

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Karuk Tribe for a Certificate of Public Convenience and Necessity in order to Provide Limited Facilities-Based and Resold Competitive Local Exchange, Access, and Interexchange Service in the State of California.

Application 12-02-018
(Filed February 21, 2012)

DECISION GRANTING KARUK TRIBE A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY IN ORDER TO PROVIDE LIMITED-FACILITIES BASED AND RESOLD LOCAL EXCHANGE SERVICE AND NON-DOMINANT INTEREXCHANGE SERVICE

1. Summary

Pursuant to Public Utilities Code § 1001, we grant Karuk Tribe a Certificate of Public Convenience and Necessity to provide limited facilities-based and resold local exchange telecommunications services and non-dominant interexchange service in California subject to the terms and conditions set forth in the Ordering Paragraphs.

2. Background

On February 21, 2012, Karuk Tribe (Applicant), a Tribal Government¹ authorized to do business in California filed an application for a Certificate of

¹ As Applicant is a Tribal Government, this decision does not address Applicant’s authority on tribal lands.

Public Convenience and Necessity (CPCN) to provide limited facilities-based and resold telecommunications services in the service territories of Pacific Bell Telephone d/b/a AT&T California (AT&T), Verizon California, Inc. (Verizon), Citizens Telecommunications Company of California, Inc. (Citizens), SureWest Communications² (SureWest) and Siskiyou Telecom (Siskiyou) and non-dominant interexchange service in California.

Applicant's initial filing included the request authority to provide telecommunications services in the service territory of Siskiyou, a small local exchange carrier (small LEC). Section 251(f) of the Federal Communications Act of 1934 exempts rural telephone companies such as Siskiyou from the requirement to interconnect with competitive local exchange carriers (CLECs) unless a CLEC makes a "bona fide request for interconnection, services, or network elements," and "the State commission determines (under subparagraph (B)) that such request is not unduly economically burdensome, is technically feasible, and is consistent with Section 254". (See Section 251(f) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996.) Furthermore, the Commission found in Decision (D.) 95-07-054 of Rulemaking (R.) 95-04-043/Investigation (I.) 95-04-044 (the "Local Competition Rulemaking") that rules for competitive entry would only apply to the services territories of Pacific and Verizon (formerly GTEC), and that rules for entry into the territories of small and mid-sized LECs would be considered in a later phase of the Local Competition Rulemaking. In D.97-09-115, the Commission addressed rules for competitive entry into the territories of Citizens and

² SureWest was formerly known as Roseville Telephone Company.

SureWest. The Commission is currently considering the issue of competition in the small LEC territories, including Siskiyou, in R.11-11-007. (See R.11-11-007 at 30.) Given that the Commission has not yet authorized competitive entry into the small LEC territories, the ALJ contacted Applicant to determine if it wished to amend its application to remove Siskiyou's service territory from the application. Applicant stated that it wished to amend its filing and remove the request to compete in the Siskiyou territory. The amended application was filed on July 24, 2012. This decision does not address authority to compete in the Siskiyou service territory.

On July 24, 2012, Karuk Tribe filed a Motion to Amend Application to declare that it does not seek authority to operate as a limited facilities based local exchange carrier in the territory served by Siskiyou. That Motion was granted by the assigned Administrative Law Judge on July 26, 2012, and the Amendment was filed on July 31, 2012. Accordingly, Karuk Tribe no longer seeks authority to operate as a limited facilities based local exchange carrier in the territory served by Siskiyou.

Karuk Tribe proposes to provide local exchange services to business and residential customers through a combination of reselling services provided by other carriers, facilities to be leased from a variety of telecommunications carriers, and in the future, its own facilities to be situated on Tribal land. To the extent that Karuk Tribe uses its own facilities outside of its tribal lands, the company proposes to install equipment consistent with the Commission grant of limited facilities based authority.

Karuk Tribe principal place of business is located at 64236 2nd Ave, Happy Camp, California 96039.

The treatment of Application (A.) 12-02-018 as a request for a limited facilities-based CPCN does not preclude Karuk Tribe from filing an application at a later date to pursue a full facilities-based CPCN. Karuk Tribe must not begin construction of facilities beyond those authorized by this decision until further approval is granted.

3. Financial Qualifications

To be granted a CPCN, an applicant for authority to provide limited-facilities based and resold local exchange and interexchange services must demonstrate that it has a minimum of \$100,000 cash or cash equivalent to meet the firm's start-up expenses.³ An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers (LECs) and/or interexchange carriers (IECs) in order to provide the proposed service.⁴ In the application, Karuk Tribe provided supporting documentation that \$100,000 plus an amount equal to the deposit required by AT&T, Verizon, Citizens, and SureWest would be available to Karuk Tribe for one year following certification. Since Karuk Tribe has provided documentation that it possesses a minimum of \$100,000 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.

³ The financial requirement for CLECs is contained in D.95-12-056, Appendix C. The financial requirement for Non-dominant Interexchange Carriers (NDIECs) is contained in D.91-10-041.

