Date of Issuance
September 21, 2026

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Consumer Protection and Enforcement Division **Resolution TEB-003**
September 17, 2026

R E S O L U T I O N

RESOLUTION TEB-003, APPROVING ADMINISTRATIVE CONSENT ORDER AND AGREEMENT OF CONSUMER PROTECTION AND ENFORCEMENT DIVISION, CAREY LIMOUSINE S.F. INC. AND SQUIRE LIMOUSINE SERVICE REGARDING COMPLIANCE DURING 2026 SUPERBOWL OPERATIONS

PROPOSED OUTCOME:

Approve Administrative Consent Order and Agreement (ACO) between the Consumer Protection and Enforcement Division (CPED) and the Transportation Charter-Party Carriers (TCPs) Carey Limousine S.F., Inc. (TCP 9906-A) (Carey Limo) and Squire Limousine Service (TCP 9905-A) (Squire). Carey Limo and Squire (jointly referred to as "Carriers") are governed by General Order (G.O.) 157-E and the Public Utilities Code. This Resolution and ACO (if adopted) resolve all issues involving the Carriers' compliance with G.O. 157-E's requirements during the Carriers' 2026 Super Bowl LX operations for a total penalty amount of $67,000.

SAFETY CONSIDERATIONS:

The ACO identifies corrective actions necessary to improve compliance with rules and regulations intended to promote public safety.

ESTIMATED COST:

Pursuant to the ACO, the Carriers agree to jointly pay $67,000 in penalties to the State's General Fund to resolve the alleged violations.

SUMMARY

In this Resolution, the California Public Utilities Commission (Commission) approves an ACO, included as Attachment A, between CPED, Carey Limo and Squire, to resolve all issues involving the Carriers' compliance with applicable regulations between February 3, 2026 and February 9, 2026, including Commission Rules of Practice and Procedure (Commission Rule) Rule 1.1 and G.O. 157-E, Section 1.06, requirements for charter-party carriers to comply with California Vehicle (Veh.) Code. To resolve CPED's allegations, the Carriers agreed to initiate corrective actions and pay a total penalty amount of $67,000. This Resolution includes an analysis of the Penalty Assessment Methodology.

BACKGROUND

CPED, through its Transportation Enforcement Branch (TEB), is responsible for ensuring that all TCPs comply with the Commission's statutory and regulatory requirements for the provision of safe and reliable transportation to the public. TEB responds to and investigates complaints of unsafe, unlicensed, and uninsured passenger carriers. TEB staff may initiate enforcement actions and make recommendations to the Commission, such as this ACO. The Commission's authority to regulate TCPs is found in Article XII of the California Constitution and Public Utilities (Pub. Util.) Code section 5351, et seq.[1]

TCPs, including Carey Limo and Squire, are defined in Public Utilities Code sections 5351-5363. 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. "Charter-party carrier of passengers" includes any person, corporation, or other entity engaged in the provision of a hired driver service when a rented motor vehicle is being operated by a hired driver.

G.O. 157-E states that "Every charter-party carrier and its drivers shall comply with the provisions of the California Vehicle Code."[2] The G.O. further states that "The Commission may authorize deviations from these rules and regulations or prescribe or require the observance of additional or different rules by special order."[3] No such deviation or exemption was granted to either carrier for the Super Bowl LX operations addressed herein.

TEB investigated the Carriers' operations between February 3, 2026 and February 9, 2026 (Super Bowl LX Operations) for compliance with Commission rules and general orders, including requirements that all TCP vehicles be properly registered and inspected and that all TCP drivers be enrolled in the DMV Employer Pull Notice (EPN) program and Controlled Substance and Alcohol Testing.

As part of this investigation, TEB sent the Carriers a cease and desist letter on February 3, 2026 and then subsequent to Super Bowl LX operations concluding on February 9,

[1] *See also*, G.O.s 115-G, 157-E, and 158-A; *see also,* Decision ("D.")13-09-045.

[2] G.O. 157-E, §1.06.

[3] G.O. 157-E, §1.07 (See also Part 8, Exemptions).

2026, the Carriers provided compliance records. TEB analyzed the Carriers' compliance records, identified potential violations of Pub. Util. Code, Veh. Code and G.O. 157-E, and initiated settlement discussions to share its investigation findings with Carey Limo and Squire.

Part I of the Appendix to the ACO contains relevant stipulated facts relating to the Carriers' compliance with Pub. Util. Code, Veh. Code, and G.O. 157-E. Part II of the Appendix contains a summary of CPED's allegations.

TEB alleged that the Carriers' Super Bowl LX Operations included the use of 290 non-compliant vehicles. Carey Limo and Squire deny TEB's allegation of 290 violations but admit that 162 non-compliant vehicles were utilized in Super Bowl LX operations, comprising 68 manufacturer courtesy vehicles, 50 rental vehicles, and 44 out-of-state vehicles, 118 of which were operated by Squire Limo-employed chauffeurs.

TEB, Carey Limo and Squire engaged in extensive direct settlement discussions, which included the Carriers providing TEB with details of their advance efforts to communicate and work with the Commission's Transportation Licensing and Analysis Branch (TLAB) to achieve compliance and/or deviation authorization from Commission rules and regulations related to planned Super Bowl LX operations.

TEB, Carey Limo and Squire all share the common goal of promoting and improving public safety and complying with the Commission's Orders, including Vehicle Inspection Requirements and current and accurate driver and vehicle lists on file with TLAB.

DISCUSSION

Resolution M-4846, issued in November 2020, adopted the Commission Enforcement and Penalty Policy (Enforcement Policy) and authorized Commission staff to negotiate and propose an ACO to resolve an enforcement matter, subject to review and consideration by the Commission.[4] CPED and the Carriers executed the attached ACO,[5] pursuant to and consistent with the Enforcement Policy, which resolves all issues related to the Carriers' compliance with Pub. Util. Code, Veh. Code and G.O. 157-E during a roughly week long period and any enforcement action CPED might have brought related to or arising therefrom. In accordance with the Enforcement Policy, the proposed settlement between CPED, Carey Limo and Squire (collectively, Parties) is memorialized in the attached ACO. The ACO includes information consistent with the requirements of Section III.A.7 of the Enforcement Policy.

[4] Resolution M-4846, Findings and Conclusions No. 8; *see also, id.,* Enforcement Policy at 11.

[5] The ACO is attached as Attachment A.

The Enforcement Policy provides that "the following general considerations should be evaluated as part of any proposed settlement to be submitted for Commission review: (1) [e]quitable factors; (2) [m]itigating circumstances; (3) [e]videntiary issues; and (4) [o]ther weaknesses in the enforcement action[.]"[6] The Parties explicitly considered these factors in their confidential settlement communications under Commission Rule 12.6. CPED acknowledges the Carriers' cooperation with CPED on the negotiation of the ACO, and CPED explicitly considered a range of evidentiary and other matters that would bear upon its pursuit of enforcement actions seeking penalties or citations on disputed issues of fact and law.

The Penalty Assessment Methodology sets forth five factors that staff and the Commission must consider in determining the amount of a penalty for each violation: "[s]everity or gravity of the offense, conduct of the regulated entity, financial resources of the regulated entity, including the size of the business, totality of the circumstances in furtherance of the public interest, and the role of precedent."[7] These factors are addressed here.

A. Severity or Gravity of the Offenses

The Commission has stated that the severity of the offense includes several considerations, including economic harm, physical harm, and harm to the regulatory process.

1. Physical and Economic Harm

The Commission has described the physical and economic harm criteria as follows:

> Economic harm reflects the amount of expense which was imposed upon the victims. In comparison, violations that cause actual physical harm to people or property are generally considered the most severe, followed by violations that threaten such harm.[8]

CPED did not allege any physical or economic harm to the general public. However, the settlement payment amount reflects the possibility of physical harm from vehicles that are not registered commercially in California while simultaneously acknowledging that brand new or low-mileage manufacturer "courtesy" vehicles pose a lessened risk than high-mileage vehicles.

