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TO PARTIES OF RECORD IN RULEMAKING 25-08-013:

This is the proposed decision of Commissioner Matthew Baker. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's October 8, 2026, Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ MICHELLE COOKE
Michelle Cooke
Chief Administrative Law Judge

MLC: jds

Decision **PROPOSED DECISION OF COMMISSIONER BAKER** (Mailed 09/04/2026)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to
Establish Policies, Processes, and
Rules Regarding Autonomous Vehicle
Passenger Transportation Service.

Rulemaking 25-08-013

TRACK 1A DECISION

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TRACK 1A DECISION

Summary

This decision resolves the Track One issues that have been categorized as Autonomous Vehicle Program Requirements and Administration. In a subsequent decision, the Commission will resolve the remaining Track One issue that deals with the requirements for the Autonomous Vehicle transport of unaccompanied minors.

The proceeding remains open.

1. Background

The Commission opened this rulemaking to continue the work of the Order Instituting Rulemaking (R.) 12-12-011 as to the Commission's regulation of autonomous vehicle passenger service. In the predecessor proceeding, the Commission began its regulation of autonomous vehicle (AV) manufacturers intending to provide passenger service.¹ Decision (D.) 18-05-043² authorized two pilot programs: (1) permitted Charter-party Carrier (TCPs) entities could provide passenger service using AVs with a driver in the vehicle; and (2) permitted TCPs could provide passenger service using AVs without a driver in the AV and in compliance with all applicable remote operator requirements promulgated by California's Department of Motor Vehicles (DMV).³

¹ AVs are generally defined to mean "any vehicle equipped with technology that is a combination of both hardware and software that has the capability of performing the dynamic driving task without the active physical control or monitoring of a natural person." (Cal. Code Regs., tit. 13, §228.02 subd. (b).)

² *Decision Authorizing a Pilot Test Program for Autonomous Vehicle Passenger Service.*

³ Commencing in 2014, the Legislature charged the DMV with regulating the use of AVs on California roadways. Any AV manufacturer seeking to operate an AV on California public roads must first apply to the DMV for approval. (Vehicle Code § 38750, subd. (c).) The DMV is also charged with adopting regulatory requirements it determines "are necessary to ensure the

Footnote continued on next page.

The Commission's regulatory oversight continued with the issuance of D.20-11-046⁴ as modified by D.21-05-017, which created Drivered and Driverless AV Deployment Programs. Among other requirements, D.20-11-046 requires applicants for the Driverless Deployment Program to submit a Tier 3 Advice Letter, which Commission staff reviews before preparing a proposed resolution for Commission consideration. In addition, D.20-11-046 recognized that the regulation of AVs would be an extensive and evolving regulatory undertaking and stated in Ordering Paragraph 22 that there would be a subsequent rulemaking in which the Commission would evaluate data collected from the AV companies during the pendency of the R.12-12-011 proceeding and revise its regulations given anticipated updates to the factual record and to any revisions to AV regulation by the DMV.

On August 10, 2023, the Commission adopted Resolutions TL-19144 and TL-19145 that authorized Waymo LLC (Waymo) and Cruise LLC (Cruise), respectively, to continue with their AV services as specified in the Resolutions. The Commission's decision to authorize Waymo's AV operations by way of adopting Resolution TL-19144 has withstood legal challenge. On November 11, 2024, the Commission issued D.24-11-002 which adopted new data reporting requirements for AV Deployment and Pilot programs.

safe operation of autonomous vehicles on public roads." (Vehicle Code § 38750, subd. (d)(3).) In response to its statutory mandate, the DMV has adopted regulations governing the testing and deployment of AVs on public roads. (See Cal. Code Regs., tit. 13, §§227.00 et seq. & 228.00 et seq.) Once an AV manufacturer has received a DMV permit to operate, it must file a Charter-party Carrier permit application with the Commission if it wishes to transport passengers. (Pub. Util. Code §§5371, 5383, and 5387, subd. (a).)

⁴ *Decision Authorizing the Deployment of Drivered and Driverless Autonomous Vehicle Passenger Service* (aka the Deployment Decision).

As it has continued with its regulatory oversight, the Commission has contemplated that there would be further investigation and party comments for the Commission to obtain a greater understanding of AV service that would, in turn, inform the refinement and expansion of its regulatory oversight through subsequent rulings and decisions. We reach that tipping point with respect to the Track One issues.

1.1. Submission Date

The Track One issues (minus the transport of unaccompanied minors) were submitted on February 17, 2026, upon the receipt of the final party reply comments.

2. Jurisdiction

California has long recognized that the provision of passenger service on public roads in the State is affected with a public interest, particularly in the areas of passenger safety, driver safety, consumer protection, and the fitness of the companies providing this service to the public. The Commission's longstanding statutory authority to regulate passenger carriers known as TCPs derives from Article XII of the California Constitution, Public Utilities Code

Sections 425,⁵ 5360,⁶ and 5381,⁷ and General Order (GO) 157-E,⁸ which places additional requirements on TCP permit-holders. The Commission licenses TCPs to offer such service, develops rules and regulations for TCP permit-holders, and enforces the rules and regulations. The introduction of both drivered AVs and driverless AVs providing passenger service in California is a new stage in the development of passenger service. Offering AV service to the public raises both familiar and new passenger safety and consumer protection issues. The Commission has jurisdiction to address these issues and properly must do so before companies offer this service.

3. Issues Before the Commission

The Track One issues that have been scoped into this proceeding are identified and addressed, *infra*, in Section 4 of this decision.

⁵ The employees, representatives, and inspectors of the commission may, under its order or direction, inspect and examine any books, accounts, records, memoranda, documents, papers, and correspondence kept or required to be kept by any carrier or related business referred to in this article. This section shall, to the extent deemed necessary by the commission, apply to persons who have direct or indirect control over, or who are affiliated with, any transportation agency.

⁶ Subject to the exclusions of Section 5353, “charter-party carrier of passengers” means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.

⁷ The commission may supervise and regulate every charter-party carrier of passengers in the State and may do all things...necessary and convenient in the exercise of such power and jurisdiction.

