

Decision 11-10-005 October 6, 2011

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

Application of Wavecom Solutions Corporation  
for a Certificate of Public Convenience and  
Necessity to provide interLATA and intraLATA  
interexchange services and competitive local  
exchange services as a Reseller.

Application 11-03-025  
(Filed March 29, 2011)

**DECISION GRANTING WAVECOM SOLUTIONS CORPORATION A  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
IN ORDER TO PROVIDE INTERLATA AND INTRALATA INTEREXCHANGE  
SERVICES AND COMPETITIVE LOCAL EXCHANGE SERVICES  
AS A RESELLER IN CALIFORNIA**

**Summary**

Wavecom Solutions Corporation<sup>1</sup> filed an application for a certificate of public convenience and necessity for authority to provide interLATA and intraLATA interexchange services and competitive local exchange services as a reseller within the service territories of Pacific Bell Telephone Company d/b/a AT&T California, Verizon California Inc., Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc, and SureWest Telephone.

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<sup>1</sup> In the Response to Request for Information, filed June 30, 2011, Wavecom officially states that their name has changed from Pacific Lightnet d/b/a Wavecom Solutions to Wavecom Solutions Corporation.

By this decision, we grant Wavecom Solutions Corporation a certificate of public convenience and necessity to provide inter- and intra-LATA interexchange and resold local exchange telecommunications services, on the terms and conditions set forth in the ordering paragraphs.

### **Background**

On March 29, 2011, Pacific LightNet, Inc., d/b/a Wavecom Solutions (Wavecom), filed an application for a certificate of public convenience and necessity (CPCN) to provide interLATA and intraLATA interexchange services and competitive local exchange services as a reseller within the service territories of Pacific Bell Telephone Company, d/b/a AT&T California (AT&T), Verizon California Inc. (Verizon), SureWest Telephone, and Citizens Telecommunications Company of California, Inc., d/b/a Frontier Communications of California. Wavecom is a Hawaiian corporation, with its principal place of business located at 1132 Bishop St., Suite 800, Honolulu, HI 96813.

Subsequent to the filing of the application, Wavecom expressed intent to officially change its name from Pacific LightNet, Inc. to Wavecom Solutions Corporation. On August 3, 2011, Wavecom filed an amendment to its application requesting that its name be changed and providing documentation that the name change had been properly executed in the State of Hawaii. On August 23, 2011 the assigned Administrative Law Judge (ALJ) issued a ruling granting the Applicant's request to change its name on the pending application.

### **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 Wavecom states that it does not intend to construct any facilities, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment. Before it can construct facilities other than equipment to be installed in existing buildings or structures, Wavecom must file for additional authority, and submit to any necessary CEQA review.

### **Financial Qualifications**

Pursuant to Rule 4.B of Decision (D.) 95-12-056, an applicant for a CPCN for authority to provide resold local exchange service must demonstrate that it has \$25,000 cash or cash equivalent to meet the firm's start-up expenses. 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.

In its Response to ALJ Request for Information, Wavecom provided a guarantee that it would keep the sum of \$25,000 for the pendency of the application, demonstrating that it has access to \$25,000 cash or cash equivalent; an amount that is sufficient to cover start-up expenses and also is reasonably liquid and available.

Wavecom proposes to offer service within the territories of AT&T, Verizon, Frontier, and SureWest. In the Response, Wavecom stated that it did not expect any deposit requirements, but that should any arise, they would have the necessary funds to provide it.

### **Managerial and Technical Qualifications**

To be granted a CPCN for authority to provide local exchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business. Wavecom supplied biographical

information on its management in Section 15 of its application that demonstrated that it has sufficient expertise and training to operate as a telecommunications provider.

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

Wavecom also verified that no one associated with or employed by it as an affiliate, officer, director, partner, or owner of more than 10% of Wavecom was previously associated with any telecommunications 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.

We find that Wavecom is in compliance with the requirements of Rule 4.A of D.95-12-056.

### **Expected Customer Base**

Wavecom provided its estimated customer base for the first and fifth years of operation in Section XIV its application. Therefore, Wavecom has complied with this requirement.

### **Tariffs**

Commission staff reviewed Wavecom'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, Wavecom shall correct these deficiencies as a condition of our approval of its application.

### **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. In its Response, Wavecom provided a map of the location of its proposed service territory, in compliance with this requirement.

### **Request to File Under Seal**

Pursuant to Rule 11.4, Applicants have filed a motion for leave to file Exhibit D to the application as confidential material under seal. Applicants represent that the information is sensitive, and disclosure could place them at an unfair business disadvantage. We have granted similar requests in the past, and do so here.