[6] Resolution M-4846, Enforcement Policy at 15.

[7] *Id.* at 16-21.

[8] *Id.* at 16.

2. Harm to the Regulatory Process

As part of the severity of the offense factor, the Commission has described the harm to the regulatory process criterion as follows:

> "Every public utility shall obey and comply with every order, decision, direction, or rule made or prescribed by the Commission in the matters specified in this part, or any other matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper to secure compliance therewith by all of its officers, agents, and employees." (Public Utilities Code § 702).
>
> Such compliance is essential to the proper functioning of the regulatory process. For this reason, disregarding a statutory or Commission directive, regardless of the effects on the public, will be accorded a high level of severity.[9]

The ACO reflects a reasonable penalty considering the degree of harm to the regulatory process. Carey Limo and Squire complied with CPED during the investigation of their Super Bowl LX Operations compliance with Pub. Util. Code, Veh. Code, Commission Rules and G.O. 157-E and in the negotiation and presentation of the ACO.

Although CPED maintains that the Carriers violated Commission rules, General Orders, Veh. Code, and Public Utilities Code, CPED acknowledges that the Carriers proactively communicated with the Commission's Transportation Licensing and Analysis Branch (TLAB) and attempted to develop a compliance plan regarding its sub-carriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles beginning in June 2025. Despite the Carriers' proactive engagement with Commission staff, a compliance plan did not materialize, and the Carriers proceeded on the incorrect assumption that authorization would ultimately be granted.

3. Number of Violations

"The number of the violations is a factor in determining the severity."[10] The Carriers admit to 162 non-compliant vehicles being used during Super Bowl LX Operations, below the 290 vehicle number estimated by CPED. While the number of alleged violations is high, the risks associated with operating unregistered vehicles are less when the vehicles are brand new or "low-mileage" courtesy vehicles. The Settlement Payment reflects the number of acknowledged violations.

[9] *Id.* at 17.

[10] *Id.*

4. Number of Customers Affected

A "widespread violation which affects a large number of consumers is a more severe offense than one that is limited in scope."[11] While the number of alleged noncompliant vehicles the Carriers operated was high, the number of passengers was low and comprised solely of individuals associated with the National Football League (NFL), and CPED did not find that any particular violation resulted in physical harm to a specific customer.

B. The Conduct of the Utility

In evaluating the conduct of the utility, the Commission has described the following considerations: (1) actions taken to prevent a violation; (2) actions taken to detect a violation; (3) actions taken to disclose and rectify a violation; (4) actions taken to conceal, hide or cover up a violation; and (5) prior history of violations.[12]

Although CPED maintains that the Carriers violated Commission rules, General Orders, and Public Utilities Code, CPED acknowledges that the Carriers proactively communicated with TLAB and attempted to develop a compliance plan regarding its sub-carriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles beginning in June 2025. Despite the Carriers' proactive engagement with Commission staff, a compliance plan did not materialize, the Carriers proceeded on the incorrect assumption that authorization would ultimately be granted and, as a result, CPED issued a cease-and-desist letter dated February 3, 2026 prior to the Carriers' Super Bowl LX operations. The Carriers acknowledge the regulatory obligation to achieve compliance for future operations and/or seek deviation authorization from Commission rules and regulations as necessary.

Significantly, as a result of this ACO, the Carriers have taken, and will continue to take, meaningful efforts to prevent future violations that include proactive communications with TLAB in order to obtain the proper exemptions or deviation authorization.

As of the date of this ACO, the Commission has received no complaints regarding the Carriers operating unregistered or noncompliant vehicles and the Carriers have begun communications with TLAB to address future large event operations. This absence of complaints and the Carriers' proactive efforts at compliance demonstrate a good-faith effort by the Carriers to comply with applicable law and to improve its ongoing compliance performance.

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[11] *Id.*

[12] *Id.*

C. Financial Resources of the Utility

The Commission has described this criterion as follows:

> Effective deterrence also requires that staff recognize the financial resources of the regulated entity in setting a penalty that balances the need for deterrence with the constitutional limitations on excessive penalties. . . . If appropriate, penalty levels will be adjusted to achieve the objective of deterrence, without becoming excessive, based on each regulated entity's financial resources.[13]

In determining the reasonableness of the settlement, CPED took the Carriers' financial resources into consideration, including the fact that both Carey Limo and Squire are small operators with Squire having only two vehicles subject to the jurisdiction and authority of the Commission and relied almost entirely on sub-carriers for the event.

The Parties agree for purposes of this ACO that the Carriers should be required to pay a total of $67,000 to the State's General Fund. Within thirty calendar days of the Commission's approval of this ACO, the Carriers will make the first of six equal monthly payments. Based on the Carriers' current financial resources, a penalty in the amount of $67,000 paid over six equal monthly payments to the General Fund is reasonable and appropriate to achieve the objective of deterrence, without being excessive.

D. Totality of Circumstances in Furtherance of Public Interest

The Commission has described this criterion as follows:

> Setting a penalty at a level that effectively deters further unlawful conduct by the regulated entity and others requires that staff specifically tailor the package of sanctions, including any penalty, to the unique facts of the case. Staff will review facts that tend to mitigate the degree of wrongdoing as well as any facts that exacerbate the wrongdoing. In all cases, the harm will be evaluated from the perspective of the public interest.
>
> An economic benefit amount shall be estimated for every violation. Economic benefit includes any savings or monetary gain derived from the act or omission that constitutes the violation.[14]

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[13] *Id.* at 19.

[14] *Id.*

The Commission must evaluate penalties in the totality of the circumstances, with an emphasis on protecting the public interest. The Carriers' corrective actions and penalties for the alleged violations should be tailored to the limited harm and mitigating factors of this case.

In addition to the mitigating factors described above, as a show of good faith and to avoid any future alleged violations, the Carriers have initiated the corrective actions identified in the ACO before the ACO was filed.

E. Consistency with Precedent

The Commission has described the role of precedent as follows:

> Penalties are assessed in a wide range of cases. The penalties assessed in cases are not usually directly comparable. Nevertheless, when a case involves reasonably comparable factual circumstances to another case where penalties were assessed, the similarities and differences between the two cases should be considered in setting the penalty amount.[15]

In determining whether the settlement penalty is reasonable, penalties imposed in comparable charter-party carrier enforcement matters may be considered, including the subject carriers' own prior enforcement history. In Citation T.24-04-004 (Tutor Time), TEB assessed a $5,000 penalty for one count of operating a bus without proper vehicle registration.[16] In T.2025-11-002 (Safe Rides Limo LLC), TEB assessed a $10,000 penalty for twenty violations involving driver enrollment in required DMV and drug-and-alcohol testing programs.

Of particular relevance here, Carey Limo was previously cited in T.2025-09-005 and assessed an aggregate $20,000 penalty for multiple violations involving unauthorized subcarriers, driver enrollment requirements, vehicle inspection requirements, and waybill deficiencies. Although that citation did not involve the same vehicle-registration violation presented here, it placed Carey on notice of its obligation to ensure that the vehicles and operations it utilizes comply with Commission and other applicable regulatory requirements.

These enforcement actions provide useful benchmarks rather than rigid formulas in evaluating a settlement involving the use of unregistered vehicles. A settlement amount that reasonably reflects unique considerations, while remaining proportionate to penalties

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[15] *Id.* at 21.

[16] T.24-04-004 is currently under appeal.

imposed in comparable matters, furthers the Commission's enforcement and deterrence objectives.

CPED considered the facts of this matter as compared to other enforcement actions taken against other similarly situated carriers, and believes the settlement amount and corrective actions are the appropriate resolution. As such, CPED believes the penalty imposed in this case is reasonable and is in proportion to the harm caused by the Carriers' actions.

