

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of IPC Network Services, Inc.
for Registration as an Interexchange Carrier
Telephone Corporation Pursuant to the
Provisions of Public Utilities Code
Section 1013.

Application 14-01-009
(Filed January 14, 2014)

**DECISION GRANTING IPC NETWORK SERVICES, INC. A CERTIFICATE OF
PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE RESOLD
INTEREXCHANGE SERVICE**

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DECISION GRANTING IPC NETWORK SERVICES, INC. A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE RESOLD INTEREXCHANGE SERVICE

Summary

Pursuant to Public Utilities Code § 1001,¹ we grant IPC Network Services, 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.²

1. Background

IPC Network Services, Inc. (IPC) was previously issued a Certificate of Public Convenience and Necessity (CPCN) (U-6860-C) on January 22, 2004 as a Non-Dominant Interexchange Carrier Telephone Corporation (NDIEC).³ The Commission adopted Decision (D.) 10-09-017 on September 10, 2010 imposing a performance bond requirement for registered carriers. On April 19, 2012, IPC's operating authority was revoked by Resolution T-17359 for failure to secure the required performance bond.⁴

Commission staff discovered IPC continued to operate in California and required the company to cease and desist operating or file a new CPCN application.

¹ All section references are to the Public Utilities Code unless otherwise specified.

² While this application was filed pursuant to Pub. Util. Code § 1013, an expedited and ministerial registration process, the protest filed by the Commission's Safety and Enforcement Division (SED) and resulting assignment to an Administrative Law Judge (ALJ) removed it from the registration track. It has therefore been evaluated as a CPCN under § 1001.

³ See D.04-01-055.

⁴ Resolution T-17359 Appendix A at 9, April 19, 2012.

On January 14, 2014, IPC, a corporation authorized to do business in California filed an application for a CPCN to provide resold interexchange service in California. IPC proposes to resell services of Verizon, AT&T, Level 3 and XO. IPC's principal place of business is located at 1500 Plaza 10, 15th Floor, Jersey City, NJ 07311.

The SED filed a protest to the application on February 20, 2014 alleging that IPC operated in violation of the Commission's revocation. IPC filed a timely reply and on April 22, 2014 SED withdrew its protest.

2. Jurisdiction

Public Utilities Code Section 216(a) defines the term "Public utility" to include a "telephone corporation," which in turn is defined in Public Utilities Code Section 234(a) as "every corporation or person owning, controlling, operating, or managing any telephone line for compensation within this state." IPC proposes to provide point to point private line services. It seeks NDIEC authority to provide interexchange service within the state of California. IPC is a telephone corporation and a public utility subject to our jurisdiction.

3. Performance Bond Requirement

The Commission adopted D.10-09-017 and D.11-09-026 on September 2, 2010 and September 22, 2011 revising the registration process for NDIEC's. As part of the decision, the Commission required registration license holders⁵ to post

⁵ A "registration license holder, "registration licensee" or "registrant" is an entity that obtained or obtains interexchange authority pursuant to § 1013 through the simplified registration process established by D.97-06-107 that does not hold interexchange authority pursuant to § 1001.

a performance bond to facilitate the collection of fines, penalties, and restitution.⁶ We ordered existing registration license holders to submit the performance bond within 90 days after the issuance of the Decision and within 90 days after the issuance of a registration license for new registration holders.⁷

The Commission's Communications Division (CD) sent notices of the bond requirement to the addresses on file for all affected carriers. CD staff then mailed two additional reminder notices to all delinquent registrants and extended the deadline to file until June 30, 2011. Subsequently, the Commission revoked the licenses of 106 carriers in Resolution T-17359 on April 19, 2012 for failure to submit the required bond despite CD's repeated notices. IPC was one of those 106 carriers.

IPC states it was not aware of the performance bond requirement and the revocation of IPC's authority until October 25, 2013, when the company received a cease and desist letter from CD. According to IPC, the company never received notice of D.10-09-017 imposing the performance bond requirement for carriers; it did not receive the two reminder notices from CD; and lastly, IPC did not receive notice of Resolution T-17359 revoking its operating authority. In good faith, IPC continued to remit annual reports, surcharges and user fees to the Commission.

CD maintains a database with regulatory contact information for all licensed carriers. This database is used for official Commission mailings and contacts. The Commission relies on each Carrier to update its regulatory contacts

⁶ See D.10-09-017 which sets out the bond amount. Existing registrants must carry performance bonds equal to or greater than 10% of intrastate revenues reported to the Commission during the preceding calendar year or \$25,000, whichever is greater. The bond amount for new registrants that have not yet reported annual intrastate revenues to the Commission is \$25,000.