⁸ Rules and Regulations Governing the Operations of Charter-Party Carriers of Passengers Pursuant to Chapter 8 of Division 2 of the Public Utilities code, superseding General Order 157-D.

4. Discussion and Analysis

4.1. Exemptions to General Order 157-E and Other Rules

4.1.1. Scoping Memo Questions

- How should the process for General Order 157-E be changed to enhance Commission staff's flexibility and efficiency in evaluating and resolving exemption requests?
- Do any other rules need to be streamlined to facilitate exemption requests?

4.1.2. Background

AV passenger carriers are regulated as TCPs and are subject to GO 157-E, which governs vehicles, drivers, and other aspects of TCP operations. Parts 8.01 and 8.02 of GO 157-E establish procedures for requesting exemptions from otherwise applicable requirements. Carriers seeking an exemption must provide written justification. For Pilot Program exemptions, the carrier must also demonstrate that the requested exemption is consistent with the purpose of the Pilot Program and that its proposed operations are functionally equivalent to operations otherwise required by GO 157-E. The exemption procedures and rules are inconsistent between the Pilot and Deployment programs. Part 8.01 allows carriers to seek exemptions through written requests to the Commission, which then must be granted by an order of the Commission. This applies only to the AV Deployment program. Part 8.02 applies to Pilot programs such as the AV Pilot created in D.18-05-043 and allows staff to grant exemptions for a period of 12 months or for the duration of the pilot program, whichever is shorter, and then for a single 12-month renewal. To obtain the exemption, the carrier must demonstrate consistency with the Commission's purpose for the pilot program

and that its operations will be functionally equivalent to operations otherwise required by the General Order.

In practice, this structure has created challenges for staff when addressing exemption requests. The current framework generates administrative burden for Commission staff through re-evaluation of routine technical exemptions and extensive correspondence with carriers to process and validate exemption filings. The AV Pilot program requirements in Part 8.02 do not align with AV Pilot programs which often span more than the maximum allowed 24-month exemption period. TCP permits, required for any AV operations, are renewed every three years. AV carriers who require exemptions in their pilot program and Commission staff are therefore processing exemptions annually, outside of the normal TCP permitting cycle. For AV Deployment programs, all exemptions must currently be granted by Commission order which generates an administrative burden for Commission staff for what have been uncontested exemption requests. To date, AV carriers have received approval for the following exemptions from provisions of GO 157-E:

- Part 5.03, allowing for use of third-party contractors as safety drivers
 - This exemption has already been addressed in a resolution⁹ and in a decision,¹⁰ no modifications are needed here.
- Part 4.01, allowing for use of vehicles owned by a parent company¹¹

⁹ Resolution TL-19136.

¹⁰ D.20-11-046 (as modified by D.21-05-017) at 4.21.2.

¹¹ Part 4.01 of GO 157-E requires that carriers maintain with the Commission an equipment list of all vehicles in use under the permit. Vehicles must be owned or leased by the carrier to be added to the equipment list.

- Part 4.01, allowing for use of vehicles with manufacturer plates that are not commercially registered¹²
- Parts 4.02, 4.05, 4.06, relating to inspection/equipment requirements that may not be applicable to purpose-built AVs .

4.1.3. Party Comments

Waymo,¹³ Zoox,¹⁴ and VW¹⁵ recommend that exemptions to GO 157-E last for the duration of the AV permit and not require annual renewal.

Waymo¹⁶ and VW¹⁷ recommend that exemptions be approved by Commission staff.

Waymo opposes requiring annual re-attestations of functional equivalence.¹⁸

Zoox opposes the requirement for an attestation at all, and instead recommends staff rely on substantive arguments set forth in the exemption request.¹⁹ In the case of changes that render the exemption inapplicable, Waymo

¹² Part 4.01 of GO 157-E requires that carriers maintain with the Commission an equipment list of all vehicles in use under the permit. CA Vehicle Code 260 defines a commercial vehicle as one used for transportation of passengers for hire, for compensation. Vehicles must be registered commercially to be added to the equipment list.

¹³ Opening Comments of Waymo LLC on OIR at 24 and Response of Waymo LLC on January 12, 2026, ALJ Ruling re: Questions from January 6, 2026, Ruling (Waymo PHC Comments) at 5.

¹⁴ Comments of Zoox, Inc. on OIR at 20 and Opening Comments of Zoox, Inc. on Email Ruling Providing PHC Questions (Zoox PHC Opening Comments) at 4.

¹⁵ Opening Comments of Volkswagen Group of America in Response to OIR at 8.

¹⁶ Opening Comments of Waymo LLC on OIR at 17 and Waymo PHC Comments at 5.

¹⁷ Opening Comments of Volkswagen Group of America in Response to OIR at 8.

¹⁸ Opening Comments of Waymo LLC on OIR at 25.

¹⁹ Comments of Zoox, Inc. on OIR at 21.

recommends the Commission be notified.²⁰ Specifically, Waymo recommends the carrier notify the Commission if the carrier implements "...[A]ny operational changes that would result in the factual statements made in its original functional equivalence justification being untrue or inaccurate."²¹ Zoox recommends applying for a new exemption.²²

4.1.4. Discussion

We believe it is reasonable and prudent to authorize Commission staff responsible for administering the AV Passenger Service Programs to approve or deny future requests for these specific exemptions identified in this section without further Commission action. In doing so, we believe that the authority given will align with the authority staff already have in other aspects of AV carrier regulation. For example, current regulations (GO 157-E, Part 8.02) allow for staff approval in the Pilot, and, to date, AV exemptions have not been contested as there have been no observed safety issues related to these exemptions.

The clarifications we make in this decision to exemptions will be specific to those that AV carriers have already received, namely: Part 4.01, allowing for use of vehicles owned by the carrier's parent company; Part 4.01, allowing for use of vehicles with manufacturer plates that are not commercially registered (in the AV Pilot only);²³ and Parts 4.02, 4.05, and 4.06, relating to inspection/equipment

²⁰ Opening Comments of Waymo LLC on OIR at 25.