COMMENTS

Public Utilities Code section 311(g)(1) requires that this draft Resolution be served on the parties and be subject to at least 30 days of public review and comment before the Commission may vote on the Resolution. Pursuant to Rule 14.5 of the Commission's Rules of Practice and Procedure, any person may comment on a draft resolution by serving comments on the Commission within 20 days of the date of its mailing and publication on the Commission's website, and in accordance with the instructions accompanying the notice.

The 30-day public review period and 20-day comment period for this draft Resolution were neither waived nor reduced. Accordingly, this draft Resolution was mailed and published for public review and comment and will be placed on the Commission's agenda no earlier than 30 days after its mailing and publication.

The Draft Resolution of the Commission's Legal Division in this matter was mailed to the parties in interest on August 14, 2026, in accordance with Cal. Pub. Util. Code § 311(g).

No comments were received.

FINDINGS AND CONCLUSIONS

1. Resolution M-4846 authorized Commission staff to negotiate and propose an ACO to resolve an enforcement matter, subject to review and consideration by the Commission.
2. CPED, Carey Limo and Squire have engaged in settlement negotiations and, consistent with Resolution M-4846 and the Enforcement Policy, have memorialized their proposed settlement in the attached ACO.
3. CPED, Carey Limo and Squire have agreed that the attached ACO resolves all issues related to CPED's investigations of and any enforcement action CPED might have brought related to or arising from the Carriers' Super Bowl LX operations compliance with GO 157-E requirements.

4. The agreed-upon fines and remedial actions have appropriately resolved all issues related to CPED's investigation and any enforcement action CPED may have brought, are reasonable in light of the circumstances, consistent with the law, and in the public interest.
5. Based on the analysis under the Penalty Assessment Methodology, the agreed-upon fines are reasonable in light of the circumstances.

THEREFORE, IT IS ORDERED that:

1. The ACO between CPED, Carey Limo and Squire relating to the Carriers compliance with Pub. Util. Code, Veh. Code, Commission Rules and General Order 157-E, requirements is adopted.
2. The Carriers' shall pay a monetary penalty of $67,000 over six equal payments starting within thirty calendar days after the date that this Resolution is final and no longer subject to appeal. Payments must be with a certified check made or wire transfer payable to the ***California Public Utilities Commission*** to:

> **California Public Utilities Commission**
> **Attn: Fiscal Office**
> **505 Van Ness Avenue**
> **San Francisco, CA 94102-3298**

The Carriers shall state on the face of the check or on the wire transfer: "For deposit to the General Fund per Resolution TEB-003."

3. The Carriers shall maintain policies and procedures in place to ensure vehicles are properly included in the Carrier's authorized vehicle list, regardless of the limited duration of each vehicle's use. Such measures shall include internal compliance procedures requiring verification, prior to dispatch or passenger service, that each vehicle utilized in operations complies with all applicable Commission rules and regulations and appears on the Carrier's current and approved vehicle list maintained by TLAB.

4. The Carriers shall ensure all vehicles used for paid passenger transportation are commercially registered with the Department of Motor Vehicles in advance of the event. To the extent the Carrier believes that a vehicle proposed for TCP operations is exempt from California DMV commercial-registration requirements, or may be operated under a waiver, exemption, temporary authority, out-of-state registration, manufacturer/dealer registration, or similar exception, the Carrier shall not operate that vehicle in TCP service unless and until the Carrier has obtained written confirmation from DMV and/or CPUC, as applicable, that the proposed operation is lawful. The Carrier shall provide CPED with a copy of that written confirmation before the vehicle is used in TCP service. If subcarriers are required, utilize active

CPUC-licensed TCPs or ensure subcarriers apply and become licensed prior to initiating operations. CPED's TLAB maintains a current list of active TCP carriers publicly available. If the Carriers or their subcarriers plan to use out-of-state vehicles or drivers, the Carrier shall ensure that all active drivers used in TCP operations, including temporary, special-event, and out-of-state drivers, are (i) promptly listed in the CPUC Transportation Carrier Portal or otherwise disclosed to Licensing as required when added, removed or become inactive, and (ii) enrolled in or covered by required DMV EPN processes, properly licensed, and documented as employees or lawful subcarrier drivers before performing any California TCP transportation.

5. The Carriers shall maintain internal records documenting the date vehicle approval requests were submitted to TLAB, the date approval was received, and the period during which each vehicle was authorized for operation.

6. The Carriers shall proactively communicate with TLAB for special events regarding any proposed additions, substitutions, temporary use, lease, rental, manufacturer courtesy vehicle, or out-of-state vehicle intended for use in charter-party carrier operations. Such communications shall include complete lists of "courtesy" vehicles provided by a manufacturer, the names and drivers license numbers for all drivers to be utilized, and evidence of valid inspections for all vehicles intended to be utilized in charter-party carrier operations.

7. This Resolution is effective today.

I certify that the foregoing Resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on September 17, 2026; the following Commissioners voting favorably thereon:

TERRA CURTIS
Terra Curtis
Director
Consumer Protection Enforcement Division

JOHN REYNOLDS
President
DARCIE L. HOUCK
KAREN DOUGLAS
MATTHEW BAKER
CHRISTINE HARADA
Commissioners

Executed on September 17, 2026 at San Marcos, California

ATTACHMENT A

Administrative Consent Order

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

In the matter of: Carey Limousine S.F., Inc. (TCP 9906-A) and Squire Limousine Service (TCP 9905-A) – re: Super Bowl Operations	[PROPOSED] ADMINISTRATIVE CONSENT ORDER AND AGREEMENT Issued pursuant to Commission Resolution M-4846 (adopting Commission Enforcement Policy)

[PROPOSED] ADMINISTRATIVE CONSENT ORDER AND AGREEMENT

August 14, 2026

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[PROPOSED] ADMINISTRATIVE CONSENT ORDER AND AGREEMENT

This Administrative Consent Order and Agreement (hereinafter "ACO" or Agreement") is entered into and agreed to by and between the Transportation Enforcement Branch (TEB) of the Consumer Protection and Enforcement Division (CPED) of the California Public Utilities Commission ("CPUC" or "Commission") and the charter-party carriers of passengers (TCPs) Carey Limousine S.F., Inc. (TCP 9906-A)(Carey Limo) and Squire Limousine Service (TCP 9905-A) (Squire Limo) (collectively, the "Parties") pursuant to Resolution M-4846, dated November 5, 2020, titled *Resolution Adopting Commission Enforcement Policy*.

CPED's investigation found that Squire Limo and its sub-carrier Carey Limo utilized out-of-state limousines and vehicles that were not registered as commercial vehicles in California to carry passengers to and from various events related to, and including, the 2026 Super Bowl in California without complying with applicable California regulations regarding third-party carriers of passengers (TCPs), as described herein.

WHEREAS:

- The Commission has authorized the Consumer Protection and Enforcement Division (CPED) "to investigate, negotiate, and draft proposed Administrative Consent Orders, subject to review and consideration by the Commission" via resolution;[1]
- The Commission's Enforcement Policy requires that a "negotiated proposed settlement . . . be memorialized in a proposed Administrative Consent Order," which requires certain items as set forth in Section 2, below;[2]
- Consistent with Resolution M-4846, this ACO is a product of direct negotiations between the Parties to resolve and dispose of all claims, allegations, liabilities, and defenses related to TEB's investigation into Carey Limo's and Squire Limo's (collectively, the "Carriers") compliance during 2026 Super Bowl LX operations (Investigation Period) with Commission Rules of Practice and Procedure (Commission Rule) Rule 1.1 and General Order (G.O.) 157-E, including the requirements that all sub-carriers maintain

[1] Resolution M-4846 at 15 (Findings and Conclusions No. 8).

[2] Resolution M-4846, Enforcement Policy at 10.

