

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Vodafone Global Enterprise Inc.
for Registration as an Interexchange Carrier
Telephone Corporation Pursuant to the
Provisions of Public Utilities Code Section 1013.

Application 13-10-022
(Filed October 22, 2013)

**DECISION GRANTING VODAFONE US INC. A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE
INTEREXCHANGE SERVICE**

Summary

Pursuant to Public Utilities Code § 1001, we grant Vodafone US Inc.¹ a certificate of public convenience and necessity (CPCN) to provide voice and data interexchange service in California as a switchless reseller by Voice over Internet Protocol and Internet Protocol enabled service, subject to the terms and conditions set forth in the Ordering Paragraphs.² In particular, Vodafone US is granted a CPCN to provide: 1) traditional 1+ long distance telephone service to commercial customers; 2) capability to its customers to enable their employees to charge long distance calls from remote locations to the customers' accounts

¹ In a January 15, 2015 response to a request for information from the assigned Administrative Law Judge (ALJ), the applicant stated that it had changed its name from Vodafone Global Enterprise Inc. to Vodafone US Inc., and requested that the caption for this proceeding be revised.

² While this application was filed pursuant to Pub. Util. Code § 1013, an expedited and ministerial registration process, the Commission's Communications Division determined that the filing did not qualify for registration process, which resulted in assignment to an ALJ, and removal from the registration track. It has therefore been evaluated as a CPCN under § 1001.

(using post-paid calling cards); and 3) private line/network capability for customers to transmit data between legacy (non-IP) customer premises equipment.

1. Background

On October 22, 2013, Vodafone Global Enterprise Inc., a corporation authorized to do business in California filed Application (A.) 13-10-022, an application for registration license as an interexchange carrier telephone corporation pursuant to Public Utilities (Pub. Util.) Code § 1013. Although there was no protest, the Commission's Communications Division (CD) reviewed the application and determined that due to the revocation of an affiliated company's license to operate in California, and pursuant to the requirements of Decision (D.) 97-06-107, this application did not qualify for the simplified ministerial registration process and should rather be assigned for full review by an Administrative Law Judge (ALJ). Therefore, on January 15, 2014, A.13-10-022 was reassigned from Examiner Ryan Dulin of CD to ALJ Julie M. Halligan.

In its January 15, 2015 response to a request for information (Response) from the assigned ALJ, the applicant stated that, subsequent to the filing of its application, it had changed its name from Vodafone Global Enterprise Inc. to Vodafone US Inc. (Vodafone US). The Applicant also requested that the caption for this proceeding be revised. We grant such authority herein, and all authority granted by this decision is granted to Vodafone US.

Vodafone US's principal place of business is located at 560 Lexington Avenue, 9th Floor, New York, New York, 10022. Vodafone US holds a Certificate of Incorporation with the State of Delaware (in its new name) as well as a Certificate of Status with the State of California, which allows it to transact intrastate business in California.

Vodafone US proposes to provide interexchange voice and data telecommunications service as a switchless reseller, by Voice over Internet Protocol (VoIP) and other Internet Protocol (IP) enabled services. In particular, Vodafone US proposes to provide: 1) traditional 1+ long distance telephone service to commercial customers; 2) capability to its customers to enable their employees to charge long distance calls from remote locations to the customers' accounts (using post-paid calling cards); and 3) private line/network capability for customers to transmit data between legacy (non-IP) customer premises equipment. Vodafone US is a telephone corporation and a public utility subject to our jurisdiction.

2. Jurisdiction

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."

Pub. Util. Code § 710 states that the Commission "shall not exercise regulatory jurisdiction or control over VoIP and IP enabled services except as required or expressly delegated by federal law or expressly directed to do so by statute or as set forth in subdivision (c)." Pub. Util. Code § 239 defines the relevant terms "Voice over Internet Protocol" and "Internet Protocol enabled service."