²¹ Opening Comments of Waymo LLC on OIR at 25.

²² Comments of Zoox, Inc. on OIR at 13 and Zoox PHC Opening Comments at 4.

²³ Manufacturer plates are intended for limited testing and demonstration only; vehicles using manufacturer plates are not commercially registered. Full deployment requires commercial registration.

requirements that may not be applicable to purpose-built AVs, whereas they would be for certain equipment or vehicles designed for human drivers.

First, for Parts 4.02, 4.05, and 4.06, exemptions have been granted to Zoox for its AV Pilot permit as Zoox operates a purpose-built AV that does not have traditional vehicle equipment designed for human drivers. Accordingly, we clarify that exemptions are not necessary for equipment that may be listed in these Parts but otherwise are not required to be installed on AVs pursuant to state and federal law.

For example, Parts 4.05 and 4.06 set forth requirements for a 19-point vehicle inspection and record keeping for that inspection. To date, the one AV carrier that has requested an exemption from these Parts operates a purpose-built vehicle that lacks equipment designed for human drivers, including windshield wipers, rear view mirrors, a front seat adjustment mechanism, and a speedometer. Therefore, this clarification helps avoid unnecessary exemption requests for equipment that a vehicle is not required by state or federal law to have.

Under Part 4.02, TCP permit holders must comply with the requirements of the California Highway Patrol and the Motor Carrier Safety Sections of Title 13 of the California Code of Regulations. The scope of Title 13 of the California Code of Regulations, in relevant part, is limited to certain vehicles listed in Vehicle Code Sections 545(a)(11), 34500, and 34500.1.²⁴ To the extent that a TCP permit holder does not operate a vehicle within the scope of the Motor Carrier Safety Sections of Title 13, it will not be subject to related compliance with Part 4.02. Therefore, we clarify that the previously granted exemptions for Parts 4.02,

²⁴ Cal. Code Regs., tit. 13 § 1200.

4.05, and 4.06, for purpose-built vehicles are not required. Moving forward, exemptions outside of those previously granted and addressed here, should still follow the exemption process established herein.

To increase efficiency in the process, the granted exemptions in both Pilot and Deployment operations should remain effective while the carrier maintains the underlying Commission AV authorization and the factual circumstances supporting the exemption remain materially unchanged. Therefore, renewal of the carrier's TCP permit, by itself, does not require renewal or reapproval of the exemption. Suspension of the underlying TCP permit or AV program authorization does not terminate or otherwise alter an exemption granted under this decision. The carrier may rely on the exemption following reinstatement of the underlying authorization, provided the exemption has not otherwise expired or been revoked and the factual circumstances supporting it remain materially unchanged. However, staff may revoke an exemption if the factual circumstances supporting it materially changed.

Staff may publish and update nonbinding guidance identifying examples of documentation that may assist in evaluating exemption requests authorized by this decision as part of an AV Program Guidebook. Staff may request additional information reasonably necessary to determine whether the applicable exemption criteria are satisfied. Finally, the Commission will not require annual re-attestation of functional equivalence but instead require carriers to apply for a new exemption if changes to the carrier's vehicle(s) or operations render the original exemption and/or the information submitted justifying the exemption untrue or inapplicable.

The decisions we adopt today are also consistent with Commission practices that have been adopted to create greater efficiency in the regulation of

AV services. For example, in TL-19136, the Commission found that there was “no compelling reason for exemption requests for AV Pilot programs to be subject to greater frequency of review than exemption requests for AV Deployment programs.” (Finding 16.) Similarly, D.20-11-046 authorized exemption requests for the use of third-party operators as safety drivers and directed that the exemptions granted shall be valid for the duration of the Deployment permit. (D.20-11-046, 4.21.2. at 77) Thus, it is reasonable to streamline other aspects of the AV regulatory processes as done in this decision.

4.2. Permit Reinstatement

4.2.1. Scoping Memo Questions

- How should the processes be clarified for the reinstatement of suspended AV passenger service authorizations following the DMV’s reinstatement of a suspended AV permit?

4.2.2. Background

While Commission regulations provide that a carrier’s AV authority will be automatically suspended upon suspension or revocation of the carrier’s DMV AV permit, the regulations do not prescribe a clear process for considering the reinstatement of suspended AV passenger service authorization following reinstatement of the DMV permit. Nor do the Commission’s previous decisions provide a clear pathway. For example, D.18-05-043 specifies that the Commission must determine if it is safe for an AV permitholder to resume service following reinstatement of the DMV permit (Ordering Paragraphs 5 and 11). Yet D.20-11-046 does not specify that the Commission must reinstate the permit, but states that the Commission Deployment permit will be suspended immediately following suspension or revocation of the DMV permit and “not reinstated until

the Department of Motor Vehicles has reinstated the deployment permit.”
(Ordering Paragraphs 6 and 13.)

4.2.3. Party Comments

Waymo recommends that CPED staff be authorized to reinstate permits in all programs (Pilot and Deployment),²⁵ with the option to use the resolution process for suspensions unrelated to DMV action and with unique circumstances requiring Commission consideration.²⁶

Zoox recommends that staff have the authority to reinstate Pilot permits if the reason for the suspension related to “an unreasonable risk to the AV carriers’ passengers.”²⁷ If the suspension was unrelated to passenger safety, the Commission permit should be automatically reinstated once the DMV permit has been reinstated. Zoox also recommends that staff have the authority to reinstate a suspended AV Deployment permit where the suspension is “tied to an isolated incident requiring a focused remedy and mitigation,” but that the Commission should consider reinstatements related to “systemic issues that pose an unreasonable risk to passenger safety” to “determine that the root causes of the risks have been addressed and that broad programmatic mitigations have been implemented.”²⁸

VW recommends that reinstatement follow confirmation of DMV approval, submission of an updated passenger safety plan (PSP), and ‘acknowledgment’ by Commission staff.²⁹

²⁵ Opening Comments of Waymo LLC on OIR at 26.

