

Decision \_\_\_\_\_

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

Application of Telecom North America, Inc. d/b/a Telna, Inc. for a Certificate of Public Convenience and Necessity to provide resold long distance telecommunications services to customers throughout the State of California.

Application 14-03-014  
(Filed March 17, 2014)

**DECISION GRANTING TELECOM NORTH AMERICA, INC. D/B/A TELNA, INC. A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE RESOLD INTEREXCHANGE SERVICE**

**Summary**

Pursuant to Pub. Util. Code § 1001, we grant Telecom North America, Inc. d/b/a/ Telna, Inc. a certificate of public convenience and necessity to provide resold interexchange service in California subject to the terms and conditions set forth in the Ordering Paragraphs.

**1. Background**

On March 17, 2013, Telecom North America, Inc. d/b/a/ Telna, Inc. (Telna), a Nevada corporation authorized to do business in California, filed an application for a certificate of public convenience and necessity (CPCN) to provide resold interexchange service in California.

Telna's principal place of business is located at 2654 W. Horizon Ridge Parkway, Suite B5-143, Henderson, Nevada 89052.

**2. Jurisdiction**

Pursuant to Pub. Util. Code § 216(a) defines the term "Public utility" to include a "telephone corporation," which in turn is defined in Pub. Util.

Code § 234(a) as “every corporation or person owning, controlling, operating, or managing any telephone line for compensation within this state.”

Telna proposes to provide resold interexchange service. Telna is a telephone corporation and a public utility subject to our jurisdiction.

### **3. California Environmental Quality Act (CEQA)**

The CEQA requires the Commission act as the designated lead agency to assess the potential environmental impact of a project in order that adverse effects are avoided, alternatives are investigated, and environmental quality is restored or enhanced to the fullest extent possible. Since Telna will be a reseller of interexchange services and will not construct any facilities, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment. Telna is not authorized to construct facilities, and should it wish to construct facilities, Telna must file for additional authority, and submit to any necessary CEQA review.

### **4. Financial Qualifications**

To be granted a CPCN, an applicant for authority to provide resold interexchange services must demonstrate that it has a minimum of \$25,000 cash or cash equivalent to meet the firm’s start-up expenses.<sup>1</sup> An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers and/or interexchange carriers in order to provide the proposed service.<sup>2</sup> In response to inquiry by the assigned

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<sup>1</sup> The financial requirement for competitive local exchange carriers is contained in Decision (D.) 95-12-056, Appendix C. The financial requirement for non-dominant interexchange carriers is contained in D.91-10-041.

<sup>2</sup> The requirement for Competitive Local Carrier applicants to demonstrate that they have additional financial resources to meet any deposits required by underlying Local Exchange

*Footnote continued on next page*

Administrative Law Judge (ALJ or Judge), Telna provided a letter of credit from Wells Fargo Bank which exceeds the \$25,000 minimum required. The letter of credit will be available to Telna for one year following certification. Since Telna has provided documentation that it possesses a minimum of \$250,000<sup>3</sup> that is reasonably liquid and available, it has demonstrated that it has sufficient funds to meet its start-up expenses and has fulfilled this requirement.

Telna proposed to initially resell service from Global Crossing,<sup>4</sup> and stated that no deposit is required by Global Crossing. Therefore, no additional resources are required at this time to cover deposits.

## **5. Technical Qualifications**

To be granted a CPCN for authority to provide local exchange and interexchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business.<sup>5</sup> Telna supplied biographical information on its management in Exhibit F to its application that demonstrated that it has sufficient expertise and training to operate as a telecommunications provider.

Telna certified that no one associated with or employed by Telna as an affiliate, officer, director, partner, or owner of more than 10% of Telna was previously associated with a telecommunications carrier that filed for bankruptcy, or been found liable, for fraud, dishonesty, failure to disclose, or

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Carriers (LEC) and/or interexchange carriers is set forth in D.95-12-056, Appendix C. For non-dominant interexchange carriers, the requirement is found in D.93-05-010.

<sup>3</sup> Telna obtained a revolving line of credit for \$250,000, which exceeds the \$25,000 minimum required.

<sup>4</sup> Telna will resell service from Global Crossing.

<sup>5</sup> D.95-12-056 at Appendix C, Rule 4.A.

misrepresentations to consumers or others, or been convicted of a felony, been the subject of a criminal referral by judge or public agency, had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction, or entered into settlement of criminal or civil claims involving violations of sections 17000 *et seq.*, 17200 *et seq.*, or 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; or been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; or entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general, or been investigated by the Federal Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order, or been convicted of a felony, was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order, or has been found either civilly or criminally liable by a court of appropriate jurisdiction for a violation of § 17000, *et seq.* of the California Business and Professions Code, or for any actions which involved misrepresentations to consumers, nor is currently under investigation for similar violations, or entered into a settlement with one exception.

