Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of First Communications, LLC, Acceris Management and Acquisition LLC and New Access Communications LLC for Authority for First Communications, LLC to Provide Competitive Local Exchange Telecommunications Services in the State of California and for Acceris Management and Acquisition LLC and New Access Communications LLC to Transfer of Assets, Including Customers, to First Communications LLC.	Application 06-11-013 (Filed November 22, 2006)

DECISION GRANTING THE APPLICATION OF FIRST COMMUNICATIONS, LLC FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO PROVIDE LIMITED FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES AND ACQUIRE THE ASSETS AND CUSTOMERS OF ACCERIS MANAGEMENT AND ACQUISITION LLC AND NEW ACCESS COMMUNICATIONS LLC

I. Summary

First Communications, LLC (First) seeks a certificate of public convenience and necessity (CPCN) under Pub. Util. Code § 1001 for authority to provide limited facilities-based and resold local exchange telecommunications services as a competitive local carrier (CLC).[1] In addition, First, Acceris Management and

[1] A CLC is a common carrier that is issued a CPCN to provide local exchange telecommunications service for a geographic area specified by such carrier.

Footnote continued on next page

Acquisition LLC (Acceris) and New Access Communications LLC (New Access) seek authority to transfer the assets, including customers, of Acceris and New Access to First. Acceris and New Access ask to surrender their CPCNs upon conclusion of the transfers. By this decision, we grant the requested authorities subject to the terms and conditions set forth below.

This proceeding is closed.

II. Background

In prior decisions, we authorized the provision of competitive local exchange service within the service territories of Pacific Bell Telephone Company (Pacific), Verizon California Inc. (Verizon),), SureWest Telephone (SureWest), and Citizens Telecommunications Company of California, Inc. dba Frontier Communications of California (Frontier).[2]

First, a Ohio limited liability company, requests authority to operate as a limited facilities-based and resale provider of local exchange services within Pacific, Verizon, SureWest and Frontier's service territories. By Decision (D.) 03-10-066, First was granted a CPCN to resell interexchange services (U-6837-C).

First's principal place of business is located at 3340 West Market Street, Akron, Ohio, 44333.

III. Financial Qualifications

To be granted a CPCN for authority to provide facilities-based and resold local exchange service, an applicant must demonstrate that it has $100,000 cash

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[2] SureWest was formerly known as Roseville Telephone Company.

or cash equivalent to meet the firm's start-up expenses. The applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by other telecommunications carriers in order to provide service in California.[3] First provided financial statements that demonstrate that it meets the financial requirements.

IV. Technical Qualifications

To be granted a CPCN for authority to provide local exchange service, an applicant must make a reasonable showing of technical expertise in telecommunications or a related business. First supplied biographical information on its management that demonstrates that it has sufficient expertise and training to operate as a telecommunications provider.

First represents that no one associated with or employed by First as an affiliate, officer, director, partner, or owner of more than 10% of First was previously associated with a telecommunications carrier that filed for bankruptcy or went out of business, or was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order.[4]

V. Tariffs

Commission staff reviewed First's draft tariffs for compliance with Commission rules and regulations. The deficiencies are noted in Attachment A

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[3] The financial standards for certification to operate as a CLC are set forth in D.95-12-056, Appendix C, Rule 4.B.

[4] First's Chief Financial Officer served in the capacity of chief financial officer of BN1 Communications when it filed for bankruptcy, though he was not formally installed as an officer of that corporation.

to this decision. In its compliance tariff filing, First is directed to correct these deficiencies as a condition of our granting approval of its tariffs.

VI. California Environmental Quality Act (CEQA)

The CEQA requires the Commission 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 First states that it will not be constructing any facilities for the purpose of providing local exchange services, except for equipment to be installed in existing buildings or structures, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment. First must file for additional authority, and submit to any necessary CEQA review, before it can construct facilities.

VII. Conclusion-CPCN

We conclude that First is qualified to provide telecommunications service as a CLC. Accordingly, we grant First a CPCN to provide limited facilities-based and resold local exchange service in Pacific, Verizon, SureWest and Frontier's service territories.