### **Conclusion**

We conclude that the application conforms to our rules for certification as a competitive local exchange carrier. Accordingly, we grant Wavecom Solutions Corporation a CPCN to provide interLATA and intraLATA interexchange services and competitive local exchange services as a reseller in the service territories of AT&T, Verizon, Frontier, and SureWest, subject to compliance with the terms and conditions set forth in the Ordering Paragraphs.

### **Categorization and Need for Hearing**

In Resolution ALJ 176-3272, dated April 14, 2011, 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.

### **Comments on Proposed Decision**

No protests were filed in this proceeding. Therefore, this is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **Assignment of Proceeding**

Catherine J.K. Sandoval is the assigned Commissioner and W. Anthony Colbert is the assigned ALJ in this proceeding.

### **Findings of Fact**

1. Notice of the application appeared on the Daily Calendar on April 12, 2011. No protests have been filed. A hearing is not required.
2. Wavecom has a minimum of \$25,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
3. Wavecom 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.
4. Wavecom's management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.
5. No one associated with or employed by Wavecom as an affiliate, officer, director, partner, or owner of more than 10% of Wavecom was previously associated with a telecommunications carrier that filed for bankruptcy, or was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order.

6. No one associated with or employed by it as an affiliate, officer, director, partner, or owner of more than 10% of Wavecom was previously associated with any telecommunications 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.

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

8. Wavecom provided a map of the location of its proposed service territory.

9. Wavecom provided an estimate of its customer base for the first and fifth year of operation.

10. Wavecom has filed a motion for leave to file confidential financial information under seal.

### **Conclusions of Law**

1. Wavecom should be granted a CPCN to provide interLATA and intraLATA interexchange services and competitive local exchange services as a reseller in the service territories of AT&T, Verizon, Frontier, and SureWest, subject to the terms and conditions set forth in the Ordering Paragraphs.

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

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

4. Wavecom's motion to file material under seal should be granted, material under seal should not be made accessible or disclosed to anyone other than

the Commission and its staff for two years, except upon further order or ruling of the Commission, the assigned Commissioner, the assigned Administrative Law.

**O R D E R**

**IT IS ORDERED** that:

1. A Certificate of Public Convenience and Necessity is granted to Wavecom Solutions Corporation, to provide interLATA and intraLATA interexchange services and competitive local exchange services as a reseller in the service territories of Pacific Bell Telephone Company d/b/a AT&T California, Verizon California Inc., Citizens Telecommunications Company of California, Inc, d/b/a/ Frontier Communications Company of California, and SureWest Telephone, subject to the terms and conditions set forth below.

2. Wavecom Solutions Corporation may not offer the services authorized in this decision 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 Attachment A.

3. The corporate identification number assigned to Wavecom Solutions Corporation, U7217C, 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, Wavecom Solutions Corporation 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. Wavecom Solutions Corporation is a nondominant carrier, subject to the Commission rules and regulations as detailed in Decision (D.) 85-01-008 and modified in D.85-07-081 and D.85-11-044.

6. Wavecom Solutions Corporation 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.

7. Wavecom Solutions Corporation must file and pay a regulatory assessment fee (known as the User Fee) under Public Utilities Code Sections 401-405.

Carriers that are in default of filing and paying 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. Instructions for filing and paying are available at: <http://www.cpuc.ca.gov/PUC/Telco/Consumer+Information/userfee.htm>

For questions regarding User Fee filing, please call (415) 703-2470.

8. Wavecom Solutions Corporation is required to report and remit CPUC program surcharges online using the Telecommunications & User Fees Filing System (TUFFS) and the California State Agency Electronic Funds Transfer System on a monthly or semi-annual basis.<sup>2</sup> To request a user ID and password, please contact the CPUC by email at: [Telco\\_surcharge@cpuc.ca.gov](mailto:Telco_surcharge@cpuc.ca.gov).

9. Prior to initiating service, Wavecom Solutions Corporation 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.

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<sup>2</sup> Please refer to *de minimis* rule explained under the instructions for filing in the Commission's website

<http://www.cpuc.ca.gov/PUC/Telco/Information+for+providing+service/Surcharge+Remittance.htm>.

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

10. Wavecom Solutions Corporation must notify the Director of the Communications Division in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.

11. Wavecom Solutions Corporation 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 with the information contained in Attachment D.

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

13. Wavecom Solutions Corporation must file a tariff within 12 months of the effective date of this order, or its certificate will be cancelled.

14. Wavecom's request to file materials under seal is granted, materials under seal shall not be made accessible or disclosed to anyone other than the Commission and its staff for two years, except upon 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

15. Application 11-03-025 is closed.

This order is effective today.

Dated October 6, 2011, at Los Angeles, California.

MICHAEL R. PEEVEY

President

TIMOTHY ALAN SIMON

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

MARK J. FERRON

Commissioners