Commission authority (G.O. 157-E, Part 3.04), all drivers be enrolled in the DMV Employer Pull Notice (EPN) program (Pub. Util. Code 5374(a)(1)(D); G.O. 157-E, Part 5.02)[3] and Controlled Substance and Alcohol Testing (Pub. Util. Code 5374(a)(1)(I) and G.O. 157-E, Part 10.02) and all vehicles maintain valid California registrations (Veh. Code 260 and G.O. 157-E, Part 1.06);

- Part I of the Appendix to this ACO contains relevant stipulated facts relating to the Carriers' compliance with Public Utility Code, Vehicle Code and the Commission's G.O. 157-E's requirements for TCPs;
- Part II of the Appendix to this ACO contains the alleged facts that form the basis for CPED's alleged violations, and Carriers' responses thereto;
- This ACO is entered into as a compromise of disputed claims and defenses in order to minimize the time, expense, and uncertainty of an evidentiary hearing, any further enforcement proceedings, and/or any subsequent appeals, and with the Parties having taken into account the possibility that each of the Parties may or may not prevail on any given issue, and to expedite timely action on initiatives that benefit California consumers; and
- The Parties agree to the following terms and conditions as a complete and final resolution of all claims which have been, or might have been, brought by TEB related to or arising from alleged non-compliance with Vehicle Code, Public Utility Code and G.O. 157-E stemming from the Carrier's 2026 Super Bowl LX Operations and all of the Carrier's defenses thereto, based on the information available to the Parties, and without trial and adjudication of any issue of law or fact.

NOW, THEREFORE, it is agreed that this ACO is made and entered into.

I. <u>PARTIES</u>

The parties to this ACO are CPED, Carey Limo and Squire Limo.

CPED's TEB supervises and regulates TCPs pursuant to Public Utilities Code sections 5381, 5413, 5413.5, *et seq*., and enforces violations, where appropriate.

Squire Limousine, Inc., doing business as, Squire Limousine Service is a TCP (TCP 9905-A), defined in Public Utilities Code section 5360 as an entity "engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract

[3] All statutory references herein are to California Code unless stated otherwise.

carriage, over any public highway in this state" and includes any person, corporation, or other entity engaged in the provision of a hired driver service when a rented motor vehicle is being operated by a hired driver.

Carey Limo (TCP 9906-A) is a TCP affiliate of Squire Limo providing sub-carrier services pursuant to G.O. 157-E, Part 3.04. Squire Limo and Carey Limo are subsidiaries of Carey International.

II. ELEMENTS REQUIRED BY SECTION III.A.7 OF THE COMMISSION'S ENFORCEMENT POLICY FOR ADMINISTRATIVE CONSENT ORDERS

Except as explicitly stated herein, the Parties expressly agree and acknowledge that neither this ACO nor any act performed hereunder is, or may be deemed, an admission or evidence of the validity or invalidity of any allegations or claims of CPED, nor is the Agreement or any act performed hereunder to be construed as an admission or evidence of any wrongdoing, fault, omission, negligence, imprudence, or liability on the part of the Carrier. This is a negotiated settlement of disputed matters.

A. The Law or Commission Order, Resolution, Decision, or Rule Violated by the Regulated Entity

Part II of the Appendix to this ACO sets forth the alleged violations of Commission rules by Carey Limo and Squire Limo (Carriers). Specifically, TEB's allegations arise from its investigation into a referral from CPED's Transportation Licensing and Analysis Branch (TLAB) over concerns related to the Carrier's transportation services to and from the 2026 Super Bowl LX in California, which CPED alleges were not in compliance with California Vehicle Code, Public Utility Code, Commission Rule 1.1 and G.O. 157-E, *Rules and Regulations Governing the Operations of Charter-Party Carriers of Passengers Pursuant to Chapter 8 of Division 2 of the Public Utilities Code*.

B. The Facts that Form the Basis for Each Violation

The factual basis of Staff's allegations is set forth in the Appendix to this ACO. Part I of the Appendix contains relevant stipulated facts relating to the Carriers' compliance with G.O. 157-E's requirements and Vehicle Code and Public Utility Code requirements for vehicles to be properly registered with the State and licensed to operate with the Commission. Part II of the Appendix to this ACO contains the factual basis for CPED's alleged violations, and the Carriers' responses thereto.

C. Violations Alleged by TEB

On February 3, 2026, prior to the February 8, 2026, Super Bowl LX, TEB sent Carey Limo and Squire Limo a Notice to Cease and Desist, raising compliance concerns over the Carriers' proposed operations, including: (1) Planned use of Unauthorized Sub-carriers: Using sub-carriers lacking Commission authority (G.O. 157-E, Part 3.04); (2) Unverified CHP Vehicle Inspections: Operating certain vehicles with a seating capacity of 10 passengers or more seats require California Highway Patrol (CHP) inspections (G.O. 157-E, Part 1.06; PU Code §5374.5; CVC §34501(c)(e)); (3) Unverified 19-Point Inspections: Operating any TCP vehicles without a 19-Point Inspection prior to service (G.O. 157-E, Part 4.05); (4) Planned use of Unauthorized Drivers: Utilizing drivers not enrolled in the DMV Employer Pull Notice (EPN) program (PU Code §5374(a)(1)(D); G.O. 157-E, Part 5.02) and Controlled Substance and Alcohol Testing (PU Code §5374(a)(1)(I) and G.O. 157-E, Part 10.02); and (5) Planned use of Rental Vehicles or Courtesy Vehicles used in for-hire service. As described by Carriers' correspondence, "Rental" and manufacturer "Courtesy" vehicles were planned to be used in for-hire transportation services to and from the 2026 Super Bowl, but were not registered in California as Commercial vehicles, as evidenced by the registrations provided. Some of the vehicles provided during the Super

Bowl were out-of-state vehicles driven by out-of-state drivers, and not registered or licensed in California under applicable TCP regulations, as described below.

Following the conclusion of Super Bowl LX operations, TEB served the Carrier with data requests in an effort to investigate and determine compliance during the investigation period. Upon review of the Carriers' responses to the data requests, TEB's analysis identified 290 vehicles believed to be non-compliant. The 290 vehicles alleged to be noncompliant were comprised of 196 manufacturer courtesy vehicles not commercially registered in California, 50 rental vehicles not commercially registered in CA, and 44 out-of-state vehicles with drivers not employed by a licensed permit holder. (Part II of the Appendix to this ACO sets forth TEB's alleged violations).

The Carriers deny TEB's allegation of 290 non-compliant vehicles and assert that only 68 of the 196 manufacturer courtesy vehicles were used in charter-party carrier operations. However, for the limited purpose of negotiating a global settlement to cover all operations by Carey Limo and Squire Limo during the Super Bowl investigation period, the Carriers admit to 162 non-compliant vehicles in operation, comprised of 68 manufacturer courtesy vehicles not commercially registered, 50 rental vehicles not commercially registered, and 44 out-of-state vehicles with drivers not employed by a permit holder.

The Parties agreed to calculate an appropriate penalty and reach an equitable resolution of TEB's allegations based upon 162 violations of Veh. Code 260 and G.O. 157-E, Part 1.06.[4]

[4] The violation count is based on the total number of vehicles not registered as commercial vehicles in California that Squire Limo used in charter-party operations during the investigation period.

D. Information Related to the Potential for Additional or Ongoing Violations

The Parties intend this Agreement to be a complete and final resolution of all claims which have been, or might have been, brought by CPED related to the Carriers' charter party carrier operations during the investigation period, the Carrier's ongoing compliance with Vehicle Code and G.O. 157-E requirements, based on the information known, or that could have been known, by the Parties as of the date of the full execution of this ACO by both parties.

E. An Agreement by the Regulated Entity to Correct Each Violation

Squire Limo, as the main carrier utilizing Carey Limo as a sub-carrier, asserts that it has remediated any alleged continuing violations, which are uncontested by Carriers solely for purposes of this ACO. Furthermore, subject to the Commission's approval of this Agreement, the Carriers will implement corrective actions, including proactive compliance planning, sustained engagement with CPED and full transparency to enhance compliance with the Commission's requirements related to permitting for special events, including the use of subcarriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles.