VIII. Parties to the Transaction

Acceris (U-6971-C) is a Minnesota limited liability company authorized to do business in California. Its principal place of business is located at 9530 Padgett Street, Suite 101, San Diego California, 92126. Acceris was granted CPCNs to operate in California as a resale provider of local exchange and interexchange services by D.06-10-001 and D.05-10-017, respectively.

New Access (U-6545-C) is a Minnesota limited liability company authorized to do business in California. Its principal place of business is located at 801 Nicollet Mall, Suite 350, Minneapolis, Minnesota, 55402. By Decision (D.) 03-07-015, New Access was granted a CPCN to operate in California as a limited facilities-based provider of local exchange services. New access was granted CPCNs to operate in California as a resale provider of local exchange and interexchange services by D.01-10-010 and D.01-06-014, respectively.

IX. Proposed Transaction

Pursuant to the transaction, First will acquire the assets and customers of Acceris and New Access, except for certain cash equivalent assets to be retained by Acceris and New Access. First represents that the transaction will allow it to expand and better ensure that it remains a viable communications competitor.

Acceris and New Access represent that they have determined that their continuation as telecommunications providers is no longer consistent with their long-term interests.

First represents that the transaction will be transparent to customers except for the change of provider. The affected customers will continue to receive service under the same rates, terms, and conditions after the transaction is approved.

X. Discussion

Pub. Util. Code § 854 requires Commission authorization before a company may "merge, acquire, or control . . . any public utility organized and doing business in this state . . . ." The purpose of this and related sections is to enable the Commission, before any transfer of public utility property is consummated, to review the situation and to take such action, as a condition of

the transfer, as the public interest may require. (San Jose Water Co. (1916) 10 CRC 56.)

In a situation where a company that does not possess a CPCN desires to acquire control of a company that does possess a CPCN, we will apply the same requirements as in the case of an applicant seeking a CPCN to exercise the type of authority held by the company being acquired. In this case, First is acquiring the assets and customers of Acceris and New Access, but not their CPCNs. However, in order to serve those customers, it will need the same CPCN authority as Acceris and New Access taken together. Since Acceris and New Access taken together possess CPCNs to operate as a limited facilities-based and resale provider of local exchange services and resale provider of interexchange telecommunications services within California, we will apply the requirements for such authority to First.

As discussed above, First meets the requirements to provide limited facilities-based and resold local exchange services, and has a CPCN to resell interexchange services. Therefore, First satisfies the requirements to serve the customers of Acceris and New Access.

The transaction will allow First to expand and better ensure that it remains a viable communications competitor. In addition, it will be transparent to customers except for the change in provider. Therefore, the proposed transaction is not adverse to the public interest.

As discussed above, First has satisfied our financial and experience requirements, and the proposed transaction is not adverse to the public interest. Therefore, we approve the acquisition.

XI. Notice to Customers

D.02-01-038 requires advance notice to customers of the transfer to First. We require First, Acceris and New Access to ensure that the requirements of this decision are followed.

XII. Waiver of Rule 3.6(f)

Rule 3.6(f) of our Rules of Practice and Procedure requires applications such as this to include a copy of the proposed purchase agreement. The application included a letter of intent that provides the information that will be included in the purchase agreement. Therefore, Rule 3.6(f) is waived, provided the purchase agreement terms are substantially the same as those in the letter of intent.

XIII. Categorization and Need for Hearings

In Resolution ALJ 176-3183 dated November 30, 2006, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. There is no apparent reason why the application should not be granted. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

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

XV. Assignment of Proceeding

Rachelle B. Chong is the assigned Commissioner and Jeffrey P. O'Donnell is the assigned Administrative Law Judge in this proceeding.

XVI. Request to File Under Seal

First requests that the financial information and a letter of intent filed with this application be filed under seal.[5] The financial information consists of balance sheets and a letter of intent, dated November 21, 2006, regarding the proposed transaction. First represents that the information is proprietary and sensitive. The information, if revealed, would place First at an unfair business disadvantage. We have granted similar requests in the past and will do so here.