Telna explained that its CPCN authority had been revoked on April 19, 2012 by Commission Resolution T-175359 for failure to obtain a performance bond. Telna obtained the performance bond in May 2012 and assumed that its bond had been received and accepted by the Commission's Communications Division. Telna continued to submit its surcharges and fees to the Commission,

unaware that its authority had been revoked. Telna states the Communications Division explained that due to a technical problem with the Commission's reporting system, Telna had been allowed to continue to submit its surcharges and fees despite revocation of its operating authority. The Communications Division reinstated the online reporting login for Telna, and Telna continues to report and pay their California Telephone surcharges. Telna subsequently reapplied for operating authority.

Telna took immediate action to meet its regulatory compliance obligations. Due to the technical problem with the Commission's reporting system, Telna mistakenly believed it was authorized to operate. Telna continued to remit surcharges and fees and reapplied for operating authority upon learning its authority had been revoked. For the above reasons, we find that Telna is in compliance with the requirements of D.95-12-056.

## **6. Detariffed Status**

Telna has requested an exemption from tariffing requirements pursuant to the requirements set out in D.98-08-031. Telna has agreed to abide by the requirements and consumer protection rules set forth in D.98-08-031, as such rules may be modified from time to time. Telna is eligible to provide detariffed service in accordance with D.98-08-031. Telna also must post all detariffed rates, terms, and conditions of service on an internet site pursuant to Rule 5.2 of the Telecommunications Industry Rules in General Order 96-B, and must notify customers, for any service not provided under tariff, of higher rates or charges, or more restrictive terms or conditions or withdrawal of service or transfer of ownership or customer base pursuant to Rule 5.3 of the Telecommunications Industry Rules in General Order 96-B.

**7. Map of Service Territory**

To be granted a CPCN for authority to provide local exchange service, an applicant must provide a map of the service territories it proposes to serve.<sup>6</sup> Telna proposes to provide service throughout California. Telna provided the requisite map in response to ALJ inquiry.

**8. Expected Customer Base**

Telna provided its estimated customer base for the first and fifth years of operation in Exhibit E of its application. Therefore, Telna has complied with this requirement.

**9. Request for Treatment as a Non-dominant Interexchange Carrier**

Telna requests treatment as a non-dominant interexchange carrier, which would include exemption from the requirements of Pub. Util. Code §§ 816-830 concerning stocks and security, as well as Section 851 concerning the encumbrance and transfer of utility property. The Commission detailed its rules regarding exemption of non-dominant carriers in D.85-01-008, and subsequently modified in D.85-07-081 and D.85-11-044. We grant Telna's request for non-dominant interexchange carrier status, provided that they follow all rules detailed in the above referenced decisions.<sup>7</sup>

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<sup>6</sup> D.95-12-056 at Appendix C, Rule 4.E.

<sup>7</sup> While the Commission has granted exemption from Pub. Util. Code §§ 816 – 830 to others, exemption from §§ 851 – 854 has not been granted previously and is not granted here.

## 10. Conclusion

We conclude that the application conforms to our rules for certification as a competitive interexchange carrier. Accordingly, we grant Telna a CPCN to provide resold interexchange telecommunications service in California subject to compliance with the terms and conditions set forth in the herein Ordering Paragraphs.

The CPCN granted by this decision provides benefits to Telna and corresponding obligations. Telna receives authority to operate in the prescribed service territory, it can request interconnection with other telecommunications carriers in accordance with Section 251 of the Federal Communications Act (47 U.S.C. 251), and it receives access to public rights of way in California as set forth in D.98-10-058 and subject to the CEQA requirements set forth in this decision. In return, Telna is obligated to comply with all applicable Public Utilities Codes and Commission Rules, General Orders, and decisions applicable to telecommunications carriers providing approved services. The applicable Codes, Rules, etc. include, but are not limited to, consumer protection rules, tariffing, and reporting requirements. Moreover, Telna is obligated to pay all Commission prescribed user fees and public purpose program surcharges as set forth in Appendix B of this decision, to comply with CEQA, and to adhere to Pub. Util. Code § 451 which states that every public utility “...shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities, as defined in Section 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

**11. Categorization and Need for Hearings**

In Resolution ALJ 176-3333, dated March 27, 2014, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. There is no apparent reason why the application should not be granted. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

**12. Waiver of Comment Period**

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

**13. Assignment of Proceeding**

Michael Picker is the assigned Commissioner and Katherine Kwan MacDonald is the assigned ALJ in this proceeding.