⁷ *Id.*

via email using the “Regulatory/Official Contact Update Information Request” (Request) on the Commission’s website. The link to the Request is prominently displayed along with the link used by carriers to remit surcharges and tariffs.⁸ CD’s database shows IPC last updated its regulatory contact information in 2004, at its initial approval.

While it is possible for IPC to not know about the regulatory contact update process, it is the responsibility of the regulated utility, not the Commission, to make sure that the utility updates its regulatory contact information with the Commission. It is also the responsibility of the utility to identify and properly comply with all legal requirements. While the Commission tries to assist in compliance by identifying legal requirements and notifying the utility of such, it is up to the regulated entity to make sure that it is in compliance.

We are sympathetic to IPC’s inadvertent oversight and its good faith efforts to comply with Commission requirements. IPC continued to file its annual reports, remit surcharges and pay user fees during its revocation. In addition, once made aware of the performance bond requirement, the company obtained a performance bond on December 17, 2013 and submitted proof of the bond with its CPCN application. While IPC did not stay abreast of regulatory developments at the Commission, once it became aware of the oversight it was quickly rectified.

4. 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

⁸ See <http://www.cpuc.ca.gov/PUC/telco/Information+for+providing+service/>.

effects are avoided, alternatives are investigated, and environmental quality is restored or enhanced to the fullest extent possible. Since IPC states that it does not intend to construct any facilities, granting this application will not have an adverse impact upon the environment. Before it can construct any new facilities, IPC must file for additional authority, and submit to any necessary CEQA review.

5. 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.⁹ An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by interexchange carriers (IECs) in order to provide the proposed service.¹⁰ In the application, IPC provided the audited balance sheet of IPC Corp., the ultimate parent of IPC, showing that adequate working capital is available to IPC for one year following certification. IPC Corp. also filed a guarantee unconditionally guaranteeing, all of IPC's financial obligation to the Commission. Since IPC has provided documentation that it possesses a minimum of \$25,000 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. As IPC has been an NDIEC since 2004 and continues to operate, we are satisfied of the company's financial viability.

⁹ The financial requirement for Competitive Local Exchange Carriers (LEC) is contained in D.95-12-056, Appendix C. The financial requirement for NDIEC is contained in D.91-10-041.

¹⁰ The requirement for competitive local carrier applicants is to demonstrate that they have additional financial resources to meet any deposits required by underlying LEC and/or IECs is set forth in D.95-12-056, Appendix C. For NDIECs, the requirement is found in D.93-05-010.

Therefore, no additional resources are required at this time to cover deposits.

6. Technical Qualifications

To be granted a CPCN for authority to provide resold interexchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business.¹¹ IPC supplied biographical information on its management in attachment 2 to its application that demonstrated that it has sufficient expertise and training to operate as a telecommunications provider.

Other than not receiving notice and being revoked by the Commission for failure to obtain the performance bond, IPC verified in its application that no one associated with or employed by IPC as an affiliate, officer, director, partner, or owner of more than 10% of IPC was previously associated with a telecommunications carrier that filed for bankruptcy, was sanctioned by the Federal Communications Commission (FCC) 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.

For the above reasons, we find that IPC is in compliance with the requirements of D.95-12-056.

¹¹ D.95-12-056 at Appendix C, Rule 4.A.

7. Tariffs

Applicant has requested authority to operate on a de-tariffed basis, this request is granted as IPC will not provide Basic Local, Access or Special Access Services.

8. Request for Treatment as a Non-dominant Carrier

Applicant requests treatment as a NDIEC, which would include exemption from the requirements of Pub. Util. Code §§ 816-830 concerning stocks and security and § 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 Applicant's request for NDIEC status, provided that it follows all rules detailed in the above referenced decisions.¹²

9. Conclusion

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

The CPCN granted by this decision provides benefits to IPC and corresponding obligations. IPC 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 subject to the CEQA requirements set forth in this decision.

¹² While the Commission has granted exemption from §§ 816-830 to others, exemption from §§ 851-854 has not been granted previously and is not granted here.

In return, IPC is obligated to comply with all applicable Public Utilities Codes and Commission Rules, General Orders (GO), 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, IPC is obligated to pay all Commission prescribed user fees and public purpose program surcharges as set forth in the 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."

10. Categorization and Need for Hearings

In Resolution ALJ 176-3330, dated February 5, 2014, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. On February 20, 2014, the Commission's SED filed a protest to the application which was withdrawn on April 22, 2014. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

11. Comments on Draft Decision

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.

12. Assignment of Proceeding

Michael Picker is the assigned Commissioner and S. Pat Tsen is the assigned ALJ in this proceeding.