Findings of Fact

1. A notice of the filing of the application appeared in the Daily Calendar on November 28, 2006.

2. There were no protests to this application.

3. A hearing is not required.

4. In prior decisions, the Commission authorized competition in providing local exchange telecommunications services within the service territories of Pacific, Verizon, Surewest and Frontier.

5. First has a minimum of $100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.

6. First has sufficient additional cash or cash equivalent to cover any deposits that may be required by other telecommunications carriers in order to provide the proposed service.

7. First's management possesses sufficient experience and knowledge to provide local exchange services to the public.

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[5] The letter of intent states the intention of the parties to the acquisition to complete the transaction and specifies the intended terms thereof.

8. As part of its application, First submitted a draft of its initial tariff that contained the deficiencies identified in Attachment A to this decision. Except for these deficiencies, First's draft tariffs complied with the Commission's requirements.

9. First does not propose to construct any facilities, except for equipment to be installed in existing buildings or structures, in order to provide the proposed service.

10. Public disclosure of the financial information filed under seal would place First at an unfair business disadvantage.

11. By D.03-10-066, First was granted a CPCN to operate in California as a resale provider of interexchange services.

12. Acceris was granted CPCNs to operate in California as a resale provider of local exchange and interexchange services by D.06-10-001 and D.05-10-017, respectively.

13. By D.03-07-015, New Access was granted a CPCN to operate in California as a limited facilities-based provider of local exchange services.

14. New Access was granted CPCNs to operate in California as a resale provider of local exchange and interexchange services by D.01-10-010 and D.01-06-014, respectively.

15. As a result of the transaction, First will acquire the assets and customers of Acceris and New Access.

16. Customers of Acceris and New Access will continue to receive service under the same rates, terms, and conditions after the transaction.

17. Rule 3.6(f) requires applications such as this to include a copy of the proposed purchase agreement.

18. The application included a letter of intent that provides the information that will be included in the purchase agreement.

19. D.02-01-038 requires advance notice to customers of the proposed customer transfers to First.

Conclusions of Law

1. First has the financial ability to provide the proposed service.

2. First has made a reasonable showing of technical expertise in, or related to, telecommunications.

3. Public convenience and necessity require the competitive local exchange services to be offered by First, subject to the terms and conditions set forth herein.

4. The application should be granted to the extent set forth below.

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

6. First's initial tariff filing should correct the deficiencies noted in its draft tariffs as indicated in Attachment A to this decision.

7. Since First does not propose to construct any facilities, except for equipment to be installed in existing buildings or structures, it can be seen with certainty that granting it authority to provide local exchange services will not have a significant adverse effect upon the environment.

8. Because of the public interest in competitive local exchange services, the following order should be effective immediately.

9. First's request to file its financial information under seal should be granted for two years.

10. The Commission will apply the same requirements to a request for approval of an agreement to acquire the customers of a facilities-based and resale provider of local exchange and a resale provider of interexchange telecommunications services within California as it does to an applicant for authority to provide such services.

11. First meets the Commission's requirements for the issuance of a CPCN to provide facilities-based and resold local exchange and resold interexchange telecommunications services.

12. The transaction is not adverse to the public interest.

13. Rule 3.6(f) should be waived as long as the terms of the purchase agreement are substantially the same as those in the letter of intent provided.

14. First, Acceris and New Access should be required to ensure that the requirements of D.02-01-038 are followed.

15. In order to avoid delaying this transaction, the approval of the application should be made effective immediately.

16. Upon completion of the transaction and transfer of the affected customers as required herein, the CPCNs of Acceris and New Access should be rescinded as requested in the application.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPCN) is granted to First Communications, LLC (First) to provide limited facilities-based and resold local exchange services in the service territories of Pacific Bell Telephone Company, Verizon California Inc., SureWest Telephone, and Citizens Telecommunications

Company of California, Inc. dba Frontier Communications of California, subject to the terms and conditions set forth below.

