

Decision 06-04-063 April 27, 2006

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of ClearLinx Network Corporation (U-6959-C) for a Modification to its Certificate of Public Convenience and Necessity in Order to Provide Competitive Local Exchange, Access and Non-Dominant Interexchange Services.

Application 05-07-025
(Filed July 27, 2005)

**OPINION GRANTING MODIFICATION
OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

I. Summary

ClearLinx Network Corporation (U-6959-C) (Applicant) seeks a modification of its existing certificate of public convenience and necessity (CPCN) under Pub. Util. Code § 1001 to obtain authority to provide full facilities-based local exchange and interexchange telecommunications services.¹ We grant the application, subject to the requirements and conditions stated below.

We also specify a procedure to be followed if Applicant wishes to pursue full facilities-based construction activities that involve potential exemptions from environmental review under the California Environmental Quality Act (CEQA).

¹ In Decision (D.) 05-07-004, the Commission previously granted Applicant a CPCN (U-6959-C) authorizing the provision of limited facilities-based interexchange services in California.

II. Background

Applicant, a Delaware corporation, seeks authority to provide full facilities-based local exchange and interexchange services. Applicant's principal place of business is located at 1901 S. Meyers Road, Suite 190, Oakbrook Terrace, IL 60181.

In this application, Applicant requests full facilities-based authority to provide local exchange services in the service territories of Pacific Bell Telephone Company, Verizon California Inc., SureWest Telephone,² and Citizens Telephone Company and interexchange services statewide.

Applicant plans to initially offer point to point circuits carried on fiber optic facilities. These point to point circuits will carry the Radio Frequency traffic of wireless services providers (WSPs) between Applicant's newly-deployed share distributed antenna systems and the WSPs' existing facilities. Applicant states that these fiber-fed shared distributed antenna systems will extend wireless networks, will address the increasing demand from WSPs for a solution to long-standing service coverage problems, and will provide network enhancements that add capacity to accommodate high speed data applications.

Applicant proposes to provide these services through a combination of its own facilities and services leased from existing carriers and other suppliers. The fiber optic facilities will be deployed primarily in an aerial configuration, attached to utility poles and other aerial support structures. However, for some

² SureWest Telephone was formerly known as Roseville Telephone Company.

routes, Applicant may need to construct additional facilities in or near to rights-of-way.³

The requirements for the expanded CPCN authority requested by Applicant here are the same as those previously met by Applicant for its existing CPCN (U-6959-C), except for the requirements of the CEQA as applied to any proposed full facilities-based construction by Applicant.⁴ Therefore, the only issue before us in this application is whether Applicant's proposed construction and process for requesting determinations of exemption from CEQA by Commission staff meets the requirements of CEQA and should be approved. Applicant remains subject to the requirements of D.05-07-004, which granted Applicant authority to provide limited facilities-based interexchange services.

III. Environmental (CEQA) Review

The CEQA (Public Resources Code Sections 21000 et seq.) applies to discretionary projects to be carried out or approved by public agencies. A basic purpose of CEQA is to "inform governmental decision-makers and the public

³ ClearLinx states in its Supplement that its plant construction will differ from other, more traditional telecommunications providers because:

- Its projects consist largely of deploying aerial facilities (fiber optic cable and pole-mounted antenna node equipment);
- Its projects will cover short distances;
- Its projects are widely separated geographically, and are not interconnected in a traditional network; and
- Its projects are driven by customer needs, so that ClearLinx does not know very far in advance where its next project will be located.

⁴ Applicant has also filed financial documentation, information regarding required deposits, and biographical information regarding the experience of its management, which demonstrates that Applicant otherwise meets the requirements for a full facilities-based CPCN.

about the potential significant environmental effects of the proposed activities.” (Title 14 of the California Code of Regulations, hereafter CEQA Guidelines, Section 15002.)

Since the Commission must issue a discretionary decision (i.e., grant Section 1001 certificate authority) without which the proposed activity will not proceed, the Commission must act as either a Lead or Responsible Agency under CEQA. The Lead Agency is the public agency with the greatest responsibility for supervising or approving the project as a whole (CEQA Guidelines, Section 15051(b)). The Commission is the Lead Agency for this project under CEQA. CEQA requires that the Commission consider the environmental consequences of a project that is subject to its discretionary approval.

Applicant seeks authority in this application to modify its existing CPCN to include full facilities-based competitive local exchange, access and non-dominant interexchange service. Applicant initially filed this application on July 27, 2005, and filed a supplement to the application on November 2, 2005 (Supplement) and a second supplement on February 17, 2006. Although Applicant did not file a Preliminary Environmental Assessment with the application, Applicant provided additional information in the Supplement to address compliance with Rule 17.1 of the Commission Rules of Practice and Procedure and the degree to which its planned outside construction implicates CEQA. In its application and Supplement, Applicant outlined its projected business activities and described the types of facilities it may utilize and construct, including their geographical location and extent. The application and Supplement provide adequate information to determine the environmental impacts (if any) of such activities and the degree to which such activities and facilities may be exempt from further CEQA review.

