STATE OF ALABAMA
ALABAMA PUBLIC SERVICE COMMISSION
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LUKE D. BENTLEY IV, EXECUTIVE DIRECTOR

AUX RIDESHARE INC.
Applicant.

DOCKET 33732

ORDER

BY THE COMMISSION:

By application filed on or about August 10, 2026, Aux Rideshare Inc. ("Aux" or "Applicant"), 14800 Quorum Drive, Suite 360, Dallas, Texas 75254, sought authority to operate as a transportation network company ("TNC") in the State of Alabama. The application for Aux was set for a hearing on September 22, 2026, pursuant to notice issued on August 18, 2026. No intervenors appeared in this matter.

Aux's permit application was filed pursuant to Alabama Legislative Act No. 2018-127 ("Act") and the Commission's TNC Rules. The Act created a framework for the statewide regulation of TNCs and TNC drivers, placing these entities under the regulatory jurisdiction of the Commission. The Act states that the Commission "shall issue a permit to each applicant that meets the requirements for a TNC under this Act." Rule TNC-3 of the Commission's TNC Rules addresses the statutory requirements which must be met in order for the Commission to issue a permit and requires the submission of certain documents in support of these statutory requirements.

Requirements of the Act and Rule TNC-3

Pursuant to the Act and Rule TNC-3, an applicant must satisfy the following criteria to receive a TNC permit:

a) TNC shall disclose to the rider the fare or fare calculation in its digital network. If the fare is not disclosed to the rider before the beginning of the prearranged ride, the rider shall have the option to receive an estimated fare before the beginning of the prearranged ride.

b) TNC's digital network shall display a picture of the TNC driver, the first name of the TNC driver, and the make, model, and license plate number of the TNC driver's vehicle before the rider enters the TNC vehicle. In the photo of the TNC driver displayed on the digital network, the TNC driver must: be facing directly into the camera; be the only person in the photograph; be clearly identifiable; show

full face and top of shoulders; and not be wearing sunglasses or other accessories that prevent clear identification.

c) Within two hours following the completion of a trip, a TNC shall transmit an electronic receipt to the rider that lists all of the following: the origin and destination of the trip; the total time and distance of the trip; the total fare paid; and the TNC driver's first name. The receipt transmission period is tolled for any delays in receipt transmission caused by a TNC rider or any delivery system issues beyond the reasonable control of the TNC. An electronic receipt may be sent via electronic mail or made available through the TNC's digital network.

d) TNC shall complete all the required statutory checks before allowing an individual to accept trip requests through that TNC's digital network as a driver. After allowing an individual to accept trip requests through that TNC's digital network as a driver, a TNC shall annually screen drivers for compliance with the requirements in Section 10 of the Act.

e) TNC shall establish and enforce a zero tolerance intoxicating substance policy for TNC drivers that prohibits any amount of intoxication of the driver while providing transportation network services.

f) TNC shall include on its website, in a prominent location, a notice concerning the TNC's zero tolerance intoxicating substance policy and the means to make a complaint about a suspected violation of the policy.

g) Upon receipt of a rider complaint alleging a violation of the zero tolerance intoxicating substance policy, the TNC shall immediately suspend the TNC driver's access to the TNC's digital network and conduct an investigation into the reported incident. The suspension shall last the duration of the investigation.

h) The TNC's zero tolerance intoxicating substance policy shall include a description of the corrective measures to be taken against a TNC driver if the TNC confirms that the TNC driver has violated the terms of the zero tolerance intoxicating substance policy.

i) The TNC shall adopt a policy of nondiscrimination against riders or potential riders who are protected by Title 7, Civil Rights Act of 1964, 42 U.S.C. 2000e. et. seq., or the Americans with Disabilities Act of 1990. TNC may not impose additional charges for providing services to individuals with physical disabilities because of those disabilities.

j) TNC shall maintain an agent for service of process in the State.

k) TNC shall maintain records as required by the Act.

In addition, an applicant shall submit the following items with its application:

a) Application fee of $700

b) Articles of Incorporation or Articles of Organization

c) Nondiscrimination Policy

d) Zero Tolerance Intoxicating Substance Policy

e) Illustration of TNC's trade dress

f) Method that TNC will use to calculate customer fares

g) TNC's Record Retention Policy

h) TNC policy regarding periodic checks of TNC drivers to ensure that the TNC drivers using its digital network continue to meet the initial standards for TNC drivers described in the Act

i) Certificate of Insurance

j) TNC's procedures for responding to requests from law enforcement

Aux's Permit Application and Hearing Testimony

Aux submitted its permit application on or about August 10, 2026. Aux submitted supporting documents with its application. These documents included: an employee handbook; a page of handwritten notes referencing requirements for the State of Arizona; various incorporation documents for the States of Arizona and Wyoming; statutory agent acceptance form for USR Agents, LLC; photos of its trade dress; certificate of liability insurance from Progressive; and a vehicle safety form. Prior to the hearing, Aux provided a link to its website, which contained its zero-tolerance policy. At the hearing on September 22, 2026, Autumn Carnevali ("the Representative") appeared on behalf of the company as "an overall manager." (Tr. 12:23). Aux did not admit any exhibits or additional supporting documents, nor did it present any additional witnesses. The following details the testimony provided by the Representative on each of the requirements under the Act and Rule TNC-3:

a) **Fare/Fair Calculation.** The Representative testified that fares are calculated at $7 per rider plus $0.79 per mile multiplied by the total number of miles. (Tr. 22:12-17, 32:6-11). Then, this total is divided among the total number of passengers, with a required minimum of four (4) passengers.