**Findings of Fact**

1. Notice of the application appeared on the Daily Calendar on March 27, 2014. No protests have been filed. A hearing is not required.
2. Telna is a telephone corporation and a public utility as defined in Pub. Util. Code §§ 234(a) and 216(a).
3. Telna has a minimum of \$25,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
4. Telna has sufficient additional cash or cash equivalent to cover deposits that may be required by other telecommunications carriers in order to provide the proposed service.

5. Telna's management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.

6. Except for revocation for failing to file evidence of a performance bond with the Commission, no one associated with or employed by Telna as an affiliate, officer, director, partner, or owner of more than 10% of Telna filed for bankruptcy, or been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others, or been convicted of a felony, been the subject of a criminal referral by judge or public agency, had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction, or entered into settlement of criminal or civil claims involving violations of Sections 17000 *et seq.*, 17200 *et seq.*, or 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; or been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; or entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general, or been investigated by the Federal Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order, or been convicted of a felony, was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order, or has been found either civilly or criminally liable by a court of appropriate jurisdiction for a violation of Section 17000, *et seq.* of the California Business and Professions Code, or for any actions which involved

misrepresentations to consumers, nor is currently under investigation for similar violations, or entered into a settlement with one exception.

7. Telna obtained a performance bond in May 2012 but was unaware its operating authority had been revoked because of a technical problem with the Commission's reporting system.

8. Telna reported and paid all required surcharges and fees during the period when it was unaware its operating authority had been revoked. Telna reapplied for operating authority when it was notified that its operating authority had been revoked.

9. Telna meets the qualifications for exemption from tariffing requirements and Telna has agreed to abide by the consumer protection rules adopted in D.98-08-031.

10. Telna requests non-dominant interexchange carrier treatment.

11. Telna provided a map of the location of its proposed service territory.

12. Telna provided an estimate of its customer base for the first and fifth year of operation.

13. Telna will not be constructing facilities.

### **Conclusions of Law**

1. Telna should be granted a CPCN to provide resold interexchange telecommunications service in California, subject to the terms and conditions set forth in the Ordering Paragraphs.

2. Telna, once granted a CPCN, should be subject to the applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.

3. Telna should be granted an exemption from the requirement to file tariffs.

4. Telna should be granted non-dominant interexchange carrier status, subject to Commission rules and regulations applicable to non-dominant interexchange carriers including D.85-01-008, D.85-07-081, D.85-11-044, and D.10-09-017.

5. Because of the public interest in competitive interexchange services, the following order should be effective immediately.

### **O R D E R**

#### **IT IS ORDERED** that:

1. A certificate of public convenience and necessity is granted to Telecom North America, Inc. d/b/a/ Telna, Inc., to provide resold interexchange telecommunications services in California, subject to the terms and conditions set forth below.

2. Telecom North America, Inc. d/b/a/ Telna, Inc. must post all detariffed rates, terms, and conditions of service on an internet site pursuant to Rule 5.2 of the Telecommunications Industry Rules in General Order 96-B.

3. The corporate identification number assigned to Telecom North America, Inc. d/b/a/ Telna, Inc., U-6737-C, must be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

4. Telecom North America, Inc. d/b/a/ Telna, Inc. must retain the required performance bond of \$25,000 in accordance with Decision 13-05-035 that is a continuous bond (i.e., there is no termination date on the bond) issued by a corporate surety company authorized to transact surety business in California, and the Commission must be listed as the obligee on the bond. Within five days of acceptance of its certificate of public convenience and necessity authority,

Telecom North America, Inc. d/b/a/ Telna, Inc. must submit a Tier-1 advice letter to the Director of Communications, containing a copy of the license holder's executed bond, and submit a Tier-1 advice letter annually, but not later than March 31, with a copy of the executed bond.

5. Telecom North America, Inc. d/b/a/ Telna, Inc. must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-035, the Commission may revoke a certificate of public convenience and necessity if a carrier is more than 120 days late in providing the Director of the Communications Division a copy of its executed performance bond and the carrier has not been granted an extension of time by the Communications Division.

6. In addition to all the requirements applicable to competitive local exchange carriers and interexchange carriers included in Attachments B, C, and D to this decision, Telecom North America, Inc. d/b/a/ Telna, Inc. is subject to the Consumer Protection Rules contained in General Order 168, and all applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.