2. First is authorized to file tariff schedules for the provision of competitive local exchange services. First may not offer competitive local exchange services until tariffs are on file. First's initial filing shall be made in accordance with General Order (GO) 96-A, excluding Sections IV, V, and VI, and shall correct the deficiencies noted in Attachment A. The tariff shall be effective not less than one day after approval by the Commission's Telecommunications Division. First shall comply with its tariffs.

3. The certificate granted and the authority to render service under the rates, charges, and rules authorized herein will expire if not exercised within 12 months after the effective date of this order.

4. The corporate identification number assigned to Applicant, U-6837-C, shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

5. First shall comply with all applicable rules adopted in the Local Exchange Competition proceeding (Rulemaking 95-04-043/Investigation 95-04-044), as well as all other applicable Commission rules, decisions, GOs and statutes that pertain to California public utilities, subject to the exemptions granted in this decision.

6. First shall comply with the requirements applicable to competitive local exchange carriers included in Attachment B to this decision.

7. First is not authorized to construct facilities, except for equipment to be installed in existing buildings or structures.

8. First's request to have the financial information filed with this application kept under seal is granted for two years from the effective date of this decision. During that period the information shall not be made accessible or disclosed to

anyone other than the Commission staff except on the further order or ruling of the Commission, the assigned Commissioner, the assigned Administrative Law Judge (ALJ), or the ALJ then designated as Law and Motion Judge.

9. If First believes that further protection of the information kept under seal is needed, it may file a motion stating the justification for further withholding of the information from public inspection, or for such other relief as the Commission rules may then provide. This motion shall be filed no later than one month before the expiration date.

10. Pursuant to Public Utilities Code Section 854, the joint application of First, Acceris Management and Acquisition LLC (Acceris) and New Access Communications LLC (New Access) for approval of the acquisition of the assets and customers of Acceris and New Access to First is approved contingent upon the purchase agreement terms being substantially the same as those in the letter of intent dated November 21, 2006 filed concurrently with the application.

11. Rule 3.6(f) of the Commission's Rules of Practice and Procedure is waived contingent upon the purchase agreement terms being substantially the same as those in the letter of intent dated November 21, 2006 filed concurrently with the application.

12. First, Acceris and New Access shall ensure that the requirements of Decision 02-01-038 are followed, especially as they pertain to customer notice.

13. Upon completion of the transaction and transfer of the affected customers as required herein, the CPCNs of Acceris and New Access shall be rescinded.

14. Application 06-11-013 is closed.

This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A

List of deficiencies in the tariffs filed by First Communications, LLC, in A.06-11-013 to be corrected in the tariff compliance filing.

1. Sheet No. 11: Revise fee and surcharge per Resolution T-16901.
2. Sheet No. 46: A correct day of presentation is 15 days not 14 days. Refer to Rule 8 of Appendix B in D.95-07-054.
3. Sheet No. 63: Revise the Liability Limitations of the Company rule to fully concur with GTE of California Limitations of Liability Tariff in Rule 26 of Appendix C in D.95-12-057. Correct error in item c last sentence to read as "continued" not "occurred".
4. Include the following income limitation and rates for ULTS.

Household Size	**ULTS Annual Income Limits (6/01/06 through 5/31/07)**
1-**2** members	$21,300.
3 members	25,100.
4 members	30,200.
Each additional member	5,100.

5. Sample forms must be included in the tariff compliance filing.

(END OF ATTACHMENT A)

ATTACHMENT B

REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS

1. Applicant shall file, in this docket, 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 fee and surcharges that must be regularly remitted per the instructions in Appendix E to Decision (D.) 00-10-028. The Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is zero.

   a. The current 1.29% 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-16966, dated December 1, 2005, effective January 1, 2006);

   b. The current 0.05% 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-17044, dated July 20, 2006, effective August 1, 2006);

   c. The user fee provided in Pub. Util. Code §§ 431-435, which is 0.11% of gross intrastate revenue (Resolution M-4816); dated March 15, 2006, effective April 1, 2006.

   d. The current 0.21% 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-16963, dated December 1, 2005, effective January 1, 2006);

   e. The current 2.00% 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., Resolution T-16964, dated December 1, 2005, effective January 1, 2006); and

f. The current 0.13% 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-16888, dated December 1, 2005, effective January 1, 2006).

