

Attachment 1
Settlement Agreement of Cox, Greenlining and TURN



FILED

08-12-13
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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Cox California Telcom, LLC (U-5684-C) for Designation as an Eligible Telecommunications Carrier.

Application No. 12-09-014
Filed September 25, 2012

SETTLEMENT AGREEMENT

In accordance with Article 12 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), Cox California Telcom, LLC, The Utility Reform Network (“TURN”) and the Greenlining Institute (“Greenlining”) (each individually, a “Party” and, collectively, the “Parties”) have agreed on the terms of this Settlement Agreement that they now submit for approval. This Settlement Agreement recommends that the Commission grant Cox’s application to be designated as an eligible telecommunications carrier (“ETC”) without conducting further briefing in this proceeding.

I. Background.

A. As stated in its Application, pursuant to the certificate of public convenience and necessity (“CPCN”) that the Commission issued, Cox provides local exchange services in its service territory in California. Cox commenced providing basic service and LifeLine service, both of which are defined by the Commission, in 1997 and continues to provide both services in its service territory.

B. In Decision 10-11-033, the Commission adopted a rule that does not allow providers participating in the California LifeLine program to claim amounts from the California LifeLine fund that could be reimbursed from the federal Lifeline program.

C. In Decision 12-12-038, the Commission adopted a new definition of basic service and concluded that the Commission may adopt further modifications in R.11-03-013 for the provision of LifeLine service.

D. Pursuant to Decision 10-11-033 and Resolution T-17002, Cox submitted an advice letter requesting ETC designation, on July 2, 2012, and the Division of Ratepayer Advocates protested such advice letter. Thereafter, Cox withdrew its advice letter and filed its Application in this proceeding.

E. Pursuant to the pre-hearing conference conducted in this proceeding, the Assigned Commissioner issued a Scoping Memo adopting a schedule such that an evidentiary hearing will be not conducted and parties would file opening and reply briefs on issues identified in the Scoping Memo. Thereafter, the Parties to this agreement commenced settlement negotiations for purposes of settling issues identified for consideration in the Scoping Memo.

II. Settlement Agreement Terms.

A. The Parties agree that the basis for and the terms of this Settlement Agreement apply only to Cox with respect to the Application it filed in A.12-09-014.

B. Cox offers LifeLine service using circuit-switched and VoIP technologies pursuant to the tariff Cox has on file with the Commission.

C. When it provides basic service and LifeLine service, regardless of the technology Cox utilizes, Cox will comply with state laws, those currently in effect and those adopted in the future, that are applicable to providers participating in the state and/or federal LifeLine programs, including without limitation applicable Commission decisions and General Orders (i.e. GO 153, GO 133-C and GO 168). For clarity, when using VoIP technology to provide basic service or LifeLine service, Cox will comply with laws applicable to those services, notwithstanding arguments made to the Commission and the Legislature regarding those decisions and rules' applicability to VoIP and IP-enabled services.

D. For basic service and LifeLine service provided by Cox, regardless of the underlying technology, the Parties agree that the Commission will have authority to address and resolve inquiries and complaints that it receives related to those services.

E. With respect to basic service and LifeLine service that it provides, regardless of the underlying technology, Cox will comply with General Order 96-B (or its successor) with respect to the rules therein governing detariffing such services, withdrawing such service and/or modifying rates for such service, unless there are any Commission decision(s) and/or other change(s) in laws applicable to ETCs, in which case, Cox will comply with such decision(s) and laws. If any such rules require Cox to file an application, then Cox will serve a copy of such application on TURN and Greenlining.

F. The Parties agree that for purposes of the Commission considering Cox's Application under 47 U.S.C. § 214(e)(2), Cox operates as a common carrier as it offers basic service and LifeLine services to the public on a nondiscriminatory basis. The Parties agree that

Cox is a common carrier with respect to its basic service and LifeLine service because it holds itself out to serve indifferently all potential users.