⁴ The requirement for CLEC applicants to demonstrate that they have additional financial resources to meet any deposits required by underlying LECs and/or IECs is set forth in D.95-12-056, Appendix C. For NDIECs, the requirement is found in D.93-05-010.

Karuk Tribe stated that no deposit is currently owed to AT&T, Verizon, Citizens, or SureWest.

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

4. 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.⁵ Karuk Tribe supplied biographical information on its management in Exhibit F to its application, and in its April 20, 2012 response to the Administrative Law Judge's April 16, 2012 Ruling, which demonstrated that it has sufficient expertise and training to operate as a telecommunications provider.

In its application, Karuk Tribe verified that no one associated with or employed by Karuk Tribe as an affiliate, officer, director, partner, or owner of more than 10% of Karuk Tribe 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 Karuk Tribe is in compliance with the requirements of D.95-12-056.

⁵ D.95-12-056 at Appendix C, Rule 4.A.

5. Tariffs

Commission staff reviewed Karuk Tribe's draft tariffs for compliance with Commission rules and regulations. The deficiencies are noted in Attachment A to this decision. In its compliance tariff filing, Karuk Tribe shall correct these deficiencies as a condition of our approval of its application.

6. 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 Karuk Tribe states that it does not intend to construct any facilities outside of its Tribal lands, 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 outside of its Tribal lands, other than equipment to be installed in existing buildings or structures, Karuk Tribe must file for additional authority, and submit to any necessary CEQA review.

In the Proponent's Environmental Assessment and Response, Karuk Tribe proposed construction activities will generally include the installation of equipment exclusively in or on existing structures and facilities by using streetlights, poles, towers, buildings, fiber, conduits, ducts, rights-of-way, trenches, and other facilities and structures of other carriers, utilities and municipalities, and through the use of unbundled network elements purchased from incumbent LECs.

We have previously determined that the public convenience and necessity require that competition be allowed in the provision of competitive local exchange service, R.95-04-043/I.95-04-044. Granting this application will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

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.⁶ In its Response, Karuk Tribe provided a map of the location of its proposed service territory, in compliance with this requirement.

8. Expected Customer Base

Karuk Tribe provided its estimated customer base for the first year (600 customers) and fifth year (2,500 customers) of operation in its application. Therefore, Karuk Tribe has complied with this requirement.

9. Request for Treatment as a Non-Dominant Carrier

Applicant requests treatment as an 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

⁶ D.95-12-056 at Appendix C, Rule 4.E.

and D.85-11-044. We grant Applicant's request for NDIEC status, provided that they follow all rules detailed in the above referenced decisions.⁷

10. Conclusion

We conclude that the application conforms to our rules for certification as a CLEC and NDIEC. Accordingly, we grant Karuk Tribe a CPCN to provide limited facilities-based and resold competitive local exchange service and non-dominant interexchange telecommunications service in the service territory of AT&T, Verizon, Citizens, and SureWest and non-dominant interexchange telecommunications service subject to compliance with the terms and conditions set forth in the Ordering Paragraphs.

11. Categorization and Need for Hearings

In Resolution ALJ 176-3290, dated March 8, 2012 the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. Given these facts, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

12. Waiver of Comments 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) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is waived.

⁷ 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.

13. Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and Richard W. Clark is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Notice of the application appeared on the Daily Calendar on February 29, 2012. No protests have been filed. A hearing is not required.
2. The Commission is the Lead Agency for this project under CEQA.
3. Karuk Tribe's authority to provide local exchange services will not have a significant adverse effect upon the environment.
4. Karuk Tribe has a minimum of \$100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
5. Karuk Tribe 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.
6. Karuk Tribe's management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services and interexchange services to the public.
7. No one associated with or employed by Karuk Tribe as an affiliate, officer, director, partner, or owner of more than 10% of Karuk Tribe 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.

8. Except for the deficiencies identified in Attachment A to this decision, Karuk Tribe's draft tariffs comply with the Commission's requirements.

9. Karuk Tribe provided a map of the location of its proposed service territory.

10. Karuk Tribe provided an estimate of its customer base for the first and fifth year of operation.

Conclusions of Law

1. Karuk Tribe should be granted a CPCN to provide limited facilities based and resold local exchange telecommunications service in the service territories of AT&T, Verizon, Citizens, and SureWest, and interexchange service in California, subject to the terms and conditions set forth in the Ordering Paragraphs.

2. Karuk Tribe, once granted a CPCN, should be subject to the applicable Commission rules, decisions, GOs, and statutes that pertain to California public utilities.