7. Telecom North America, Inc. d/b/a/ Telna, Inc. must file, in this docket, a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.

8. Telecom North America, Inc. d/b/a/ Telna, Inc. must annually pay the user fee and public purpose surcharges specified in Attachment B. Per the instructions in Exhibit E to Decision 00-10-028, the Combined California Public Utilities Commission Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0. Under Pub. Util. Code § 405, carriers that are in default of reporting and submitting user fees for a period of 30 days or more will be subject to penalties including suspension or revocation of their authority to operate in California. Therefore, carriers should report user fees even if the amount due is \$0.

9. Prior to initiating service, Telecom North America, Inc. d/b/a/ Telna, Inc. must provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information must be updated if the name or telephone number changes, or at least annually.

10. Prior to initiating service, Telecom North America, Inc. d/b/a/ Telna, Inc. must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact person(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at: <http://www.cpuc.gov/PUC/telco/Information+for+providing+service/>. This information must be updated if the name or telephone number changes, or at least annually.

11. Telecom North America, Inc. d/b/a/ Telna, Inc. must file an affiliate transaction report with the Director of the Communications Division, in compliance with Decision 93-02-019, on a calendar-year basis using the form contained in Attachment D.

12. Telecom North America, Inc. d/b/a/ Telna, Inc. must file an annual report with the Director of the Communications Division, in compliance with General Order 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

13. Telecom North America, Inc. d/b/a/ Telna, Inc. must file a tariff within 12 months of the effective date of this order, or its certificate will be cancelled.

14. Application 14-03-014 is closed.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

# **ATTACHMENT A**

**ATTACHMENT A**

**Page 1**

Telecom North America, Inc. d/b/a/ Telna, Inc. is exempt from the requirement to file a tariff.

Telecom North America, Inc. d/b/a/ Telna, Inc. must post all detariffed rates, terms, and conditions of service on an internet site pursuant to Rule 5.2 of the Telecommunications Industry Rules in General Order 96-B.

**(END OF ATTACHMENT A)**

# **ATTACHMENT B**

**ATTACHMENT B****REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS AND INTEREXCHANGE CARRIERS**

1. Applicant must file, **in this docket with reference to this decision number,**<sup>8</sup> a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.

2. Applicant is subject to the following fees and surcharges that must be regularly remitted. Per the instructions in Exhibit E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.

- a. The Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879);
- b. The California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073);
- c. The California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, at 3-4, App. B, Rule 1.C);
- d. The California High Cost Fund-B (D.96-10-066, at 191, App. B, Rule 6.F.; D.07-12-054);
- e. The California Advanced Services Fund (D.07-12-054);
- f. The California Teleconnect Fund (D.96-10-066, at 88, App. B, Rule 8.G).

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<sup>8</sup> **Written acceptance filed in this docket does not reopen the proceeding.**

- g. The User Fee provided in Pub. Util. Code §§ 431-435. The minimum annual User Fee is \$100, as set forth in D.13-05-035.

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, Applicant must check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised. Current and historical surcharge rates can be found at <http://www.cpuc.ca.gov/PUC/Telco/Consumer+Information/surcharges.htm>.

- Carriers must report and remit CPUC telephone program surcharges online using the CPUC Telecommunications and User Fees Filing System (TUFFS). Information and instructions for online reporting and payment of surcharges are available at <http://www.cpuc.ca.gov/PUC/Telco/Information+for+providing+service/Surcharge+Remittance.htm>. To request a user ID and password for TUFFS online filing and for questions, please e-mail [Telco\\_surcharges@cpuc.ca.gov](mailto:Telco_surcharges@cpuc.ca.gov).
- Carriers must file and pay the PUC User Fee (see above item 2g) upon receiving the User Fee statement sent by the Commission. User Fees cannot be reported or paid online. Instructions for reporting filing are available at <http://www.cpuc.ca.gov/PUC/Telco/Consumer+Information?userfee.htm>. Please call (415) 703-2470 for questions regarding User Fee reporting and payment.