²⁶ Opening Comments of Waymo LLC on OIR at 27.

²⁷ Comments of Zoox, Inc. on OIR at 23.

²⁸ Comments of Zoox, Inc. on OIR at 23.

²⁹ Opening Comments of VW in Response to OIR at 9.

Waymo argues that a PSP update is not necessarily required and the carrier should provide “information sufficient to demonstrate that the AV carrier resolved the specific issue” that led to the suspension.³⁰

Zoox recommends that, for suspensions triggered by risks to passengers, the carrier provides an attestation that those risks have been mitigated, and a description of the remedial action taken.³¹

Zoox recommends a carrier be required to submit a Tier 2 AL with an updated PSP addressing the risk to passenger safety that caused the suspension prior to reinstatement of a Driverless Deployment permit.³²

LADOT,³³ Santa Monica,³⁴ SFMTA,³⁵ SFCTA,³⁶ SFO,³⁷ SEIU Locals,³⁸ and SFTWA³⁹ generally support Commission reinstatement of suspended AV permits. SFMTA⁴⁰ and SFO⁴¹ recommend that staff only be able to reinstate a Drivered Pilot permit, and only when the suspension was not related to safety, misleading customers, or misleading the Commission. SEIU Locals recommend

³⁰ Opening Comments of Waymo LLC on OIR at 27.

³¹ Comments of Zoox, Inc. on OIR at 23.

³² Comments of Zoox, Inc. on OIR at 24.

³³ The Los Angeles Department of Transportation’s (LADOT) Comments re: OIR at 6.

³⁴ (City of Santa Monica) Comments in Response to OIR at 7.

³⁵ Opening Comments of the SFMTA on OIR at 7.

³⁶ Opening Comments of the SFCTA on OIR at 15 and Opening Comments of SFCTA in Response to PHC Questions at 4.

³⁷ Opening Comments of SFO on OIR at 8.

³⁸ Opening Comments of SEIU Locals on OIR at 8.

³⁹ Opening Comments of SFTWA on OIR at 7.

⁴⁰ Opening Comments of the SFMTA on OIR at 7.

⁴¹ Opening Comments of SFO on OIR at 8.

that the Commission incorporate local government and public input into the reinstatement process, including approval from state and local agencies.⁴²

CA Airports Council recommends that reinstatement of a suspended AV Pilot permit require the presence of a safety driver, and that reinstatement should not be approved if the suspension was related to alleged misleading of customers or the Commission.⁴³

4.2.4. Discussion

Following reinstatement of the carrier's applicable DMV authority, an AV carrier shall submit to Commission staff documentation of the reinstated DMV authority and information sufficient to demonstrate that the condition giving rise to the suspension has been resolved. Staff may reinstate the Commission AV authorization upon determining that applicable Commission requirements are satisfied. Staff may publish and update nonbinding guidance on the documentation required to inform reinstatement as part of an AV Program Guidebook.

If Commission staff or the carrier establish that remedial measures materially affect approaches described in a Driverless Deployment carrier's Passenger Safety Plan, the carrier shall submit an updated PSP through the otherwise applicable Tier 2 Advice Letter process. Staff may refer a reinstatement request to the Commission for disposition where the request presents a novel policy or legal issue, a material unresolved factual dispute, or another issue requiring the exercise of Commission discretion.

⁴² Opening Comments of SEIU Locals on OIR (dated January 30, 2026) at 6.

⁴³ Opening Comments of CA Airports Council re: AV Passenger Service at 10.

4.3. Operational Design Domain (ODD) Disclosure and 30-Day Attestation for ODD Changes

4.3.1. Scoping Memo Questions

- What level of disclosure should the Commission require for an AV operator's Operational Design Domain (ODD) as part of an AV operator Pilot Program operations? Should an AV operator have to submit a new 30-day attestation for any ODD changes?

4.3.2. Background

In the California Code of Regulations Title 13, 13 CCR § 227.02 "Operational design domain" is "the specific operating domain(s) in which an automated function or system is designed to properly operate, including but not limited, to geographic area, roadway type, speed range, environmental conditions (weather, daytime/ nighttime, etc.), and other domain constraints. Staff have observed significant interest from stakeholders in ready access to operators' operational bounds for the AV Pilot and Deployment authorizations, including through media inquiries, requests from members of the public, and interest expressed by local governments.

Currently, only Commission Driverless Deployment ODDs are public through the Advice Letter process. Commission regulations require Driverless Deployment applicants to submit a statement and map of the ODD as stated on the carrier's DMV AV Deployment permit. The DMV reviews and publicly posts ODD information (approved locations, time of day operations, weather conditions, speed) for DMV Driverless Testing and Deployment permit holders. For DMV Testing with a Driver, the DMV posts a list of companies that hold a DMV Testing with a Driver Permit. As DMV regulations allow these permitholders to test statewide, no ODD information is posted.

Existing regulations require carriers to update the Commission on changes to their DMV-approved ODD. Driverless Pilot permitholders must inform the Commission of changes to their ODD within 1 business day (D.18-05-043, Ordering Paragraph 7). Driverless Deployment permitholders must submit a Tier 2 advice letter with an updated PSP to seek Commission authorization to operate in an expanded ODD (D.20-11-046, Ordering Paragraph 20 and Resolution TL-19137).

In the AV Driverless Deployment framework (D.20-11-046 as modified by D.21-05-017), a carrier's initial application must include a statement and map of the DMV-approved ODD, but currently there is no requirement to re-submit a new 30-day attestation to the Commission for any subsequent ODD modifications. For example, when Waymo added Los Angeles to its ODD, the Commission's existing requirements did not require Waymo to submit a new 30-day attestation.

4.3.3. Party Comments

Waymo⁴⁴, Zoox⁴⁵, VW⁴⁶, Tesla⁴⁷, and the Alliance for Automotive Innovation⁴⁸ argue that no new Commission disclosure is needed because the DMV already reviews and maintains ODDs, and the Commission can rely on DMV information or confidential submissions to staff.

⁴⁴ Opening Comments of Waymo LLC on OIR at 25.