1. A Date by Which the Regulated Entity Must Certify It Corrected All Violations

The Carriers assert they have remediated any alleged continuing violations through corrective actions implemented prior to the conclusion of TEB's investigation and subsequent to the review period, resulting in current compliance as well as for future large-scale events such as the NBA and MLB All-Star Games, NFL Super Bowl, etc.

2. An Agreement by the Regulated Entity to Pay Any Penalty by a Date Specified

The Carriers agree to corrective actions and pay the Commission penalties in an amount totaling Sixty-Seven Thousand Dollars (the "Settlement Payment") in six equal monthly payments starting 30 days from the Commission Resolution approving this Settlement. The Settlement Payment is the total penalty payable under this Agreement, and no additional payment shall be made by the Carriers or any of their subsidiaries in regards to operations using non-compliant vehicles during the Investigation Period and up through the date this Agreement is approved or rejected by the Commission through a resolution or decision resolving this ACO ("Settlement Period").

3. Penalty to the General Fund

The Carriers shall deliver the Settlement Payment of $67,000.00 in six equal monthly payments ($11,166.70 each) to the Commission by check or money order payable to the California Public Utilities Commission, mailed or delivered to the Commission's Fiscal Office at 505 Van Ness Avenue, Room 3000, San Francisco, CA 94102. The first payment shall be made within thirty (30) days of the Commission issuing a final decision approving this Agreement (as further defined in Section IV.E. below). The Commission shall thereafter deposit the Settlement Payment(s) into the State's General Fund.

4. Corrective Actions

The Carriers acknowledge that operation of vehicles not properly reflected on the Commission-approved vehicle list undermines the Commission's ability to verify compliance with safety, insurance, and other regulatory requirements. Accordingly, the Carriers agree that, going forward, no vehicle shall be utilized in charter-party carrier operations unless the Carrier has first confirmed that the vehicle fully complies with the requirements of the California Highway Patrol, the Motor Carrier Safety Sections of Title 13 of the California Code of Regulations, and applicable Commission rules and regulations (G.O. 157-E) or the Carrier has obtained written confirmation from CPUC that the proposed operation is lawful under a waiver, exemption, temporary authority, out-of-state registration, manufacturer/dealer registration, or similar exception. The Carriers agree to maintain policies and procedures in place to ensure vehicles are properly included in the Carrier's authorized vehicle list, regardless of the limited duration of each vehicle's use. Such corrective measures shall include internal compliance procedures requiring verification, prior to dispatch or passenger service, that each vehicle utilized in operations complies with all applicable Commission rules and regulations and appears on the Carrier's current and approved vehicle list maintained by TLAB.

At a minimum, the Carriers shall:

1. Ensure all vehicles used for paid passenger transportation are commercially registered with the Department of Motor Vehicles in advance of the event. To the extent the Carrier believes that a vehicle proposed for TCP operations is exempt from California DMV commercial-registration requirements, or may be operated under a waiver, exemption, temporary authority, out-of-state registration, manufacturer/dealer registration, or similar exception, the Carrier shall not operate that vehicle in TCP service unless and until the Carrier has obtained written confirmation from DMV and/or CPUC, as applicable, that the proposed operation is lawful. The Carrier shall provide CPED with a copy of that written confirmation before the vehicle is used in TCP service.
2. If subcarriers are required, utilize active CPUC-licensed TCPs or ensure subcarriers apply and become licensed prior to initiating operations. CPED's TLAB maintains a current list of active TCP carriers publicly available.
3. If the Carriers or their subcarriers plan to use out-of-state vehicles or drivers, the Carrier shall ensure that all active drivers used in TCP operations, including temporary, special-event, and out-of-state drivers, are (i) promptly listed in the CPUC Transportation Carrier Portal or otherwise disclosed to Licensing as required when added, removed or become

inactive, and (ii) enrolled in or covered by required DMV EPN processes, properly licensed, and documented as employees or lawful subcarrier drivers before performing any California TCP transportation.

4. Refrain from operating any out-of-state or non-commercially registered vehicle unless and until the Carrier ensures the vehicle complies with the requirements of the California Highway Patrol and the Motor Carrier Safety Section of Title 13 of the California Code of Regulations;[5] and
5. Maintain internal records documenting the date vehicle approval requests were submitted, the date approval was received, and the period during which each vehicle was authorized for operation.

The Carriers acknowledge that proactive communications with TLAB is required for special events regarding any proposed additions, substitutions, temporary use, lease, rental, manufacturer courtesy vehicle, or out-of-state vehicle intended for use in charter-party carrier operations. Such communications shall include complete lists of "courtesy" vehicles provided by a manufacturer, the names and drivers license numbers for all drivers to be utilized, and evidence of valid inspections for all vehicles intended to be utilized in charter-party carrier operations.

III. ADDITIONAL TERMS

A. Confidentiality and Public Disclosure Obligations

The Parties agree to continue to abide by the confidentiality provisions and protections of Commission Rule 12.6, which governs the discussions, admissions, concessions, and offers to settle that preceded execution of this ACO and that were exchanged in all efforts to support its approval. Those prior negotiations and communications shall remain confidential indefinitely,

[5] See G.O. 157-E, 4.02.

and the Parties shall not disclose them outside the negotiations without the written consent of both Parties. The Parties agree to coordinate as to the timing and content of mutual and/or individual public communications regarding the contents of this ACO. Notwithstanding the foregoing, the Carriers may make any disclosure they deem appropriate, in their sole discretion, to satisfy obligations under federal and state securities laws.

B. Future Proceedings

The Parties agree to avoid and abstain from making any collateral attacks on this ACO or taking positions in other venues that would undermine the effect or intent of the ACO.

The Parties agree this Agreement releases and discharges the Carriers from claims relating to any and all actual or alleged actions or omissions by the Carriers with respect to compliance with Commission G.O. 157-E Requirements during Super Bowl LX operations through the Settlement Period.

Nothing in this ACO constitutes a waiver by CPED or TEB of the legal obligations, authority, or discretion to investigate and enforce applicable safety requirements and standards (including, without limitation, provisions of G.O. 157-E) as to other conduct by the Carriers unrelated to this ACO that TEB may identify as the basis for any alleged violation(s). TEB shall retain such authority regardless of any factual or legal similarities with other conduct by the Carriers, and any alleged violation(s), may have to TEB's conduct/alleged violations related to compliance with G.O. 157-E. Accordingly, any such similarities shall not preclude TEB from using other conduct and alleged violation(s) as a basis for seeking future enforcement actions.

C. Regulatory Approval Process

Pursuant to Resolution M-4846, this ACO shall be submitted for public notice and comment. Upon approval or ratification of this ACO, the final resolution will "validate[] the order, which becomes an act of the Commission itself."[6]

By signing this ACO, the Parties acknowledge that they pledge mutual support for Commission Approval and subsequent implementation of all the provisions of this ACO. The Parties shall use their best efforts to obtain Commission Approval of this ACO without modification and agree to use best efforts to actively oppose any modification thereto. Should any Alternate Draft Resolution seek a modification to this ACO, and should the Parties be unwilling to accept such modification, that Party shall so notify the other Party within five business days of issuance of the Alternate Draft Resolution. The Parties shall thereafter promptly discuss the modification and negotiate in good faith to achieve a resolution acceptable to the Parties and shall promptly seek approval of the resolution so achieved. Failure to resolve such modification to the satisfaction of the Parties, or to obtain approval of such resolution promptly thereafter, shall entitle a Party to terminate this Agreement through prompt notice to the other Party. (*See also* Section IV.D. below.)

If Commission Approval is not obtained, the Parties reserve all rights to take any position whatsoever regarding any fact or matter of law at issue in any future enforcement action or proceeding related to the Carriers' compliance with G.O. 157-E.