G. The Commission has jurisdiction to receive and act on ETC designations in California. The Parties agree that Cox's Application includes all requisite information and is consistent with the requirements set forth in Resolution T-17002. Based on facts specific to Cox as set forth in its Application and the commitments Cox has agreed to herein, each Party stipulates that the Commission has the jurisdiction to designate Cox as an ETC.

H. Each Party agrees that designating Cox as ETC is consistent with Resolution T-17002, Commission Decisions regarding LifeLine and basic service, including D.10-11-033 and D.12-12-038, the Commission's universal service goal to achieve 95% penetration rate for phone service in low-income households, Public Utilities Code Section 285 (requiring providers of interconnected VoIP service to collect and remit public policy program surcharges on their California intrastate revenues), and Public Utilities Code Section 710.

I. Each Party agrees that it is in the public interest to designate Cox as an ETC in California, so that it may receive eligible USF and California LifeLine support and continue to provide LifeLine service to eligible customers in its service areas.

J. Cox will not oppose the Commission's instituting a rulemaking or oppose any party that petitions the Commission to institute a rulemaking to address issues such as those posed in the Scoping Memo regarding VoIP and IP-enabled service offerings and those not resolved in this proceeding; provided however, if the Commission institutes such a rulemaking, no Party will be prohibited from participating in such proceeding in any manner it may deem appropriate.

K. TURN and Greenlining each agree that the issues that each such party respectively raised in this proceeding have been addressed for the purpose of settlement and each of these parties supports the Commission granting Cox an ETC designation.

L. The Parties agree that the Commission's adoption of this Settlement should not be construed as an admission or waiver by any Party regarding any fact, matter of law, or issue thereof that pertains to the subject of this Settlement. In accordance with the Commission's Rules of Practice and Procedure, Rule 12.5, the Parties intend that the Commission's adoption of this Settlement be binding on each Party, including its legal successors, predecessors, assigns, partners, joint ventures, shareholders, members, representatives, agents, attorneys, parent or

subsidiary companies, affiliates, officers, directors, and/or employees. Adoption of this Settlement does not constitute approval of, or precedent regarding, any principle in any future proceeding, unless the Commission expressly provides otherwise.

III. General.

A. Reasonable and in the Public Interest. The Parties agree to use their best efforts to obtain Commission approval of the Agreement. The Parties will request that the Commission approve the Agreement without change and find the Agreement to be reasonable, consistent with the law and in the public interest. The Parties will take no action in opposition to this Agreement.

B. Entire Agreement. All rights and remedies of the Parties are limited to those available before the Commission. This Settlement Agreement is being presented as integrated package such that Parties are agreeing to this Settlement Agreement as a whole, as opposed to agreeing to specific elements to this Settlement Agreement. If the Commission adopts this Settlement Agreement with modifications, all Parties must consent to the modifications or any Party may void this Settlement Agreement, but only after such Party provides the other Parties to the agreement with the opportunity to meet and confer in good faith regarding the proposed modifications.

C. Counterparts. This Settlement Agreement may be executed in one or more counterparts, and each of which when so executed and delivered will be an original and all of which together will constitute one and the same instrument.

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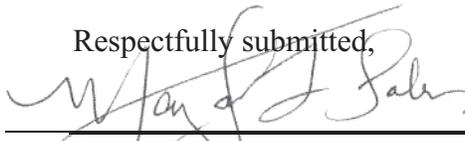
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IN WITNESS WHEREOF, the Parties have caused this Settlement Agreement to be executed as of the Effective Date.

Dated: May 30, 2013

Respectfully submitted,



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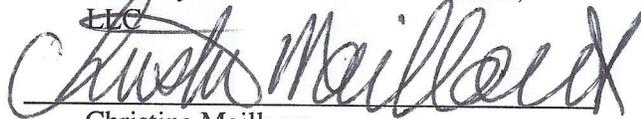
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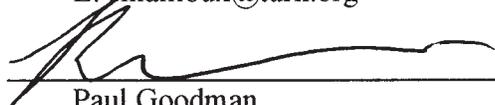
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