Findings of Fact

1. IPC was granted operating authority as a carrier in 2004.
2. D.10-09-017 and D.11-09-026 requires current carriers to post a performance bond to facilitate the collection of fines, penalties, and restitution to customers, taxes and fees.
3. IPC did not update its regulatory contact information, so did not receive notice of the performance bond requirement.
4. IPC's operating authority was revoked by Resolution T-17359 for its failure to comply with the performance bond requirement and instructed to re-apply for a CPNC.
5. IPC continued to file annual reports and remit surcharges and user fees despite the revocation.
6. IPC obtained a performance bond on December 17, 2013.
7. Notice of the application appeared on the Daily Calendar on January 23, 2014. A protest was filed by the Commission's SED but then withdrawn. A hearing is not required.
8. IPC is a telephone corporation and a public utility as defined in Pub. Util. Code §§ 234(a) and 216(a).
9. IPC has a minimum of \$25,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
10. IPC 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.

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

12. IPS's will not provide Basic, Local Access or Special Access services and is eligible for and requested exemption from tariffing requirements.

13. Except for previous revocation of IPC's operating authority by this Commission, no one associated with or employed by IPC as an affiliate, officer, director, partner, or owner of more than 10% of IPC was: previously associated with a telecommunications carrier that filed for bankruptcy; was sanctioned by the FCC or any state regulatory agency for failure to comply with any regulatory statute, rule, or order; or was previously associated with any telecommunication carrier that 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.

Conclusions of Law

1. IPC 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. IPC once granted a CPCN, should be subject to the applicable Commission rules, decisions, GO, and statutes that pertain to California Public Utilities.

3. IPC should be granted non-dominant carrier status, subject to Commission rules and regulations as detailed in D.85-01-008 and modified in D.85-07-081 and D.85-11-044.

O R D E R**IT IS ORDERED** that:

1. A certificate of public convenience and necessity is granted to IPC Network Services, Inc. to provide resold interexchange telecommunications services in California, subject to the terms and conditions set forth below.

2. The corporate identification number assigned to IPC Network Services, Inc. U-7266-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.

3. IPC Network Services, Inc. is exempt from the requirements to file tariffs.

4. IPC Network Services, Inc. must maintain the performance bond of at least \$25,000 in accordance with Decision 13-05-035. The performance bond must be 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, applicant must submit a Tier-1 Advice Letter (AL) to the Director of Communications, containing a copy of the license holder's executed bond, and submit a Tier-1 AL annually, but not later than March 31, with a copy of the executed bond.

5. IPC Network Services, 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 Interexchange Carriers included in Attachments B, C, and D to this decision, IPC Network Services, 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. IPC Network Services, 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. IPC Network Services, Inc. (IPC) must annually pay the user fee and public purpose surcharges specified in Attachment B. Per the instructions in Exhibit E to Decision (D.) 00-10-028, the Combined California Public Utilities Commission Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0. Under Public Utilities 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. In accordance with D.13-05-035, IPC must pay a minimum user fee of \$100 or 0.18% of gross intrastate revenue, whichever is greater.

9. IPC Network Services, 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. IPC Network Services, Inc. must provide the Commission's Communication 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.ca.gov/PUC/telco/Information+for+providing+service/>.

11. This information must be updated if the name or telephone number changes, or at least annually.

12. IPC Network Services, 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.

13. IPC Network Services, 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.

14. Application 14-01-009 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A

(This section left intentionally blank)

(END OF ATTACHMENT A)

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,**¹ 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).
- 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.

¹ **Written acceptance filed in this docket does not reopen the proceeding.**

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.
- 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/Information+for+providing+service/userfee.htm>. Please call (415) 703-2470 for questions regarding User Fee reporting and payment. In accordance with Decision 13-05-035, Application must pay a minimum user fee of \$100 or 0.18% of gross intrastate revenue, whichever is greater.

3. Applicant must obtain a performance bond of at least \$25,000 in accordance with Decision 13-05-035. The performance bond must be 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 the Certificate of Public Convenience and Necessity authority, Applicant must submit a Tier 1 Advice Letter (AL) to the Director of

Communications, containing a copy of the license holder's executed bond, and submit a Tier-1 AL annually, but not later than March 31, with a copy of the executed bond.

4. Applicant must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-35, 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 granted an extension of time by the Communications Division.

5. Applicant is a non-dominant interexchange carrier (NDIEC). 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).

6. Tariff filings must reflect all fees and surcharges to which Applicant is subject, as reflected in #2 above.

7. Applicant must file a service area map as part of its initial tariff.

8. 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.

9. Prior to initiating service, Applicant must provide the Commission's Communication 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.ca.gov/PUC/telco/Information+for+providing+service/>.

This information must be updated if the name or telephone number changes, or at least annually.

10. 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.

11. 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.

12. Applicant must keep its books and records in accordance with the Generally Accepted Accounting Principles.

13. 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.

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

15. 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.

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

17. 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.

18. 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.

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

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

21. 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.

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

23. 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**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 31st 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

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)