D. Admissibility

If this ACO is not adopted by the Commission, its terms are inadmissible for any evidentiary purpose unless their admission is agreed to by the Parties.

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[6] Resolution M-4846 at 8.

IV. GENERAL PROVISIONS

A. Full Resolution

Upon Commission Approval, this ACO fully and finally resolves any and all claims and disputes between CPED, Carey Limo and Squire Limo and the Carriers' predecessors, successors, subsidiaries, affiliates, assigns, current and former agents, employees, independent contractors, representatives, officers, directors, insurers, accountants, and attorneys related to compliance with Commission Rule 1.1 and G.O. 157-Eduring the Settlement Period, and provides for consideration in full settlement and discharge of all disputes, rights, enforcement actions, notices of violations, citations, claims, and causes of action which have, or might have been, brought by CPED related to the Carrier's compliance with G.O. 157-Eduring the Settlement Period based on the information known, or that could have been known, to CPED at the time that CPED executes this ACO.

B. Non-Precedent

This ACO is not intended by the Parties to be precedent for any other proceeding, whether pending or instituted in the future. The Parties have assented to the terms of this ACO only for the purpose of arriving at the settlement embodied in this ACO. Each of the Parties expressly reserves its right to advocate, in other current and future proceedings, or in the event that the ACO is not adopted by the Commission, positions, principles, assumptions, arguments, and methodologies which may be different than those underlying this ACO. The Parties agree and intend that, consistent with Commission Rule 12.5, a final Commission resolution approving this ACO should not be construed as a precedent or statement of policy of any kind for or against either Party in any current or future proceeding with respect to any issue addressed in this ACO, including but not limited to carrier admission of certain violations related to the Carriers' compliance with G.O. 157-E.

C. General Considerations for Settlement

Section III.B of the Commission's Enforcement Policy states that "the following general considerations should be evaluated as part of any proposed settlement to be submitted for Commission review: 1. [e]quitable Factors; 2. [m]itigating circumstances; 3. [e]videntiary issues; and 4. [o]ther weaknesses in the enforcement action[.]"[7] The Parties explicitly considered these factors in their confidential settlement communications. Without waiving the protections of Commission Rule 12.6, the Parties represent that they took these factors into account, and each Party considered the risks and weaknesses of their positions. When taken as a whole, the Parties agree that the ACO Amounts set forth in Section II are within the range of reasonable outcomes had this matter proceeded to formal litigation.

D. Incorporation of Complete ACO

The Parties have bargained in good faith to reach the ACO terms set forth herein, including in the Appendix. The Parties intend the ACO to be interpreted as a unified, integrated order and agreement, so that, consistent with Section III.C. above, if the Commission rejects or modifies any portion of this ACO or modifies the obligations placed upon the Carriers or CPED from those that the ACO would impose, each of the Parties shall have a right to withdraw. This ACO is to be treated as a complete package and not as a collection of separate agreements on discrete issues. To accommodate the interests related to diverse issues, the Parties acknowledge that changes, concessions, or compromises by a Party in one section of this ACO resulted in changes, concessions, or compromises by the other Party in other sections. Consequently, consistent with Section III.C. above, the Parties agree to actively oppose any modification of this

[7] Resolution M-4846, Enforcement Policy at 15.

ACO, whether proposed by any Party or non-Party to the ACO or proposed by an Alternate Draft Resolution, unless both Parties jointly agree to support such modification.

E. Commission Approval

"Commission Approval" means a resolution or decision of the Commission that is (a) final and no longer subject to appeal, which approves this ACO in full; and (b) does not contain conditions or modifications unacceptable to either of the Parties.

F. Governing Law

This ACO shall be interpreted, governed, and construed under the laws of the State of California, including Commission decisions, orders and rulings, as if executed and to be performed wholly within the State of California.

G. Other

1. The representatives of the Parties signing this ACO are fully authorized to enter into this Agreement.

2. The Parties agree that no provision of this ACO shall be construed against either of the Parties because a particular Party or its counsel drafted the provision.

3. This ACO constitutes the entire agreement between the Parties and, supersedes all prior or contemporaneous agreements, negotiations, representations, warranties, and understandings of the Parties with respect to the subject matter set forth herein.

4. The rights conferred and obligations imposed on either of the Parties by this ACO shall inure to the benefit of or be binding on that Party's successors in interest or assignees as if such successor or assignee was itself a party to this ACO.

5. Should any dispute arise between the Parties regarding the manner in which this ACO or any term shall be implemented, the Parties agree, prior to initiation of any other remedy, to work in good faith to resolve such differences in a manner consistent with both the express language and the intent of the Parties in entering into this ACO.

6. This ACO may be executed in counterparts.

7. Nothing in this ACO relieves the Carriers from any safety responsibilities imposed on it by law or Commission rules, orders, or decisions.

8. The provisions of Paragraph III.C. shall impose obligations on the Parties immediately upon the execution of this ACO.

V. DISCUSSION OF PENALTY ASSESSMENT METHODOLOGY FACTORS

The Penalty Assessment Methodology appended to the Commission's Enforcement Policy sets forth five factors that staff and the Commission must consider in determining the amount of a penalty for each violation: (1) severity or gravity of the offense; (2) conduct of the regulated entity; (3) financial resources of the regulated entity; (4) totality of the circumstances in furtherance of the public interest; and (5) the role of precedent.[8] This ACO was the result of arms-length negotiation between CPED Carey Limo and Squire Limo, which was guided by the factors set forth in the Penalty Assessment Methodology. As discussed below, consideration of those factors supports a Commission finding that the ACO is reasonable and in the public interest. The Appendix to this ACO includes stipulated facts, as well as facts in dispute, which provide a record basis for the Commission's determination.

Severity or Gravity of the Offense. The Commission has stated that the severity or gravity of the offense includes several considerations, including economic harm, physical harm, and harm to the regulatory process. Violations that caused actual physical harm to people or property are considered particularly severe.[9]

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[8] Resolution M-4846, Enforcement Policy at 16-21; *see also* D.22-04-058 at 3-4 (affirming that consideration of the Penalty Assessment Methodology provides a basis for the Commission to determine that a negotiated settlement under the Commission's Enforcement Policy is reasonable and in the public interest).

[9] D.20-05-019 at 20; Resolution M-4846, Enforcement Policy at 16.

CPED's investigation acknowledges that carrier operations with vehicles not registered commercially in California poses a safety risk to customers and drivers while simultaneously acknowledging that brand new or low-mileage manufacturer "courtesy" vehicles pose a lessened risk than high-mileage vehicles. CPED does not allege economic or physical harm to people or property occurred. Following a review of the Carrier's records covering Super Bowl LX operations and multiple good faith settlement discussions, the Parties agreed to a resolution based upon 162 violations. The ACO acknowledges and reflects a minimal penalty from lack of economic and physical harm.

The ACO reflects a reasonable penalty considering the degree of harm to the regulatory process. Carey Limo and Squire Limo both complied with CPED during the compliance investigation and in the negotiation and presentation of the ACO. Although CPED maintains that the Carriers violated Commission rules, General Orders, and Public Utilities Code, CPED acknowledges that the Carriers proactively communicated with TLAB and attempted to develop a compliance plan regarding its sub-carriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles beginning in June 2025. Despite the Carriers' proactive engagement with Commission staff, a compliance plan did not materialize, the Carriers proceeded on the incorrect assumption that authorization would ultimately be granted and, as a result, CPED issued a cease-and-desist letter dated February 3, 2026 prior to the Carriers' Super Bowl LX operations. The Carriers acknowledge the regulatory obligation to achieve compliance for future operations and/or seek deviation authorization from Commission rules and regulations as necessary.