239. (a) (1) "Voice over Internet Protocol" or "VoIP" means voice communications service that does all of the following:

(A) Uses Internet Protocol or a successor protocol to enable real-time, two-way voice communication that originates from, or terminates at, the user's location in Internet Protocol or a successor protocol.

(B) Requires a broadband connection from the user's location.

(C) Permits a user generally to receive a call that originates on the public switched telephone network and to terminate a call to the public switched telephone network.

(2) A service that uses ordinary customer premises equipment with no enhanced functionality that originates and terminates on the public switched telephone network, undergoes no net protocol conversion, and provides no enhanced functionality to end users due to the provider's use of Internet Protocol technology is not a VoIP service.

(b) "Internet Protocol enabled service" or "IP enabled service" means any service, capability, functionality, or application using existing Internet Protocol, or any successor Internet Protocol, that enables an end user to send or receive a communication in existing Internet Protocol format, or any successor Internet Protocol format through a broadband connection, regardless of whether the communication is voice, data, or video.

By A.13-10-022, Vodafone US has voluntarily requested authority to operate as an interexchange carrier telephone corporation in California in order to provide voice and data telecommunications. Vodafone seeks a CPCN in order to obtain the benefits conferred on CPCN-holders, including the right to request interconnection with other telecommunications carriers in accordance with Section 251 of the Federal Communication's Act (47 U.S.C. 251), and access to public rights of way in California as set forth in D.98-10-058.

In response to a ruling requesting further information, Vodafone US filed a declaration stating that it is a common carrier as defined Section 153 of the Federal Telecommunications Act of 1996 and is eligible to interconnect with the

public switched telephone network pursuant to Section 251 of the Act. Moreover, Vodafone US stated in its declaration that if granted a CPCN, it will operate as a telephone corporation as defined in Section 234(a) of the Pub. Util. Code and obey the code and all Commission rules, orders, and decisions applicable to telephone corporations.

Vodafone US is a telephone corporation and a public utility subject to our jurisdiction.

3. California Environmental Quality Act (CEQA)

The CEQA requires that 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 Vodafone US states that it plans to operate as a switchless reseller, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment. Before it can construct facilities other than equipment to be installed in existing buildings or structures, Vodafone US 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. An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by interexchange carriers in order to provide the proposed service. In its Response, Vodafone US provided documentation that it possesses \$150,000 that is reasonably liquid and available – to meet the performance bond requirement established by Decision (D.) 13-05-035 and to establish availability of

cash resources sufficient to meet the Commission's requirements for new entrants, in accordance with D.93-05-010. Vodafone US has therefore demonstrated that it has sufficient funds to meet its start-up expenses and has fulfilled this requirement.

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. Vodafone US provided resumes of its officers and directors in Exhibit 4 to its application that demonstrated that it has sufficient expertise and training to operate as a telecommunications provider.

In its application, Vodafone US verified that, except for the information disclosed in Exhibit 6, no one associated with or employed by Vodafone US as an affiliate, officer, director, partner, or owner of more than 10% of Vodafone US 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.

In Exhibit 6 to its application, Vodafone US stated that in July 2012, its ultimate parent, Vodafone Group Plc, acquired Cable & Wireless Worldwide (CWW). In April 2012, a subsidiary of CWW, Cable & Wireless Americas Operation (CWAO), had its interexchange certificate revoked by this

Commission due to non-compliance regarding the interexchange carrier bond requirement and payment of fees.³ As discussed above in the Background section of this decision, CD determined that Vodafone US' registration request should be processed as an application by an ALJ. In order to assure compliance of Vodafone US with the bond requirements of the Commission, the ALJ required and received copies of performance bonds issued by Vodafone US prior to authorization being granted.

In her review of A.13-10-022, the assigned ALJ discovered four tax liens against Vodafone US and its affiliates. In its response, Vodafone US provided proof of payment for each of the four tax liens. Provision of this information resolves our concerns.

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

6. Tariffs

Vodafone US requests an exemption from tariffing requirements pursuant to D.98-08-031. Because Vodafone US proposes to provide services other than basic exchange service, we grant Vodafone US' request for an exemption from tariffing requirements.

