

TOM/jt2 7/5/2012



**FILED**

07-05-12  
02:36 PM

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

Application of G3 Telecom USA Inc. for a Certificate of Public Convenience and Necessity to Operate as a Provider of Resold Interexchange Service within the State of California.

Application 12-03-020  
(Filed March 12, 2012)

**ADMINISTRATIVE LAW JUDGE'S RULING REQUIRING THE FILING OF  
ADDITIONAL INFORMATION IN THIRTY DAYS IN ORDER TO AVOID  
DISMISSAL OF THE APPLICATION WITHOUT PREJUDICE**

On March 12, 2012, G3 Telecom USA Inc. (Applicant) filed this application for a certificate of public convenience and necessity (CPCN) authorizing the company to provide resold interexchange services in this state.

On April 23, 2012, I directed Applicant by letter to file additional financial documentation to show that Applicant meets the Commission's financial requirements for the issuance of a CPCN and an explanation of a regulatory action taken against Applicant's parent company, which was not disclosed in the application, and a consumer complaint against Applicant posted on [www.complaintsboard.com](http://www.complaintsboard.com).

On May 22, 2012, Applicant filed a partial response, which included a brief explanation of the regulatory action and consumer complaint discussed above, but did not include the required financial documentation. However, Applicant requested a form to be used in submitting a financial guarantee from Applicant's parent company or an affiliate. On May 22, 2012, I faxed and mailed a suggested form to Applicant's representative.

To date, Applicant has not filed the required financial documentation or requested an extension of time within which to do so.

**IT IS RULED** that:

1. Applicant shall file one of the accepted forms of financial documentation listed on Attachment A to this ruling to show that Applicant meets the financial requirements for issuance of a certificate of public convenience and necessity authorizing the provision of resold interexchange services in this state with the Commission Docket Office and shall provide a copy to me by electronic mail sent to [tom@cpuc.ca.gov](mailto:tom@cpuc.ca.gov); facsimile sent to (415) 703-1723, or by USPS mail by no later than August 6, 2012.

2. If Applicant does not file acceptable financial documentation by August 6, 2012, I shall prepare a proposed decision recommending that the Commission dismiss this application without prejudice on the grounds that Applicant failed to complete the application. As required by the Commission Rules of Practice and Procedure, the proposed decision will be mailed to Applicant for review and comment before the decision is placed on the agenda for a Commission business meeting.

Dated July 5, 2012, at San Francisco, California.

/s/ MYRA J. PRESTIDGE

Myra J. Prestidge  
Administrative Law Judge

## ATTACHMENT A

### Required Financial Documentation

Applicants for a CPCN authorizing the provision of resold services in this state must file documentation which shows that the company has at least \$25,000 available for its operations plus the amount of any deposits that must be paid to other carriers in order to operate. Unaudited financial statements and checking account statements are not acceptable.

The acceptable forms of financial documentation are:

- a. An audited balance sheet and income statement demonstrating sufficient cash flow, as authorized in Decision 91-10-041 for Non-dominant Interexchange Carriers; OR
- b. Any of the following:
  1. Cash or cash equivalent, including cashier's check, sight draft, performance bond proceeds, or traveler's checks;
  2. Certificate of deposit or other liquid deposit, with a reputable bank or other financial institution;
  3. Preferred stock proceeds or other corporate shareholder equity, provided that use is restricted to maintenance of working capital for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
  4. Letter of credit, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
  5. Line of credit or other loan, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond

certification of the applicant by the Commission, and payable on a interest-only basis for the same period;

6. Loan, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;

7. Guarantee, issued by a corporation, co-partnership, or other person or association, irrevocable for a period of at least twelve (12) months beyond certification of applicant by the Commission;

8. Guarantee, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission.

Note: If Applicant wishes to meet Commission financial requirements by filing a financial guarantee from another company pursuant to items 7. or 8. above, then Applicant must also file one of the accepted forms of financial documentation for the company giving the financial guarantee.

**(End of Attachment A)**