(Tr. 32:12-17). There was no testimony or other evidence provided as to when the rider sees this information.

b) **Driver Information.** The Representative testified that riders do not see any information about the driver [who accepts their ride], but stated Aux could change this. (Tr. 30:3-5, 12). The Representative later testified that riders do see the driver's name. (Tr. 39:10-11). There was no testimony or other evidence provided as to what information the rider sees about the vehicle.

c) **Receipt Transmission.** The Representative testified that the rider receives a receipt after the ride is complete, and that it includes a breakdown of the mileage, number of passengers, and total amount due. (Tr. 37:3-9). She further testified that the receipt contains the local assessment fees, origin and destination of the trip, and the driver's name. (Tr. 39:1-12). There was no testimony or other evidence provided as to whether the total time of the trip was included on the receipt.

d) **Statutory Background Checks of Drivers.** The Representative testified that Aux will not allow drivers onto their platform who have "[a]ny felony charges or anything like that." (Tr. 41:10-14). When asked to clarify what she meant by "*anything like that,*" the Representative acknowledged that Aux's handbook contained no specific disqualifying convictions but indicated it would update the handbook to reflect the statutory requirements. (Tr. 41:16-20, 43:5-18).

e) **Zero-Tolerance Policy Establishment and Enforcement.** The Representative testified that Aux's zero-tolerance policy is listed on the app and on the website. (Tr. 50:4-7). There was no testimony provided as to how drivers are made aware of the contents of this policy.

f) **Zero-Tolerance Visibility.** The Representative testified that the link for the zero-tolerance policy on the website was at the bottom of the homepage and stated that it could be moved to a drop-down menu at the top of the page. (See Tr. 53:2-13).

g) **Zero-Tolerance Complaint.** The Representative initially testified that, upon receipt of a complaint, "[t]he owner usually calls them personally. And then he'll do a written [report], and it'll just be filed," but that an investigation is "not typically" conducted. (Tr. 53:17-20, 54:9-12). When asked if the owner called the driver, rider, or both, she then affirmed that the owner calls

"whomever is involved" (Tr. 54:22-55:1). She also testified that these reports are filed in their Google Documents. (Tr. 53:25-54:2).

h) **Zero-Tolerance Corrective Measures.** When asked what happens to a driver's accessibility to the platform once a complaint is received, the Representative testified, "[i]f there were something that we needed to do, well, we would just disconnect their ability."(Tr. 55:2-8). After then being asked if she was aware the TNC rules state a driver is to be immediately removed from the platform upon receipt of a complaint, the Representative stated she was aware of this and that the drivers were also made aware of this because "[the owner] talks about it all the time in our meetings." (Tr. 55:11-23). She testified that she thought this policy was written somewhere. (See Tr. 55:24-56:3). Upon further review of the employee handbook submitted by Aux, she confirmed that it states "that there may be some recourse" but does not say that they will immediately be suspended from the platform. (Tr. 56:6-12). The Representative acknowledged this would need to be changed. (Tr. 56:14-15).

i) **Nondiscrimination Policy.** The Representative testified that Aux does not have a nondiscrimination policy for its riders. (Tr. 59:16-18).

j) **Agent for Service of Process.** In its application, Aux listed USR Agents, LLC of 2 North Jackson Street, Suite 605, Montgomery, Alabama 36104, as its registered agent. The Representative testified that Aux does not have any other contact information for the registered agent (Tr. 71:11-16).

k) **Record Retention.** The Representative testified that she would have to ask the owner how long Aux retains records, but she "want[ed] to say [she] overheard him say ten years." (Tr. 17:8-12). She later testified that Aux does not have a record retention policy but recognized it needed to implement one. (Tr. 60:20-61:1).