The Conduct of the Utility. In evaluating the conduct of the utility, the Commission considers the utility's conduct in preventing the violation, detecting the violation, and disclosing and rectifying the violation.[10]

Carey Limo and Squire Limo do not admit that the facts alleged by CPED are sufficient to show the total number of violations alleged, nor do they admit to internal deficiencies that resulted in the alleged violations. The details of this factor, such as the Parties' evaluations of their respective litigation risk, were the focus of negotiations subject to the confidentiality provisions of Commission Rule 12.6, and are not described here.[11] Nevertheless, without waiving the protections of Commission Rule 12.6, the Parties considered, among other things, the Carriers' conduct in communicating with TLAB in an effort to prevent the alleged violations, detecting the alleged violations, and disclosing and rectifying the alleged violations.

Carey Limo and Squire Limo were forthcoming in providing CPED with information regarding corrective actions that the Carriers initiated and plan to initiate to rectify any possible violations and internal deficiencies moving forward. The ACO recognizes that the Carriers have initiated corrective actions prior to entering into the Settlement Agreement. Prior to the conclusion of CPED's investigation and subsequent to the execution of this agreement, the Carriers assert improvements have been initiated to internal processes for scheduling proactive compliance planning for future events that may involve subcarriers, rental vehicles, out-of-state affiliates, and courtesy vehicles. The Carriers presented substantial efforts to comply with

[10] Resolution M-4846, Enforcement Policy at 17.

[11] This is consistent with the Enforcement Policy, which states that a "range of considerations" may be relevant in negotiating a proposed settlement, including "[e]quitable factors; [m]itigating circumstances; [e]videntiary issues; and [o]ther weaknesses in the enforcement action that the division reasonably believes may adversely affect the ability to obtain the calculated penalty." Resolution M-4846, Enforcement Policy at 15.

TLAB's licensing requirements and implemented updated procedures for future events to maintain compliance, and/or ensure any exemption, exclusion or derivation from applicable rules are approved by the Commission in advance of any such operation.

Pursuant to the ACO, the Carriers agree to pay a combined total of $67,000.00 to the General Fund and implement additional initiatives that will further enhance the safety of the Carriers' licensing and compliance program. These corrective actions will support public safety through processes that mitigate the likelihood of recurring violations.

Financial Resources of the Utility. The Commission has described this criterion as follows:

> Effective deterrence also requires that staff recognize the financial resources of the regulated entity in setting a penalty that balances the need for deterrence with the constitutional limitations on excessive penalties . . . . If appropriate, penalty levels will be adjusted to achieve the objective of deterrence, without becoming excessive, based on each regulated entity's financial resources.[12]

In determining the reasonableness of the settlement, CPED took the Carriers' financial resources into consideration, including the fact that Squire Limo is a small operator with two vehicles subject to the jurisdiction and authority of the Commission and relied almost entirely on sub-carriers for the event. The ACO Amounts described above, totaling $67,000.00, are reasonable and appropriate considering the financial conditions of Carey Limo and Squire Limo.

Totality of Circumstances in Furtherance of Public Interest. The Commission has described this criterion as follows:

> Setting a penalty at a level that effectively deters further unlawful conduct by the regulated entity and others requires that staff specifically tailor the package of sanctions, including any penalty, to the unique facts of the case. Staff will review facts that tend to mitigate the degree of wrongdoing as well

[12] Resolution M-4846, Enforcement Policy at 19.

> as any facts that exacerbate the wrongdoing. In all cases, the harm will be evaluated from the perspective of the public interest.[13]

The ACO Amounts described above were tailored to the unique facts of the case and are reasonable. The Commission must evaluate penalties in the totality of the circumstances, with an emphasis on protecting the public interest. The Carriers acknowledge that there are areas in which they can work with the Commission to further enhance compliance practices, including to ensure vehicle and driver lists on file with the Commission are always accurate and current. The Parties have negotiated in good faith and submit that the totality of the circumstances in furtherance of the public interest supports approval of this ACO.

By reaching a settlement tailored to the unique facts of the case, CPED, Carey Limo and Squire Limo have agreed that the total cost of $67,000.00 is reasonable and not excessive. Pursuant to the ACO, the Carriers agree to pay the ACO Amounts totaling $67,000.00 and to initiate corrective actions to better facilitate compliance with G.O. 157-E and record-keeping issues. The Carriers' corrective actions are targeted at addressing CPED's safety concerns and will help mitigate the potential risk of harm to the public in the future by facilitating the Commission's ongoing oversight of charter party carrier activities related to driver and vehicle tracking and supporting continued improvement of the Carriers' communication with TLAB.

CPED will monitor Carey Limo and Squire Limo to ensure that implementation of these initiatives produces real benefits Without waiving the protections of Commission Rule 12.6, the Parties represent that they took into account, among other things, the efforts Carey Limo and Squire Limo have undertaken to enhance their ability to proactively communicate with TLAB to ensure vehicles and drivers are authorized to reduce safety risks to the public.

[13] Resolution M-4846, Enforcement Policy at 19.

With an appropriate resolution having been reached, it is in the public interest to resolve this matter now. The ACO obviates the need for CPED to initiate an enforcement proceeding and for the Commission to adjudicate the disputed facts, alleged violations, and appropriate penalty amounts related to CPED's investigation into Carey Limo's and Squire Limo's compliance with G.O. 157-E's requirements. Approval of the ACO promotes administrative efficiency, preventing further expenditure of substantial time and resources on litigation of a matter that the Parties have satisfactorily and reasonably resolved.

The Role of Precedent. The Commission has described this criterion as follows:

> Penalties are assessed in a wide range of cases. The penalties assessed in cases are not usually directly comparable. Nevertheless, when a case involves reasonably comparable factual circumstances to another case where penalties were assessed, the similarities and differences between the two cases should be considered in setting the penalty amount.[14]

While not binding precedent, prior settlements are useful for comparison, with the acknowledgment that settlements involve compromise positions. CPED considered the following in evaluating this investigation and the ACO:

- On or about September 10, 2025, Carey Limousine S.F. Inc. was issued a Citation in the amount of $20,000 alleging violations of G.O. 157-E, Parts 1.06, 3.01 and 3.04, Pub. Util. Code 5374.5 and Veh. Code 34501. Carey Limousine S.F. Inc. appealed the citation on or about September 29, 2025, and subsequently withdrew its appeal on February 17, 2026 and paid the fine in full.

The prior citation involved alleged operations without a valid sub-carrier agreement, utilizing vehicles that were not inspected by the California Highway Patrol prior to operation and were not listed on the authorized vehicle list on file with the Commission. TEB considered the greater number of noncompliant vehicles alleged here against the Carriers' concerted advance

[14] Resolution M-4846, Enforcement Policy at 21.

efforts to negotiate compliance with TLAB to determine that a lower penalty per noncompliant vehicle is appropriate.

The Parties have cooperated in the settlement negotiation process to determine a penalty believed to be fair and reasonable, and the Parties believe the Agreement resolves TEB's allegations and resolves the issues raised in an expeditious manner, thus resolving CPED's safety concerns and benefiting the public. The Parties mutually believe that, based on the terms and conditions stated above, this ACO is reasonable, consistent with the law, and in the public interest.

IT IS HEREBY AGREED.

[Signatures immediately follow this page]

DATED: 8/6/2026

Nathaniel R. Wilson

By: Nathaniel Wilson
Carey Limousine S.F., Inc.

DATED: 8/6/2026

Nathaniel R. Wilson

By: Nathaniel Wilson
Squire Limousine, Inc. dba Squire Limousine Services

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DATED: 8/6/2026

Consumer Protection Enforcement Division
California Public Utilities Commission

By: ______________________________
Director - Consumer Protection and Enforcement Division
Terra Curtis

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APPENDIX

I. STIPULATED FACTS RELATED TO TEB's INVESTIGATION

For purposes of this Administrative Consent Order and Agreement (ACO), the Transportation Enforcement Branch (TEB) of the Consumer Protection and Enforcement Division (CPED) of the California Public Utilities Commission (Commission) and Carey Limousine S.F., Inc. (Carey Limo) and Squire Limousine Service, Inc. (collectively, the "Parties") have stipulated to the facts set forth below.