7. Expected Customer Base

Vodafone US also requests an exemption from providing its expected customer base. Vodafone US states that because the services for which it requests authority herein will likely be adjuncts to other services offered by it to its customers (large enterprises), such as ordinary (non-VoIP) telephone lines or

³ See Resolution T-17359.

non-IP-enabled data communications services; it cannot predict how many customers are likely to have such requirements. We therefore waive the requirement to provide the number of customers expected in the first and fifth year of service, as such information is not essential in this particular case, given the unknown nature of how many existing and future customers will require such service.

8. Conclusion

We conclude that the application conforms to our rules for certification as an interexchange carrier. Accordingly, we grant Vodafone US a CPCN to provide interexchange voice and data service in California as a switchless reseller, subject to compliance with the terms and conditions set forth in the Ordering Paragraphs.

In particular, Vodafone may provide: 1) traditional 1+ long distance telephone service to commercial customers; 2) capability to its customers to enable their employees to charge long distance calls from remote locations to the customers' accounts (using post-paid calling cards); and 3) private line/network capability for customers to transmit data between legacy (non-IP) customer premises equipment.

The CPCN granted by this decision provides benefits to Vodafone US and corresponding obligations. Vodafone US 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. In return, Vodafone US is obligated to comply with all applicable Public Utilities Codes, the Commission Rules of Practice and

Procedure (Rule), General Orders (GOs), 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, Vodafone US 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.”

9. Request to File Under Seal

Pursuant to Pub. Util. Code § 583⁴ and GO 66-C,⁵ Vodafone US requests that its financial statements provided in Exhibit 7 – Part 2 of A.13-10-022 and Exhibit 2 to its Response, be filed under seal and treated confidentially, as such information is not open to public inspection and confidential in nature. In addition to Pub. Util. Code § 583 and GO 66-C, we also consider Rule 11.4 which allows parties to request that filed documents be sealed and treated confidentially. We have granted similar requests in the past and do so here.

⁴ Pub. Util. Code § 583 states “No information furnished to the commission by a public utility, or any business which is a subsidiary or affiliate of a public utility, or a corporation which holds a controlling interest in a public utility, except those matters specifically required to be open to public inspection by this part, shall be open to public inspection or made public except on order of the commission, or by the commission or a commissioner in the course of a hearing or proceeding. Any present or former officer or employee of the commission who divulges any such information is guilty of a misdemeanor.” (*Amended by Stats. 1986, Ch. 814, Sec. 1.*)

⁵ GO 66-C addresses, in part, the Commission’s procedures for obtaining information and records in the possession of the Commission and its employees.

10. Categorization and Need for Hearing

In Resolution ALJ 176-3327, dated December 5, 2013 the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. Notice of the application appeared on the Daily Calendar on November 19, 2013. 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.

11. Waiver of Comments

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

Carla J. Peterman is the assigned Commissioner and Julie M. Halligan is the assigned ALJ in this proceeding.

Findings of Fact

1. Notice of the application appeared on the Daily Calendar on November 19, 2013. No protests have been filed. A hearing is not required.
2. Vodafone US is a telephone corporation and a public utility as defined in Pub. Util. Code Sections 234(a) and 216(a).
3. Vodafone US provided documentation that it possesses \$25,000 that is reasonably liquid and available – to meet the performance bond requirement established by D.13-05-035 and to establish availability of cash resources sufficient to meet the Commission’s requirements for new entrants, as authorized by D.93-05-010.

4. Vodafone US has therefore demonstrated that it has sufficient funds to meet its start-up expenses and has fulfilled this requirement.

5. In Exhibit 6 to its application, Vodafone stated that in July 2012, its ultimate parent, Vodafone Group Plc, acquired CWW. In April 2012, a subsidiary of CWW, CWAO, had its interexchange certificate revoked by this Commission due to non-compliance regarding the interexchange carrier bond requirement and payment of fees.⁶ In order to assure compliance of Vodafone US with the bond requirements of the Commission, the ALJ required and received copies of performance bonds issued by Vodafone US prior to authorization being granted.