The Representative testified that the submitted handbook was the only handbook used by Aux, and it does not have an official internal manual. (See Tr. 26:1-27:5, 36:18-20). She later confirmed that the owner personally maintains the knowledge of the internal policies. (See Tr. 47:5-48-2). The following details submissions received, and the testimony provided by the Representative as to the required additional documents:

a) **Application fee.** Aux submitted its $700 application fee with its application.

b) **Articles of Incorporation.** Aux submitted its articles of incorporation for the State of Alabama with its application.

c) **Non-Discrimination Policy.** Aux submitted an employee handbook that listed a nondiscrimination policy for hiring its drivers. The Representative testified that Aux does not have a nondiscrimination policy regarding how its drivers interact with riders. (Tr. 59:16-18).

d) **Zero-Tolerance Policy:** As discussed above, Aux provided a policy for its zero-tolerance policy; however, it states that "there may be some recourse" if a driver receives a complaint for violating the policy and does not specifically state the suspension requirements. (Tr. 56:6-12).

e) **Trade Dress.** Aux submitted pictures of the sides and back of a bus with QR codes and their logo in large white letters. It also submitted an additional picture of a QR code and logo sized to 12 inches by 16 inches and 24 inches by 16 inches, respectively. During the hearing, the Representative testified that the logos on the sides and back are vinyl decals provided to the drivers, and that the smaller logo is designated for the front window and was reflective. (See Tr. 67:17-25, 68:1-6,69:1-70:17).

f) **Method to Calculate Fare.** Aux did not submit a policy regarding how their fares are calculated. As cited above, the Representative testified that fares are calculated at $0.79 per mile multiplied by the total number of miles, and then divided among the total number of passengers, with a required minimum of four (4) passengers. (Tr. 32:6-17).

g) **Record Retention Policy.** As discussed above, the Representative testified that Aux does not have a record retention policy but recognized it needs to implement one. (Tr. 60:20-61:1).

h) **Periodic Check Policy.** Aux did not submit a policy regarding periodic checks of its drivers. The Representative testified that Aux has "a woman that does compliance." (Tr. 48:9-14). However, she was unable to provide details of how compliance is reviewed. (See Tr. 48:19-25). The Representative later testified that drivers are notified prior to a document expiring, and if they fail to [update] it prior to the date of expiration, then they are removed from the platform. (See Tr. 49:6-18).

i) **Certificate of Insurance.** Aux submitted a Certificate of Liability Insurance from Progressive, but the Representative testified that this policy "may be" for vehicles the owner "previously

owned" but were "not operable on the platform." (Tr. 17:14-18:2). She explained that Aux has insurance on its drivers that could be submitted separately. (Tr. 18:23-24). The Representative testified that the policy would need to be updated to meet the $2 million statutory requirement. (Tr. 20:4-10).

j) **Law Enforcement Response Procedure.** Aux did not submit a policy regarding its procedure for responding to requests from law enforcement. The Representative was unable to testify as to whether Aux has such a policy. (Tr. 70:24-71:2).

k) **Name of Agent of Service of Process.** In its application, Aux listed USR Agents, LLC of 2 North Jackson Street, Suite 605, Montgomery, Alabama 36104, as its registered agent.

l) **Safety Inspection Form.** Aux submitted a vehicle safety inspection form. The Representative testified that Aux had updated the form since it was submitted. (Tr. 65:19-23). She explained that she made it "shorter" to make it easier for [the drivers] to submit. (See. Tr. 66:23-67:3). She stated that she "believe[es]" medical kits were also added as a requirement. (Tr. 67:4-6).

Application and Testimonial Deficiencies

At the conclusion of the hearing, the Representative acknowledged that Aux needed to submit its internal procedures. (Tr. 57:7–12). The Representative was expressly informed that Aux would have an additional thirty (30) days to revise any deficient policies and submit all missing documents. (Tr. 74:10–16). She was also instructed to communicate with Commission Staff regarding any post-hearing submissions. (Tr. 74:17–22). Nevertheless, Aux submitted no supplemental documents during the thirty-day extension period or the following week. Commission Staff also received no correspondence from the Representative, the owner, or any other Aux representative.

The documents Aux submitted addressed only a small portion of the required information, and the Representative's testimony demonstrated inadequate preparation, providing little substantive information. Specifically, Aux neglected to submit any documentation related to its non-discrimination policy for riders; fare calculations; record retention policy; policy governing periodic driver checks; or procedures for responding to law enforcement. Aux also provided incomplete or inadequate documentation and/or testimony concerning the information provided to a rider before a ride; the information included in a rider's receipt; statutory background checks of drivers; its zero-tolerance policy; its certificate of insurance; and its safety inspection form.

Aux's failure to submit additional documents or otherwise communicate with Commission Staff demonstrates that it is not prepared to operate a TNC in this State. Given Aux's substantial failure to comply with the requirements of the Act and the Commission's Rules, despite having received an additional opportunity to do so, the Commission cannot grant its application.

IT IS THEREFORE ORDERED that the TNC application filed by Aux Rideshare Inc., 14800 Quorum Drive, Suite 360, Dallas, Texas 75254, is hereby **DENIED.**

DONE at Montgomery, Alabama this 4th day of November 2026.

ALABAMA PUBLIC SERVICE COMMISSION

Cynthia Lee Almond, President

Jeremy H. Oden, Commissioner

Chris V. Beeker, III, Commissioner

ATTEST: A True Copy

Devon D. Beaty, Secretary