⁴⁵ Opening Comments of Zoox, Inc. on OIR at 22.

⁴⁶ Opening Comments of VW on OIR at 9.

⁴⁷ Opening Comments of Tesla, Inc. on OIR at 17.

⁴⁸ Opening Comments of Alliance for Automotive Innovation on OIR at 8.

Waymo⁴⁹ and Zoox⁵⁰ do not think that a new 30-day attestation should be required for ODD changes. Waymo⁵¹ states that the Commission's rationale was to require on-road experience before carrying passengers, which doesn't apply to carriers that are already operating.

LADOT⁵² supports new 30-day attestation for both Pilot and Deployment for certain ODD modifications (e.g., new roadway types such as freeways) and material PSP updates.

SFCTA⁵³ supports new 30-day attestation for ODD modifications that materially affect the PSP, and states this should apply to both Pilot and Deployment.

Tesla⁵⁴ argues that ODDs contain trade secrets/proprietary information, and therefore the Commission should not mandate public ODD disclosure.

Waymo⁵⁵ believes voluntary notice to Commission staff of ODD changes in the Pilot should continue, subject to confidentiality protections.

⁴⁹ Opening Comments of Waymo, LLC on Prehearing Conference Questions at 8.

⁵⁰ Opening Comments of Zoox, Inc. on Prehearing Conference Questions at 8.

⁵¹ Opening Comments of Waymo, LLC on Prehearing Conference Questions at 8.

⁵² Opening Comments of LADOT on Prehearing Conference Questions at 6.

⁵³ Opening Comments of SFCTA on Prehearing Conference Questions at 4.

⁵⁴ Opening Comments of Tesla, Inc. on OIR at 17.

⁵⁵ Opening Comments of Waymo LLC on OIR at 26.

LADOT⁵⁶, City of Santa Monica⁵⁷, SFMTA⁵⁸, SFCTA⁵⁹, SFO⁶⁰, California Airports Council⁶¹, and SFTWA⁶² generally want broader public transparency across both Pilot and Deployment programs, including advance notice of modifications (SFCTA⁶³) and public posting of ODD changes in both Pilot and Deployment.

SFO⁶⁴ and California Airports Council⁶⁵ ask that airports receive notice of ODD changes, including any modifications.

4.3.4. Discussion

To provide consistent transparency across programs, the Commission will extend the public disclosure of ODDs (including, but not limited to, a geographic map and list of cities/counties, time of day, roadway types, weather conditions, speed range)) to the Driverless Pilot program and the Drivered Deployment Program (it is already required, via the Advice Letter process, in Driverless Deployment.) This is consistent with the DMV's public disclosure of ODDs that they maintain on their website.

The high-level ODD information required to be disclosed by this decision, including geographic operating boundaries, a list of cities/counties, time of day,

⁵⁶ Opening Comments of LADOT on OIR at 6.

⁵⁷ Opening Comments of City of Santa Monica on OIR at 6.

⁵⁸ Opening Comments of SFMTA on OIR at 6.

⁵⁹ Opening Comments of SFCTA on OIR at 14.

⁶⁰ Opening Comments of SFO on OIR at 8.

⁶¹ Opening Comments of California Airports Council on OIR at 9.

⁶² Opening Comments of SFTWA on OIR at 7.

⁶³ Opening Comments of SFCTA on OIR at 14.

⁶⁴ Opening Comments of SFO on OIR at 8.

⁶⁵ Opening Comments of California Airports Council at 9.

weather conditions, roadway types, and speed range, will be public. This decision does not require public disclosure of underlying technical information beyond the specified fields. As noted, the DMV already posts ODDs, including: location, time of day, weather conditions, and speed, for Driverless Testing and Deployment.

To satisfy this requirement, AV Driverless Pilot and Drivered Deployment applicants shall submit the public ODD information required by this decision with their permit applications through the submission method designated by Commission staff as part of an AV Program Guidebook. The submission shall include a geographic map and list of cities/counties, time of day, roadway types, weather conditions, and speed range.

Following a DMV-approved modification to the ODD, the carrier shall submit updated public ODD information to Commission staff within one business day of the DMV-approved ODD modification. Timely submission by the carrier satisfies this requirement; completion of Commission website posting is not a condition precedent to operation.

For existing permit holders, Commission staff may rely on current ODD information already in Commission records or publicly maintained by the DMV and may request any additional information needed to satisfy the disclosure requirements adopted in this decision.

Driverless Deployment ODD modifications will continue to proceed through the existing Tier 2 Advice Letter process and will therefore continue to be publicly noticed through that process. With respect to a 30-Day Attestation for ODD changes, no new 30-day attestation will be required solely due to an ODD modification in Pilot and Deployment. As Waymo notes in their Prehearing Conference Opening Comments, the Commission initially adopted the

attestation requirement in the Pilot's decision "in order to ensure that the fleet that will carry passengers obtains on-road experience in California before beginning such service" (D.18-05-043 at 35) following the DMV's grant of a testing permit. While the attestation requirement makes sense for new entrants to the Pilot and Deployment programs, it should not be required for ODD modifications for carriers that have already established the "on-road experience" of their vehicles.

4.4. Airport Authority

4.4.1. Scoping Memo Questions

- Should the Commission adopt additional requirements for AV Pilot Program operators to provide passenger service at airports once the DMV and the relevant airport authority have provided permission?

4.4.2. Background

Driverless passenger service at airports is currently only permitted in the Commission's AV Deployment program, not in the AV Pilot Program. In the Deployment program, the carrier must receive airport consent and submit attestation of airport authorization to Commission staff before service begins.⁶⁶ Commission staff publicly post the attestation document on the Commission's website. While operators must address a range of passenger safety risks in their PSPs, the current requirements do not require the identification of airport-specific risks prior to providing driverless passenger airport service.

⁶⁶ D.20-11-046 (as modified by D.21-05-017), Ordering Paragraph 7(j) at 110.