6. Vodafone US provided proof of payment for each of the four tax liens discovered in the ALJs review. Provision of this information resolves our concerns.

7. Vodafone US' management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.

8. No one associated with or employed by Vodafone US as an affiliate, officer, director, partner, or owner of more than 10% of Vodafone US was: previously associated with a telecommunications carrier that filed for bankruptcy; was sanctioned by the Federal Communications Commission 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,

⁶ See resolution T-17359.

or for any actions which involved misrepresentations to consumers, nor is currently under investigation for similar violations.

9. Vodafone US requested a waiver from providing an estimate of its customer base for the first and fifth year of operation.

10. Pursuant to Pub. Util. Code §583, GO 66-C, and Rule 11.4, [Vodafone US](#) requested that its financial statements provided in Exhibit 7 – Part 2 of A.13-10-022 and Exhibit 2 to its Response, be filed under seal and treated confidentially.

Conclusions of Law

1. Vodafone US should be granted a CPCN to provide interexchange voice and data telecommunications service as a switchless reseller in California.

2. Vodafone US should be granted an exemption from providing its expected customer base because the services for which it requests authority herein will likely be adjuncts to other services it offers to its customers (large enterprises).

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

4. Pursuant to Pub. Util. Code § 583, GO 66-C, and Rule 11.4, Vodafone US request that its financial statements provided in Exhibit 7- Part 2 and Exhibit 2 to its Response, be filed under seal and treated confidentially, should be granted for three years.

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

1. A certificate of public convenience and necessity is granted to Vodafone US Inc. to provide interexchange service in California, subject to the terms and conditions set forth below.
2. The corporate identification number assigned to Vodafone US Inc., U7277C, 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. In addition to all the requirements applicable to interexchange carriers included in Attachments A,B, and C to this decision, Vodafone US Inc. is subject to the Consumer Protection Rules contained in General Order (GO) 168, and all applicable Commission rules, decisions, GOs, and statutes that pertain to California public utilities.
4. Vodafone US 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.
5. Vodafone US 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. Applicant must pay a minimum user fee of \$100 or 0.18% of gross intrastate revenue, whichever is greater. 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.

6. Prior to initiating service, Vodafone US 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.

7. Prior to initiating service, Vodafone US Inc. must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact persons(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.

8. Vodafone US 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 C to this decision.

9. Vodafone US 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 B to this decision.

10. Vodafone US Inc. is granted a waiver from providing an estimate of its customer base for the first and fifth year of operation.

11. Vodafone US' Inc.'s (Vodafone US) request to file under seal and treat confidentially its financial statements provided in Exhibit 7 - Part 2 of Application 13-10-022 and Exhibit 2 to its Response is granted for a period of three years after the date of this order. During this three-year period, this

information will remain under seal and confidential, and shall not be made accessible or disclosed to anyone other than the Commission staff or on the further order or ruling of the Commission, assigned Commissioner, the assigned Administrative Law Judge (ALJ), the Law and Motion Judge, the Chief ALJ, or the Assistant Chief ALJ, or as ordered by a court of competent jurisdiction. If Vodafone US believes that it is necessary for this information to remain under seal for longer than three years, Vodafone US may file a new motion stating the justification of further withholding of the information from public inspection. This motion shall be filed at least 30 days before the expiration of today's limited protective order.

12. Application 13-10-022 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A**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.

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

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

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.

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 Certificate of Public Convenience and Necessity authority, Applicant 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.

4. Applicant 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.

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. 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. In addition, Applicant must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact persons(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.

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 GO 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 the requirements of Pub. Util. Code § 851 for the transfer or encumbrance of property whenever such transfer or encumbrance serves to secure debt.

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

19. 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 A)

ATTACHMENT B**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 U7277C 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 B)

ATTACHMENT C**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 C)