1. CPED, through TEB is responsible for ensuring that all Transportation Charter-Party Carriers (TCPs) comply with the Commission's statutory and regulatory requirements for the provision of safe and reliable transportation to the public. TEB responds to and investigates complaints of unsafe, unlicensed, and uninsured passenger carriers. TEB staff also initiate enforcement actions and make recommendations to the Commission, such as the instant ACO Order. The Commission's authority to regulate TCPs is found in Article XII of the California Constitution and Public Utilities Code section 5351, et seq.[15]

2. Carey Limousine S.F. Inc. (TCP 9906) and Squire Limousine Service Inc. (TCP 9905) are both TCPs, defined in Public Utilities Code section 5431(c) as a corporation "operating in California that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle."

3. G.O. 157-E states that "Every charter-party carrier and its drivers shall comply with the provisions of the California Vehicle Code."[16] The G.O. further states that "The Commission may authorize deviations from these rules and regulations or prescribe or require the observance of additional or different rules by special order."[17] No such deviation or exemption was granted to either carrier for the Super Bowl LX operations addressed herein.

4. On February 3, 2026, TEB sent a cease and desist letter advising of concerns over the following potential violations: (i) utilizing sub-carriers

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[15] *See also*, General Orders (G.O.) 115-G, 157-E, and 158-A; *see also,* Decision (D.) 13-09-045.

[16] G.O. 157-E, §1.06.

[17] G.O. 157-E, §1.07 (See also Part 8, Exemptions)

lacking Commission authority (G.O. 157-E, Part 3.04); (ii) operating vehicles with a seating capacity of 10 passengers or more requiring California Highway Patrol (CHP) inspections (G.O. 157-E, Part 1.06; Pub. Util. Code 5374.5; Vehicle Code 34501(c)(e)); (iii) operating TCP vehicles without a 19 Point Inspection prior to service (G.O. 157-E, Part 4.05); (iv) utilizing drivers not enrolled in the DMV Employer Pull Notice (EPN) program (Pub. Util. Code 5374(a)(1)(D); G.O. 157-E, Part 5.02) and Controlled Substance and Alcohol Testing (Pub. Util. Code 5374(a)(1)(I) and G.O. 157-E, Part 10.02); and (v) operating "Rental" and "Courtesy" vehicles not registered as Commercial vehicles (Veh. Code 260 and G.O. 157-E, Part 1.06).

5. TEB investigated the Carriers' compliance during Super Bowl LX operations (Investigation Period) with Pub. Util. Code, Veh. Code and G.O. 157-E requirements, including a review of all TCP vehicle and driver lists maintained by the Commission's Transportation Licensing and Analysis Branch (TLAB). As a result of its investigation, TEB alleged 290 non-compliant vehicles were operated by the Carriers.

6. Carey Limo and Squire Limo deny TEB's allegation of 290 violations but admit that 162 non-compliant vehicles were utilized in Super Bowl LX operations, comprising 68 manufacturer courtesy vehicles, 50 rental vehicles, and 44 out-of-state vehicles, 118 of which were operated by Squire Limo-employed chauffeurs.

7. TEB, Carey Limo and Squire Limo engaged in extensive direct settlement discussions, which included the Carriers providing TEB with details of their advance efforts to communicate and work with the Commission's TLAB to achieve compliance and/or deviation authorization from Commission rules and regulations related to planned Super Bowl LX operations.

8. TEB, Carey Limo and Squire Limo all share the common goal of promoting and improving public safety and complying with the Commission's Orders, including Vehicle Inspection Requirements and current and accurate driver and vehicle lists on file with TLAB.

II. SUMMARY OF CPED'S ALLEGATIONS

The following is a summary of the TEB's investigation into the Carriers' compliance with General Order 157-E focused on the following requirements:

1. Carey Limousine S.F. Inc's TCP Certificate, Permit No. TCP0009906-A, and Squire Limousine Service Inc.'s TCP Certificate, Permit No. TCP0009905-A, both provide that carriers shall comply with all Commission orders, decisions, rules, directions, and requirements governing TCP operations.

2. G.O. 157-E states that "[a]ll charter-party carriers, including TNCs, shall ensure that every vehicle . . . utilized in its operations undergoes a 19-point vehicle inspection at a facility licensed by the California Bureau of Automotive Repair prior to initial operation..."[18] TEB alleged vehicles utilized in Super Bowl LX operations had not undergone a 19-point vehicles inspection prior to operation.

3. G.O. 157-E states that "Every charter-party carrier and its drivers shall comply with the provisions of the California Vehicle Code."[19] TEB alleged vehicles utilized in Super Bowl LX operations were not commercially registered in California prior to operation.

4. G.O. 157-E states that "The Commission may authorize deviations from these rules and regulations or prescribe a or require the observance of additional or different rules by special order."[20] The Commission did not grant a deviation or exemption to either Carey Limo or Squire Limo prior to the commencement of Super Bowl LX operations.

5. To ensure compliance, TCPs must utilize only those drivers and vehicles listed on the driver and vehicle lists maintained by TLAB.[21] TEB alleged vehicles and drivers utilized in Super Bowl LX operations were not added to the lists maintained by TLAB.

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[18] G.O. 157-E, §4.05.

[19] G.O. 157-E, §1.06. (See Vehicle Code §§260, 4000(a)(1))

[20] G.O. 157-E, §§1.07, 8.01.

[21] G.O. 157-E, §4.01, Equipment Statement to be Current.

6. TCPs shall be responsible for ensuring that each of their vehicles complies with Commission requirements and shall maintain records of such compliance for a period of three years and shall make such records available for inspection by or production to the Commission, depending on the Commission's preference.[22]

TEB's investigation targeted operations during the 2026 Super Bowl LX, including additional days before and after the day of the sporting event (Investigation Period). TEB requested and reviewed compliance records provided by Carey Limo and Squire Limo covering the Investigation Period. TEB identified several vehicles believed to be utilized in Super Bowl LX operations without being commercially registered in California in violation of G.O. 157-E, Pub. Util Code and Veh. Code.

In total, TEB alleged 290 vehicles operated by the Carrier during the Investigation Period were non-compliant. These allegations were comprised of 196 manufacturer courtesy vehicles not commercially registered in California, 50 rental vehicles not commercially registered in California, and 44 out-of-state vehicles with drivers not employed by a licensed permit holder.

The Carriers deny TEB's allegation of 290 non-compliant vehicles and assert that only 68 of the 196 manufacturer courtesy vehicles were used in charter-party carrier operations. Accordingly, Squire Limo admits to operating 162 non-compliant vehicles, comprising 68 courtesy vehicles, 50 rental vehicles, and 44 out-of-state vehicles with drivers not employed by a permit holder. Squire asserts that all of the vehicles underwent 19-point inspections required by G.O. 157-E.

In response to CPED's concerns, Carey Limo and Squire Limo engaged in settlement discussions and provided information on previous and future corrective actions to ensure compliance with G.O. 157-E, Pub. Util. Code and Vehicle Code. Carey Limo and Squire Limo assert that they initiated several internal process measures that will allow it to implement

[22] G.O. 157-E §4.06.

compliance discussions with TLAB well in advance of future events to ensure compliance, or authorized deviation, is ensured moving forward.

Notwithstanding the above, Carey Limo and Squire Limo do not admit that CPED's alleged violations are valid given the underlying facts. Carey Limo and Squire Limo also do not admit that CPED's alleged facts are true, accurate, or complete, that inferences or conclusions CPED draws from those alleged facts are correct, or that CPED's alleged facts form the basis for an alleged violation.

CPED does not admit or agree that the responses of Carey Limo and Squire Limo to CPED's alleged violations and supporting facts are valid. CPED also does not admit or agree that the responses from Carey Limo and Squire Limo are true, accurate, or complete, or that the inferences or conclusions from those responses are correct.