In its application and Supplement, Applicant states that its business activities associated with the installation of its Distributed Antenna System (DAS) facilities are so limited that they should potentially qualify for a number of categorical exemptions available under CEQA. In its Supplement, Applicant provides two attachments to support its case. Attachment A provides a description of the types of facilities involved in a DAS network, and Attachment B provides both a proposed procedure by which Applicant would provide notice of the claimed exemption, and a detailed list of existing CEQA categorical exemptions that would apply to the installation of DAS facilities by Applicant.

Applicant has proposed the following procedure for obtaining Commission approval of its claimed CEQA exemptions for proposed construction projects:

- Applicant will provide the Commission Energy Division with:
 - A detailed description of the proposed project, including:
 - Customer(s) to be served;
 - The precise location of the proposed construction project; and
 - Regional and local site maps.
 - A description of the environmental setting, to include at a minimum:
 - Cultural, historical, and paleontologic resources;
 - Biological resources; and
 - Current land use and zoning.
 - A construction workplan, to include:
 - Commission Preconstruction Survey Checklist – Archaeological Resources;

- Commission Preconstruction Survey Checklist – Biological Resources;
- A detailed schedule of construction activities, including site restoration activities;
- A description of construction/installation techniques;
- A list of other agencies contacted with respect to siting, land use planning, and environmental resource issues, including contact information; and
- A list of permits required for the proposed project.
- A statement of the CEQA exemption(s) applicable to the proposed project; and
- Documentation and factual evidence sufficient to support a finding that the claimed exemption(s) is (are) applicable.
- The Commission Energy Division will review the Applicant’s submission for the proposed project to confirm that the claimed exemption(s) from CEQA are applicable.
- Within 21 days from the date of Applicant’s submittal, the Commission Energy Division will issue either:
 - A Notice to Proceed (NTP) and file a Notice of Exemption with the State Clearinghouse, Office of Planning and Research, or
 - A letter of denial stating the specific reasons why the claimed exemption(s) are not applicable to the proposed project.

The application makes clear that Applicant’s facilities-based DAS projects will consist of: predominantly aerial fiber optic facilities; the installation of compact “nodes” on existing utility poles; a minor amount of ground disturbance (100 – 200 feet) associated with connecting equipment enclosures on private property with the aerial right-of-way; and aerial fiber runs of short distances, rarely exceeding 1,000 feet in length. All facilities will be located

within public utility rights-of-way (with the exception of ingress and egress to and from the facilities). The projects and facilities will be widely separated geographically.

We have carefully reviewed the application and Supplement and find that:

- Applicant's proposed facilities-based project activities are very limited;
- These activities would in almost all circumstances be very likely to qualify for an exemption from CEQA; and
- The proposed process for reviewing the applicability of CEQA exemptions to Applicant's DAS facilities-based projects is not only adequate for the Commission's purposes as CEQA Lead Agency, but is also in the public interest because it enables Applicant to respond in a timely manner to WSPs' requests for service without the delay or burden of a full CEQA review when such review is unnecessary.

We therefore approve Applicant's proposed process for Commission review of claimed CEQA exemptions for construction projects undertaken pursuant to Applicant's full facilities-based authority, based on the specific facts of this case with the following modifications related to the Commission Energy Division's review and approval or disapproval of the proposed exemptions.

- If the Commission Energy Division disapproves Applicant's claimed CEQA exemption(s), and issues a letter of denial to Applicant, Applicant shall either re-design the specific project and facilities and then reapply for a finding of exemption from CEQA, or file a formal application with the Commission seeking the requisite approval and full CEQA review, before commencing any construction activities.

Applicant shall not perform any full facilities-based construction activities without first obtaining an NTP from the Commission Energy Division or authorization by the Commission after the requisite environmental review.

However, the Commission is reviewing CEQA issues affecting telecommunications providers on a broader, policy level in Rulemaking (R.) 00-02-003. Applicant may utilize the above process for obtaining Commission review, and approval or disapproval of, proposed CEQA exemptions unless or until the Commission adopts different requirements applicable to Applicant in R.00-02-003 or a subsequent proceeding.

IV. Conclusion

We conclude that the application conforms to our rules for authority to provide full facilities-based local exchange and interexchange telecommunications services. Accordingly, we shall approve the application subject to the terms and conditions set forth herein.