4.4.3. Party Comments

Waymo,⁶⁷ Zoox,⁶⁸ Lyft,⁶⁹ and Tesla⁷⁰ support allowing driverless AV passenger service in the AV Pilot Program (currently prohibited) as long as the airport consents and the DMV-approved ODD includes airport roads.

Tesla⁷¹ and Zoox⁷² do not want public posting of airport approvals.

Waymo,⁷³ Zoox,⁷⁴ Lyft,⁷⁵ and Tesla⁷⁶ oppose any new airport-specific datasets, arguing that existing reporting already covers these trips.

Zoox⁷⁷ emphasizes parity with TCPs/TNCs, which do not impose notice/documentation requirements for airport operation, and suggests using the PSP to address any airport-unique risks.

SFO,⁷⁸ California Airports Council,⁷⁹ and SFMTA⁸⁰ want written airport consent to be formally required and publicly posted on the Commission's website.

⁶⁷ Opening Comments of Waymo LLC on OIR at 20.

⁶⁸ Opening Comments of Zoox, Inc. on OIR at 16.

⁶⁹ Opening Comments of Lyft, Inc. on OIR at 12.

⁷⁰ Opening Comments of Tesla, Inc. on OIR at 16.

⁷¹ Opening Comments of Tesla, Inc. on OIR at 16.

⁷² Opening Comments of Zoox, Inc. on OIR at 15.

⁷³ Opening Comments of Waymo, LLC on OIR at 20.

⁷⁴ Opening Comments of Zoox, Inc. on OIR at 16.

⁷⁵ Opening Comments of Lyft, Inc. on OIR at 11.

⁷⁶ Opening Comments of Tesla, Inc. on OIR at 16.

⁷⁷ Opening Comments of Zoox, Inc. on OIR at 16.

⁷⁸ Opening Comments of SFO on OIR at 3.

⁷⁹ Opening Comments of California Airports Council on OIR at 2.

⁸⁰ Opening Comments of SFMTA on OIR at 6.

LADOT,⁸¹ SEIU,⁸² and SF Taxi Worker's Alliance⁸³ seek airport-specific data (e.g., number of trips, number of PUDOs, congestion impacts), and SEIU and SF Taxi Worker's Alliance prefer it to be posted publicly.

SFCTA⁸⁴ urges sequencing and performance-based phasing to allow airports in the AV Pilot and Deployment programs.

SFTWA⁸⁵ propose stronger limits, up to prohibiting terminal access and a moratorium on commercial airport AV operations until key issues in the OIR are resolved.

SEIU⁸⁶ further asks for a publicly authorized, airport-specific ODD and public posting of terms/conditions and contracts governing airport AV service.

4.4.4. Discussion

The Commission will permit driverless passenger service in the AV Pilot Program at airports, which is currently prohibited, and adopts the following requirements for airport passenger service across the Commission's AV programs:

Drivered Pilot and Drivered Deployment

Airport passenger service in the Drivered Pilot and Drivered Deployment Programs is permitted with the authorization of each airport the carrier wishes to serve, as required by GO 157-E Section 3.02. Before beginning airport passenger service, a Drivered Pilot or Drivered Deployment carrier shall submit to

⁸¹ Opening Comments of LADOT on OIR at 6.

⁸² Opening Comments of SEIU Locals on OIR at 6.

⁸³ Opening Comments of SFTWA on OIR at 7.

⁸⁴ Opening Comments of SFCTA on OIR at 13.

⁸⁵ Reply Comments of San Francisco Taxi Worker's Alliance on OIR at 4.

⁸⁶ Opening Comments of SEIU Locals on OIR at 6.

Commission staff written permission from the relevant airport authority. The carrier may commence airport passenger service upon submission.

Driverless Pilot

Airport passenger service is permitted in the Driverless Pilot Program subject to the following.

First airport: Before beginning airport passenger service, the carrier shall submit an airport authorization package to Commission staff containing: (1) written permission from the relevant airport authority; (2) identification of the DMV-approved ODD that geographically encompasses the proposed airport service area; and (3) an updated Passenger Safety Plan describing how the carrier will address passenger safety risks associated with airport operations.

Additional airports: For each additional airport, the carrier shall submit items (1) and (2) above, plus either (a) an attestation that the risks and mitigations in its approved Passenger Safety Plan fully address the new airport, or (b) an updated Passenger Safety Plan addressing any passenger safety risks not already covered.

The carrier shall not commence Driverless Pilot airport passenger service until Commission staff issues a written approval notice confirming receipt of the required items for each airport. Staff shall issue a written approval notice upon receipt of a complete submission.

Driverless Deployment

Airport passenger service is already permitted in the Driverless Deployment Program. This decision provides clarification on the process of notifying the Commission and adds the requirement for a carrier to identify and address airport-specific passenger safety risks.

First airport: Before beginning airport Driverless Deployment passenger service, the carrier shall submit an airport authorization package to Commission staff containing items (1), (2), and (3) above for Driverless Pilot.

Additional airports: For each additional airport, the carrier shall submit items (1) and (2) above, plus either an attestation or an updated Passenger Safety Plan as described above for Driverless Pilot.

Carriers currently providing airport service: A carrier providing Driverless Deployment airport passenger service as of the effective date of this decision shall submit an updated Passenger Safety Plan addressing airport-specific passenger safety risks within 30 days. These carriers may continue providing airport service during staff review.

Authorization packages that include updates to the PSP to address airport-specific risks in Driverless Deployment shall be submitted as a Tier 1 Advice Letter. The carrier shall not commence Driverless Deployment airport passenger service until Commission staff issues a written disposition of the advice letter except for carriers with existing airport authorization. If no updates are required for the PSP, the carrier shall submit the authorization package to Commission staff with no advice letter required. In this case, the carrier shall not commence Driverless Deployment airport passenger service until Commission staff issues written approval notice confirming receipt of the required items for each airport. Staff shall issue a written approval notice upon receipt of a complete submission.

Commission staff will make all airport authority's written authorization publicly available on the Commission's website. Commission website posting is not a condition precedent to the carrier beginning airport passenger service. Staff may publish and update nonbinding guidance on the submission process as part of an AV Program Guidebook.