3. Applicant is a competitive local exchange carrier (CLC). The effectiveness of its future tariffs is subject to the schedules set forth in Appendix C, Section 4.E of D.95-12-056:

> "E. CLCs shall be subject to the following tariff and contract filing, revision and service pricing standards:
>
> "(1) Uniform rate reductions for existing tariff services shall become effective on five (5) working days' notice. Customer notification is not required for rate decreases.
>
> "(2) Uniform major rate increases for existing tariff services shall become effective on thirty (30) days' notice to the Commission, and shall require bill inserts, or first class mail notice to customers at least 30 days in advance of the pending rate increase.
>
> "(3) Uniform minor rate increases, as defined in D.90-11-029, shall become effective on not less than (5) working days' notice to the Commission. Customer notification is not required for such minor rate increases.
>
> "(4) Advice letter filings for new services and for all other types of tariff revisions, except changes in text not affecting rates or relocations of text in the tariff schedules, shall become effective on forty (40) days' notice.
>
> "(5) Advice letter filings revising the text or location of text material which do not result in an increase in

any rate or charge shall become effective on not less than five (5) days' notice to the Commission."

"(6) Contracts shall be subject to GO 96-A rules for NDIECS, except interconnection contracts.

"(7) CLCs shall file tariffs in accordance with PU Code § 876."

4. Applicant may deviate from the following provisions of GO 96-A: (a) paragraph II.C.(1)(b), which requires consecutive sheet numbering and prohibits the reuse of sheet numbers; and (b) paragraph II.C.(4), which requires that "a separate sheet or series of sheets should be used for each rule." Tariff filings incorporating these deviations shall be subject to the approval of the Commission's Telecommunications Division. Tariff filings shall reflect all fees and surcharges to which Applicant is subject, as reflected in 2 above.

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

6. 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.

7. Applicant shall notify the Director of the Telecommunications 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.

8. Applicant shall keep its books and records in accordance with the Generally Accepted Accounting Principles.

9. 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.

10. Applicant shall file an annual report with the Director of the Telecommunications Division, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.
11. Applicant shall file an affiliate transaction report with the Director of the Telecommunications Division, in compliance with D.93-02-019, on a calendar year basis using the form contained in Attachment D.
12. Applicant shall ensure that its employees comply with the provisions of Public Utilities (Pub. Util.) Code § 2889.5 regarding solicitation of customers.
13. 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 Telecommunications Division in writing of its compliance.
14. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in 2 above, the Telecommunications Division shall prepare for Commission consideration a resolution that revokes Applicant's CPCN unless it has received written permission from the Telecommunications Division to file or remit late.
15. Applicant is exempt from General Order 96-A, subsections III.G(1) and (2), and Commission Rule of Practice and Procedure 18(b).
16. Applicant is exempt from Pub. Util. Code §§ 816-830.
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 shall immediately notify the Telecommunications Division's Bankruptcy Coordinator.
19. Applicant shall send a copy of this decision to concerned local permitting agencies not later than 30 days from the date of this order.

(END OF ATTACHMENT B)

ATTACHMENT C

ANNUAL REPORT

An original hard copy, and a machine-readable electronic copy, on a CD or floppy disk using Microsoft Word or a compatible format, shall be filed with the California Public Utilities Commission, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298. The filing shall be made 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 §§ 2107 and 2108 of the Public Utilities Code.

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 CPCN.
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.

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

(END OF ATTACHMENT C)

ATTACHMENT D

CALENDAR YEAR AFFILIATE TRANSACTION REPORT

1. Each utility shall 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;
- Corporate officers.

2. The utility shall 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 should 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 should 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 tariffed 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 no 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)