V. Request to File Under Seal

Applicant requests that the financial information filed as Exhibits 2, 3, and 4 to this application be filed under seal. The financial information consists of Applicant's financial statements and financial documentation. We have granted similar requests in the past, and we grant Applicant's request here.

VI. Categorization and Need for Hearings

In Resolution ALJ 176-3157 dated August 25, 2005, the Commission preliminarily categorized this proceeding 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.

VII. Comments on the Draft 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.

VIII. Assignment of Proceeding

John A. Bohn is the Assigned Commissioner and Myra J. Prestidge is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Notice of this application appeared in the Daily Calendar on August 26, 2005.
2. No protests were filed.
3. Hearings are not required.
4. Applicant seeks expansion of its existing CPCN to obtain authorization to provide full facilities-based local exchange and interexchange services by installing and operating DAS facilities.
5. The Commission is the Lead Agency for this project under CEQA.
6. Applicant filed a supplement to its application on November 2, 2005, which provided detailed information on the degree to which its planned outside construction implicates CEQA.
7. Applicant contends that its business activities associated with the installation of its DAS facilities are of such a limited nature that they should potentially qualify for a number of categorical exemptions available under CEQA.
8. Applicant has proposed a procedure, in which Applicant would notify Commission Energy Division staff of the claimed CEQA exemptions and Commission Energy Division staff would review and act upon Applicant's claimed CEQA exemptions.

9. Applicant has provided a detailed list of existing CEQA categorical exemptions that would potentially apply to the installation of DAS facilities.

10. Applicant's proposed facilities-based project activities are of a limited nature and would in almost all circumstances be highly likely to qualify for an exemption from CEQA.

11. Applicant's proposed process for reviewing the applicability of the CEQA exemptions for DAS facilities-based projects, as modified in this decision, is adequate for the Commission's purposes as the CEQA Lead Agency and is in the public interest.

12. The Commission is reviewing CEQA issues related to telecommunications providers on a broader, policy basis in R.00-02-003.

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

14. Applicant has met the requirements for issuance of a CPCN authorizing the provision of full facilities-based local exchange and interexchange services.

Conclusions of Law

1. Except for the requirement for additional environmental (CEQA) review, the requirements for a full facilities-based CPCN are generally the same as for a limited facilities-based CPCN.

2. Applicant's description of its future construction projects and proposed process for Commission review of claimed CEQA exemptions for these projects, as described above, meet the requirements of CEQA, based on the specific facts of this case.

3. If the Commission subsequently adopts different requirements for review of claimed CEQA exemptions for telecommunications carriers generally in R.00-02-003 or a subsequent proceeding, Applicant should be subject to those requirements, as applicable.

4. Public convenience and necessity require Applicant's full facilities-based local exchange and interexchange services to be offered to the public subject to the terms and conditions set forth herein.

5. The application should be approved.

6. Upon approval of the application, Applicant should be subject to the applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.

7. Applicant should remain subject to the requirement of D.05-07-004, its licensing decision.

8. Applicant's request to file its financial information under seal should be granted, to the extent set forth below.

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

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPCN) is granted to ClearLinx Network Corporation (Applicant) to operate as a full facilities-based provider of local exchange services in the service territories of Pacific Bell Telephone Company, Verizon California Inc., SureWest Telephone, and Citizens Telephone Company and interexchange services statewide, subject to the terms and conditions set forth below. This authorization expands

Applicant's existing authority to provide limited facilities-based interexchange services in this state.

2. Applicant is authorized to construct the facilities addressed in this decision only upon receiving prior Commission approval.

3. The staff of the Commission Energy Division is authorized to review, process, and act upon Applicant's requests for a determination that its full facilities-based construction activities are exempt from the requirements of the California Environmental Quality Act (CEQA).

4. If Applicant wishes to engage in full facilities-based construction activities and believes that these activities are exempt from CEQA, Applicant shall first apply to the Commission Energy Division staff for a determination of exemption from CEQA using the following procedure:

- Applicant will provide the Commission Energy Division with:
 - A detailed description of the proposed project, including:
 - Customer(s) to be served;
 - The precise location of the proposed construction project; and
 - Regional and local site maps.
 - A description of the environmental setting, including at a minimum:
 - Cultural, historical, and paleontologic resources;
 - Biological resources; and
 - Current land use and zoning.
 - A construction workplan, including:
 - Commission Preconstruction Survey Checklist – Archaeological Resources;