3. Applicant is a competitive local exchange carrier (CLC). The effectiveness of its future tariffs is subject to the requirements of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

4. Applicant is a non-dominant interexchange carrier. The effectiveness of its future NDIEC tariffs is subject to the requirement of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

5. Tariff filings must reflect all fees and surcharges to which Applicant is subject, as reflected in #2 above.
6. Applicant must file a service area map as part of its initial tariff.
7. Prior to initiating service, Applicant must provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information must be updated if the name or telephone number changes, or at least annually. In addition, Applicant must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact person(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at: <http://www.cpuc.gov/PUC/telco/Information+for+providing+service/>. This information must be updated if the name or telephone number changes, or at least annually.
8. Applicant must notify the Director of the Communications Division in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.
9. Applicant must notify the Director of the Communications Division in writing of the date local service is first rendered to the public within five days after service begins.
10. Applicant must keep its books and records in accordance with the Generally Accepted Accounting Principles.
11. In the event Applicant's books and records are required for inspection by the Commission or its staff, it must either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

12. Applicant must file an annual report with the Director of the Communications Division, in compliance with General Order 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

13. Applicant must file an affiliate transaction report with the Director of the Communications Division, in compliance with D.93-02-019, on a calendar-year basis using the form contained in Attachment D.

14. Applicant must ensure that its employees comply with the provisions of Pub. Util. Code § 2889.5 regarding solicitation of customers.

15. Within 60 days of the effective date of this order, Applicant must comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the Director of the Communications Division in writing of its compliance.

16. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in #2 above, and has not received written permission from the Communications Division to file or remit late, the Communications Division must prepare for Commission consideration a resolution that revokes Applicant's CPCN.

17. Applicant is exempt from Rule 3.1(b) of the Commission Rules of Practice and Procedure

18. Applicant is exempt from Pub. Util. Code §§ 816-830.

19. Applicant is exempt from the requirements of Pub. Util. Code § 851 for the transfer or encumbrance of property whenever such transfer or encumbrance serves to secure debt.

20. If Applicant decides to discontinue service or file for bankruptcy, it must immediately notify the Communications Division's Bankruptcy Coordinator.

21. Applicant must send a copy of this decision to concerned local permitting agencies no later than 30 days from the date of this order.

**(END OF ATTACHMENT B)**

# **ATTACHMENT C**

**ATTACHMENT C****ANNUAL REPORT**

An original and a machine readable, copy using Microsoft Word or compatible format must be filed with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

Failure to file this information on time may result in a penalty as provided for in Pub. Util. Code §§ 2107 and 2108.

Required information:

1. Exact legal name and U # of the reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (*e.g.*, corporation, partnership, sole proprietorship, etc.).

If incorporated, specify:

- a. Date of filing articles of incorporation with the Secretary of State.
  - b. State in which incorporated.
6. Number and date of the Commission decision granting the Certificate of Public Convenience and Necessity.
  7. Date operations were begun.
  8. Description of other business activities in which the utility is engaged.
  9. List of all affiliated companies and their relationship to the utility. State if affiliate is a:
    - a. Regulated public utility.
    - b. Publicly held corporation.

10. Balance sheet as of December 31st of the year for which information is submitted.
11. Income statement for California operations for the calendar year for which information is submitted.
12. Cash Flow statement as of December 31<sup>st</sup> of the calendar year for which information is submitted, for California operations only.

For answers to any questions concerning this report, call (415) 703-2883.

**(END OF ATTACHMENT C)**

# **ATTACHMENT D**

## ATTACHMENT D

## CALENDAR YEAR AFFILIATE TRANSACTION REPORT

**An original and a machine readable, copy using Microsoft Word and Excel, or compatible format must be filed with the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than May 1st of the year following the calendar year for which the annual report is submitted.**

1. Each utility must list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the Annual Affiliate Transaction Report.

- Form of organization (*e.g.*, corporation, partnership, joint venture, strategic alliance, etc.);
- Brief description of business activities engaged in;
- Relationship to the utility (*e.g.*, controlling corporation, subsidiary, regulated subsidiary, affiliate);
- Ownership of the utility (including type and percent ownership)
- Voting rights held by the utility and percent; and
- Corporate officers.

2. The utility must prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries in #1 above. The chart must have the controlling corporation (if any) at the top of the chart, the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart, and all secondary subsidiaries and affiliates (*e.g.*, a subsidiary that in

turn is owned by another subsidiary and/or affiliate) in the lower levels. Any regulated subsidiary must be clearly noted.

3. For a utility that has individuals who are classified as “controlling corporations” of the competitive utility, the utility must only report under the requirements of #1 and #2 above any affiliated entity that either (a) is a public utility or (b) transacts any business with the utility filing the annual report excluding the provision of tariff services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility’s Annual Affiliate Transaction Report and verified in accordance with Section I-F of Decision 93-02-019.

6. Utilities that do not have affiliated entities must file, in lieu of the annual transaction report, an annual statement to the Commission stating that the utility had no affiliated entities during the report period. This statement must be signed by a corporate officer of the utility, stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

**(END OF ATTACHMENT D)**