4.5. Purpose-Built AVs—Reporting & Safety Protocols

4.5.1. Scoping Memo Questions

- Once the DMV has approved Purpose-Built AVs (i.e., vehicles that do not comply with certain Federal Motor Vehicle Safety Standards (FMVSS) requiring safety equipment designed for human-driven vehicles, such as steering wheels, pedals, or mirrors) for use on the road in commercial operations, what reporting and safety protocols beyond the regular requirements for a Charter-Party Carrier (TCP) need to be in place for a Purpose-Built AV to transport passengers?

4.5.2. Background

AV carriers are developing vehicles “purpose-built” for autonomous operations, which lack features designed for human-driven vehicles like steering wheels, pedals, and similar equipment. The OIR asked for input related to purpose-built vehicles on PSP requirements, changes to incompatible provisions of General Order 157-E, and information provided to passengers including soliciting and receiving passenger consent.

4.5.3. Party Comments

Parties provided comments on a broad set of issues but given the nascent state of purpose-built vehicles we will focus on the narrow issue of passenger notice and consent.

Waymo,⁸⁷ Zoox,⁸⁸ and VW⁸⁹ oppose any new or additional notice and consent requirements for purpose-built vehicles.

⁸⁷ Opening Comments of Waymo LLC on OIR at 18.

⁸⁸ Comments of Zoox on OIR at 14.

⁸⁹ Opening Comments of VW on OIR at 7.

Tesla supports providing advance notice and information about a purpose-built vehicle being used but opposes an affirmative consent requirement arguing that should be left to the carrier.⁹⁰

4.5.4. Discussion

Since the purpose-built vehicles are in the early stage of development and deployment, the Commission will defer consideration of more significant policy changes. Existing passenger notice and consent requirements partially address purpose-built vehicles, as they require a photo of the vehicle to be shared as part of the notice and consent exchange. To date, there is limited data on the real-world implications and potential passenger service risks of these unique AVs to make additional changes.

But for the time being, the Commission will require that when a carrier seeks to add a new vehicle platform to their service, including but not limited to a purpose-built vehicle, the following requirements apply.

Drivered Pilot and Drivered Deployment: Before operating a new vehicle platform in Drivered Pilot or Drivered Deployment passenger service, the carrier shall submit to Commission staff: (1) an updated passenger notice and consent plan; and (2) documentation of the DMV authorization covering the platform. The carrier shall not commence operations with the new vehicle platform until Commission staff issues written approval notice. Staff shall issue a written approval notice upon receipt of a complete submission.

Driverless Pilot: Before operating a new vehicle platform in Driverless Pilot passenger service, the carrier shall submit to Commission staff: (1) an updated passenger notice and consent plan; (2) documentation of the DMV

⁹⁰ Comments of Tesla on OIR at 15.

authorization covering the platform; and (3) an updated Passenger Safety Plan that reflects the new platform. The carrier shall not commence operations with the new vehicle platform until Commission staff issues a written approval notice. Staff shall issue a written approval notice upon receipt of a complete submission.

Driverless Deployment: Before operating a new vehicle platform in passenger service, the carrier shall submit via Tier 2 Advice Letter that includes: (1) an updated passenger notice and consent plan; (2) documentation of the DMV authorization covering that platform; and (3) an updated Passenger Safety Plan. The carrier shall not commence operations with the new vehicle platform until approval is granted through disposition of the Tier 2 Advice Letter, and review and approval of the advice letter shall be consistent with existing processes.

Staff may publish and update nonbinding guidance on the submission process for updating these documents as part of an AV Program Guidebook.

5. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the “Public Comment” tab of the online Docket Card for that proceeding on the Commission’s website. Rule 1.18(a) requires that all written public comment submitted prior to the submission of the proceeding are part of the administrative record of the proceeding. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

There were three public comments. They all stressed that the Commission should ensure transparency so that the public is aware of the parameters of the AV service operations being authorized.

6. Comments on Proposed Decision

The proposed decision of Commissioner Matthew Baker in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

7. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Robert M. Mason III is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. The exemption procedures and rules are inconsistent between the AV Pilot and Deployment programs.
2. The Commission's AV regulations do not prescribe a clear process for reinstatement of suspended AV passenger service authorization following reinstatement of the DMV permit.
3. Currently, only Commission Driverless Deployment ODDs are public through the Commission's Advice Letter process.
4. Driverless passenger service at airports is currently only permitted in the Commission's AV Deployment program, not in the AV Pilot Program.
5. AV carriers have begun developing vehicles "purpose-built" for autonomous operations, which lack features designed for human-driven vehicles such as steering wheels, pedals, and similar equipment.
6. Requiring routine renewal of an AV exemption when the factual basis for the exemption has not materially changed creates recurring administrative work without necessarily providing additional regulatory information.

7. DMV reinstatement of an AV permit does not by itself establish whether remedial actions materially affect approaches described in a carrier's Commission-filed Passenger Safety Plan.

8. Public disclosure of specified high-level ODD information can provide transparency regarding authorized operating areas without requiring disclosure of underlying technical information.

9. Airport authorities retain authority to determine whether an AV carrier may provide passenger service on airport property.

Conclusions of Law

1. It is reasonable to conclude that the Commission should authorize Commission staff tasked with reviewing and approving AV operations to approve or deny future requests for these specific exemptions for AV carriers in both Pilot and Deployment operations.

2. It is reasonable to conclude that staff may publish and update nonbinding guidance identifying examples of documentation that may assist in evaluating exemption requests authorized by this decision as part of an AV Program Guidebook, and staff may request additional information reasonably necessary to determine whether the applicable exemption criteria are satisfied.

3. It is reasonable to conclude that a suspension of a carrier's underlying TCP permit or AV program authorization does not terminate or otherwise alter an exemption granted under this decision.

4. It is reasonable to conclude that the carrier may rely on a previously granted exemption following reinstatement of the underlying authorization, provided the exemption has not otherwise expired or been revoked and the factual circumstances supporting it remain materially unchanged.

