 2024. The motion shall attach the settlement agreement and a copy of the investigation report that Cruise has referenced in its *Motion for ADR*.² The motion shall also explain, in detail, how the settlement agreement satisfies the three requirements of Rule 12.1(d). Finally, the motion shall explain how Cruise determined that the payment of \$75,000 is a reasonable sum, and why Cruise should not be required to pay a higher amount such as \$112,500 (\$7,500 daily fine amount under Public Utilities (Pub. Util.) Code § 5378(b) times the 15 days Cruise did not inform the Commission of the full details surrounding the October 2, 2023 incident), or another amount pursuant to Pub. Util. Code § 2107 and 2108.

The OSC hearing will be postponed. Instead, the Commission will hold a hearing to discuss Cruise's motion for approval of the settlement on February 6,

² *Motion for ADR* at 1: "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[.]"

2024, commencing at 1:30 p.m. in the Commission auditorium at 505 Van Ness Avenue, San Francisco, California. Counsel for Cruise shall appear to answer questions that any Commissioners and/or the Presiding Officer might have. Cruise shall also produce for questioning someone with personal knowledge of the investigation report that will be attached to Cruise's motion. Finally, this *Ruling* invites Commission employees from the Consumer Protection and Enforcement Division, the Transportation Enforcement Branch, and the Transportation Licensing and Analysis Branch with knowledge of Cruise's autonomous vehicle operations to appear and answer questions and comment on the proposed data reporting enhancements that are outlined in point one of the settlement agreement.

IT IS RULED that:

1. Cruise's Motion for ADR is denied.
2. By January 30, 2024, Cruise shall file a motion for approval of the settlement pursuant to Rule 12.1. The motion shall attach the settlement agreement and a copy of the investigation report.
3. The OSC hearing currently scheduled for February 6, 2024 shall be postponed.
4. On February 6, 2024, at 1:30 p.m. Cruise shall appear at the Commission Auditorium at 505 Van Ness Avenue, San Francisco, California, to answer questions regarding its proposed settlement agreement.

Dated January 12, 2024, at San Francisco, California.

/s/ ROBERT M. MASON III
Robert M. Mason III
Administrative Law Judge