- Commission Preconstruction Survey Checklist – Biological Resources;
 - A detailed schedule of construction activities, including site restoration activities;
 - A description of construction/installation techniques;
 - A list of other agencies contacted with respect to siting, land use planning, and environmental resource issues, including contact information; and
 - A list of permits required for the proposed project.
- A statement of the CEQA exemption(s) claimed to apply to the proposed project; and
 - Documentation supporting the finding of exemption from CEQA.
- The Commission Energy Division will then review the submittal and notify Applicant of either its approval or its denial of Applicant's claim for exemption from CEQA review within 21 days from the time that Applicant's submittal is complete.
 - If the Commission Energy Division approves Applicant's claimed CEQA exemption(s), the staff will prepare a Notice to Proceed and file a Notice of Exemption with the State Clearinghouse, Office of Planning and Research.
 - If the Commission Energy Division disapproves Applicant's claimed CEQA exemptions, the staff will issue to Applicant a letter which states the specific reasons that the claimed CEQA exemptions do not apply to the proposed project.
 - If the Commission Energy Division disapproves Applicant's claimed CEQA exemption(s), Applicant shall either re-design the specific project and facilities and then reapply for a finding of exemption from CEQA, or file a formal application with the Commission seeking the requisite approval and full CEQA review, before commencing any full facilities-based construction activities.

5. Applicant shall not engage in any construction activity relating to a pending CEQA exemption request before receiving an NTP from Commission Energy Division staff.

6. If the Commission adopts different requirements for obtaining Commission review of proposed CEQA exemptions applicable to Applicant in Rulemaking 00-02-003 or a subsequent proceeding, Applicant shall be subject to those requirements.

7. Applicant remains subject to the requirements of Decision 05-07-004, which granted Applicant a CPCN authorizing the provision of interexchange services.

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

9. 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.

10. The corporate identification number assigned to Applicant, U-6959-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.

11. Applicant 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.

12. Applicant shall comply with the requirements applicable to competitive local exchange carriers included in Attachments B, C, and D to this decision.

13. Applicant's financial statements and information filed as Exhibits 2, 3, and 4 to the application shall be filed under seal and shall remain under seal for a period of two years after the date of this order. During this two-year period, the information filed as Exhibits 2, 3, and 4 to the application shall remain under seal and shall not be viewed by any person other than the Assigned Commissioner, the assigned Administrative Law Judge (ALJ), the Assistant Chief ALJ, or the Chief ALJ, except as agreed to in writing by Applicant or as ordered by a court of competent jurisdiction. If Applicant believes that it is necessary for this information to remain under seal for longer than two years, Applicant shall file a new motion at least 30 days before the expiration of this limited protective order.

14. Application 05-07-025 is closed.

This order is effective today.

Dated April 27, 2006, at San Francisco, California.

MICHAEL R. PEEVEY
President
GEOFFREY F. BROWN
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
Commissioners

ATTACHMENT A

List of deficiencies filed by ClearLinx Network Corporation in A.05-07-025 and to be corrected in its Tariff Compliance filing:

1. Sheet 6: Include the actual service area map in the tariff.
2. Sheet 26: Include the following in the CLC tariff: "Pursuant to Resolution T-16901, all telecommunications carriers are required to apply CPUC mandated Public Program surcharge rates (excluding (a) Universal Lifeline Telephone Service (ULTS) billings; (b) charges to other certificated carriers for services that are to be resold; (c) coin sent paid telephone calls (coin in box) and debit card calls; (d) customer-specific contracts effective before 9/15/94; (e) usage charges for coin-operated pay telephones; (f) directory advertising; and (g) one-way radio paging) and the CPUC Reimbursement Fee rate (excluding (a) directory advertising and sales; (b) terminal equipment sales; (c) inter-utility sales) to intrastate services. For a list of the Public Program surcharges and Reimbursement Fee, and the amounts, please refer to the Pacific Bell (d.b.a. SBC California) tariffs."

(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 0.27% 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-16965, dated December 1, 2005, effective January 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).

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 (dba SBC California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised.

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 to the Commission. 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 a message on the bill itself, 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 five (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 to the Commission.

“(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 Section 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 notify the Director of the Telecommunications Division in writing of the date interLATA service is first rendered to the public within five days after service begins, and again within five days after intraLATA service begins.¹

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

10. 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.

11. 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.

12. 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.

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

¹ California is divided into ten Local Access and Transport Areas (LATAs), each containing numerous local telephone exchanges. InterLATA describes services, revenues and functions relating to telecommunications originating within one LATA and terminating in another LATA. IntraLATA describes services, revenues and functions relating to telecommunications originating within a single LATA.

14. 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.

15. 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.

16. Applicant is exempt from General Order 96-A, subsections III.G (1) and (2), and Rule 18(b) of the Commission's Rules of Practice and Procedure.

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

18. 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.

19. If Applicant decides to discontinue service or file for bankruptcy, it shall immediately notify the Telecommunications Division's Bankruptcy Coordinator.

20. 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 and a machine readable, copy using Microsoft Word or compatible format shall be filed with the California Public Utilities Commission, 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 Sections 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 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.

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; and
- 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 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 Sections 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)