3. Karuk Tribe's initial tariff filing should correct the tariff deficiencies shown in Attachment A to this decision.

4. Karuk Tribe 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 Karuk Tribe to provide limited facilities-based and resold local exchange telecommunications services in the territories of Pacific Bell Telephone d/b/a AT&T California, Verizon California, Inc., Citizens Telecommunications Company of California, Inc., and SureWest Communications and non-dominant interexchange services in California, subject to the terms and conditions set forth below.
2. Karuk Tribe may not offer competitive local exchange services until tariffs are filed with and authorized by this Commission, in accordance with General Order 96-B and as corrected for deficiencies set forth in Exhibit A.
3. The corporate identification number assigned to Karuk Tribe, U-7231-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. 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, Karuk Tribe 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.
5. Karuk Tribe 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.
6. Karuk Tribe 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 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.

7. Prior to initiating service, Karuk Tribe 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.

8. Karuk Tribe 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. Karuk Tribe 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.

10. Karuk Tribe 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.

11. Karuk Tribe must file a tariff within 12 months of the effective date of this order, or its certificate will be cancelled.

12. Application 12-02-018 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

Attachment A

List of deficiencies in tariff filed by Karuk Tribe, LLC, U-7231-C in A.12-02-018 to be corrected in its initial tariff compliance filing.

1. The Utility number (U-7231-C) and company name must be on the Title page and all tariff sheets. (GO 96-B Section 8.5.1)
2. The tariff (including no longer effective tariffs) must be made available for public inspection or copying within the carrier's California service area (not the Commission). Delete availability of the tariff at the Commission on tariff sheet 20. (GO 96-B, Section 8.1.3)
3. The tariff must include: a) a map or maps showing the boundaries of the service area and the location of the service area in relation to nearby cities, highways, or other reasonable reference points; and b) a description of the service area using legal description, zip codes, etc. (GO 96-B, Section 8.5.4)
4. Rule 21 of the proposed tariff must be revised to reflect the current 2012-2012 Universal Lifeline Telephone Service (ULTS) income limits as well as the rates that carriers may charge to ULTS. (GO 96-B, Section 8.5.5)
5. Taxes and Surcharges must be revised to reflect the current surcharge rates as well as the updated list of public programs. (GO 96-B, Section 8.5.5, D. 09-10-066)
6. Tariff rules on the provision of temporary service or services to speculative projects must be included. (GO 96-B, Section 8.5.7, Item 13)

7. Tariff rules must be included with respect to line extensions, conditions regarding contributions or advances to individuals or developers, deposits, refunds, ownership and maintenance. (GO 96-B, Section 8.5.7, Item 15)
8. CLC information that needs to be provided to the public upon request must be specified in the tariff. (D.95-07-054, Appendix B, Rule 1)
9. The tariff should specify that notices the CLC sends to the customers or the Commission must be in a legible size and printed in a minimum point size of 10. (D.95-07-054, Appendix B, Rule 6, Item D)
10. Tariff must state that the carrier may refuse service if credit is not established in a satisfactory manner. (D.95-07-054, Appendix B, Rule 12)
11. The tariff must include rules regarding protection of consumer privacy in accordance with Public Utilities Code Sections 2891, 2891.1, and 2983, D.83-06-066, D.83-06-077 and D.83-09-061. (D.95-07-054, Appendix B, Rule 14)
12. The tariff must include provision of free white pages telephone directory. (D.96-10-066, Appendix B, Section 4.B.12 and GO 153, Appendix A)

(END OF ATTACHMENT A)

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

1. Applicant shall file, in this docket with reference to this decision number, 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 current 1.150% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879; Resolution T-17071, dated March 1, 2007, effective April 1, 2007);
- b. The current 0.200% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073 and Resolution T-17127, dated December 20, 2007, effective January 1, 2008);
- c. The user fee provided in Pub. Util. Code §§ 431-435, which is 0.180% of gross intrastate revenue (Resolution M-4819), dated June 7, 2007, effective July 1, 2007;
- d. The current 0.40% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-A (Pub. Util. Code § 739.3; D.96-10-066, pp. 3-4, App. B, Rule 1.C; Resolution T-17357, dated June 7, 2012, effective July 1, 2012);

- e. The current 0.300% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-B (D.96-10-066, p. 191, App. B, Rule 6.F.; D.07-12-054, Resolution T-17311, dated March 24, 2011, effective May 1, 2011.);
- f. The current 0.14% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Advanced Services Fund (D.07-12-054); Resolution T-17343, dated September 22, 2011, effective November 1, 2011; and
- g. The current 0.079% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Teleconnect Fund (D.96-10-066, p. 88, App. B, Rule 8.G; Resolution T-17142, dated April 24, 2008, effective June 1, 2008).

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, Applicant should check the joint tariff for surcharges and fees filed by Pacific Bell Telephone (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised.

- Carriers must file and pay the PUC User Fee (See above Item 2c) 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.

- 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.

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 (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).

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

6. Applicant shall file a service area map as part of its initial tariff.

7. Prior to initiating service, Applicant shall 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 shall be updated if the name or telephone number changes, or at least annually.

8. Applicant shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall 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 shall immediately notify the Communications Division's Bankruptcy Coordinator.

21. Applicant shall 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 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.

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

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)