5. It is reasonable to conclude that an exemption granted under this decision remains effective while the carrier maintains the underlying Commission AV authorization and the factual circumstances supporting the exemption remain materially unchanged.

6. It is reasonable to conclude that renewal of a carrier's TCP permit, by itself, does not require renewal or reapproval of a granted exemption.

7. It is reasonable to conclude that an annual re-attestation of functional equivalence is not required but instead require carriers to apply for a new exemption if changes to the carrier's vehicle(s) or operations render the original exemption and/or the information submitted justifying the exemption untrue or inapplicable.

8. It is reasonable to conclude that for the Pilot and Drivered AV Deployment, once a carrier has received reinstatement of their permit from DMV, staff may reinstate the Commission AV authorization upon determining that applicable Commission requirements are satisfied. Staff may publish and update nonbinding guidance on the documentation required to inform reinstatement as part of an AV Program Guidebook.

9. It is reasonable to conclude that the Commission should extend the public disclosure of ODDs (including, but not limited to, a geographic map and list of cities/counties, time of day, roadway types, weather conditions, speed range) to the Driverless Pilot program and the Drivered Deployment Program.

10. It is reasonable to conclude that no new 30-day attestation will be required solely due to an ODD modification in Pilot and Deployment as while the attestation requirement makes sense for new entrants to the Pilot and Deployment programs, it should not be required for ODD modifications for carriers that have already established the "on-road experience" of their vehicles.

11. It is reasonable to conclude that the Commission should allow AV Pilot Program operators to provide passenger service at airports and adopt requirements for operators once the DMV and the relevant airport authority have provided permission.

12. It is reasonable to conclude that the Commission should require that when a carrier adds a new vehicle platform to service, including but not limited to a purpose-built vehicle, an updated notice and consent plan should be submitted alongside an updated PSP.

O R D E R

IT IS ORDERED that:

1. Notwithstanding Part 8.01 of General Order 157-E, Commission staff responsible for administering the Autonomous Vehicle (AV) Passenger Service Programs are authorized to approve or deny requests for the exemptions identified in this Ordering Paragraph without further Commission disposition: Part 4.01, allowing for use of vehicles owned by the carrier's parent company; Part 4.01, allowing for use of vehicles with manufacturer plates that are not commercially registered (in the AV Pilot only). The inspection and recordkeeping requirements of Parts 4.02, 4.05, and 4.06 apply only to equipment that a vehicle is equipped with. Where a vehicle is not equipped with an item listed in those provisions, and state or federal law does not otherwise require the item, no exemption is necessary.

2. The granted exemptions in both Pilot and Deployment operations will remain effective while the carrier maintains the underlying Commission Autonomous Vehicle authorization and the factual circumstances supporting the exemption remain materially unchanged without requiring renewal or annual attestation.

3. The Commission grants staff the authority to publish and update nonbinding guidance identifying examples of documentation that may assist in evaluating exemption requests authorized by this decision as part of an Autonomous Vehicle (AV) Program Guidebook. Staff may request additional information reasonably necessary to determine whether the applicable exemption criteria are satisfied.

4. Autonomous Vehicle carriers shall apply for a new exemption if changes to the carrier's vehicle(s) or operations render the original exemption and/or the information submitted justifying the exemption untrue or inapplicable.

5. Following reinstatement of the carrier's applicable Department of Motor Vehicles (DMV) authority, an Autonomous Vehicle carrier shall submit to the Commission staff documentation of the reinstated DMV authority and information sufficient to demonstrate that the condition giving rise to the suspension has been resolved. Staff may reinstate the Commission Autonomous Vehicle authorization upon determining that applicable Commission requirements are satisfied. Staff may publish and update nonbinding guidance on the documentation required to inform reinstatement as part of an AV Program Guidebook.

6. The Commission will extend the public disclosure of Operational Design Domains (ODDs) (including, but not limited to, a geographic map and list of cities/counties, time of day, roadway types, weather conditions, speed range) to the Driverless Pilot program and the Drivered Deployment Program. To satisfy this requirement, Autonomous Vehicle Driverless Pilot and Drivered Deployment carriers shall submit the public ODD information to Commission staff through the submission method designated by staff. The submission shall

include a geographic map and list of cities/counties, time of day, roadway types, weather conditions, and speed range.

7. Following a Department of Motor Vehicles (DMV)-approved modification to its Operational Design Domain (ODD), an Autonomous Vehicle Driverless Pilot or Drivered Deployment carrier shall submit updated public ODD information to Commission staff within one business day of the DMV-approved modification.

8. The Commission will permit driverless passenger service in the Autonomous Vehicle (AV) Pilot Program at airports subject to the following requirements: Before beginning airport passenger service, the carrier shall submit an airport authorization package to Commission staff containing: (1) written permission from the relevant airport authority; (2) identification of the Department of Motor Vehicles (DMV)-approved Operational Design Domain (ODD) that geographically encompasses the proposed airport service area; and (3) an updated Passenger Safety Plan (PSP) describing how the carrier will address passenger safety risks associated with airport operations. For each additional airport, the carrier shall submit items (1) and (2) above, plus either (a) an attestation that the risks and mitigations in its approved PSP fully address the new airport, or (b) an updated PSP addressing any passenger safety risks not already covered. The airport authorization package shall be submitted directly to Commission staff and does not require an Advice Letter. Commission staff will make the airport authority's written authorization publicly available on the Commission's website. The carrier shall not commence driverless airport passenger service until Commission staff issues a written approval notice confirming receipt of: (1) airport written consent; (2) the DMV-approved ODD

encompassing airport roads; and (3) an updated PSP addressing airport risks. Staff shall issue an approval notice upon receipt of a complete submission.

9. The Commission requires that when an Autonomous Vehicle carrier adds a new vehicle platform to service, including but not limited to a purpose-built vehicle, an updated notice and consent plan should be submitted alongside an updated passenger safety plan.

10. Rulemaking 25-08-013 remains open.

This order is effective today.

Dated October __, 2026, at Sacramento, California.