

ALJ/SNE/cmf 5/25/2022



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A2103013

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of
GTCR Onvoy Holdings, LLC, Transferor,
Onvoy, LLC (U6487C), Broadvox-CLEC,
LLC (U7160C), ANPI Business, LLC
(U6418C), ANPI, LLC (U5795C), Neutral
Tandem-California, LLC (U6877C),
Licensees, And Sinch US Holding Inc.,
Transferee, for Approval to Transfer
Indirect Control of Licensees to
Transferee Pursuant to California Public
Utilities Code Section 854(a).

Application 21-03-013

**E-MAIL RULING PLACING ORDER TO SHOW CAUSE
ON HEARING CALENDAR**

Dated May 25, 2022, at San Francisco, California.

/s/ SUSAN F. LEE

Susan F. Lee
Administrative Law Judge

From: Lee, Susan <Susan.Lee@cpuc.ca.gov>
Sent: Wednesday, May 25, 2022 6:02 PM
To: Ronald.DelSesto@MorganLewis.com; jnakahata@hwglaw.com;
Stephany.Fan@MorganLewis.com; brett.ferenchak@morganlewis.com; hshi@hwglaw.com;
richard.monto@inteliquent.com; Culver, Ian <Ian.Culver@cpuc.ca.gov>; Fong, Justin H.
<Justin.Fong@cpuc.ca.gov>; Lee, Susan <Susan.Lee@cpuc.ca.gov>; Anita@icommlaw.com
Cc: ALJ Docket Office <ALJ_Docket_Office@cpuc.ca.gov>; ALJ_Support ID
<alj_supportid@cpuc.ca.gov>; ALJ Process <alj_process@cpuc.ca.gov>
Subject: A.2103013, Ruling Placing Order to Show Cause on Hearing Calendar

To the Service List in Application 21-03-013:

This ruling notifies the Joint Applicants that an Order to Show Cause evidentiary hearing will be re-scheduled and orders a pre-hearing statement.

Previously, on April 4, 2022, the Assigned Commissioner and Administrative Law Judge (ALJ) issued their Ruling Issuing Order to Show Cause (OSC Ruling) why GTCR Onvoy Holdings, LLC, its Licensees - Onvoy, LLC (U-6487-C), Broadvox-CLEC, LLC (U-7160-C), ANPI Business, LLC (U-6418-C), ANPI, LLC (U-5795-C), and Neutral Tandem-California, LLC (U-6877-C) - and Sinch US Holding Inc. (collectively the "Joint Applicants") should not be held in contempt, fined, or penalized, for failing to comply with California Public Utilities (Pub. Util.) Code § 854(a), and for violating Rule 1.1 of the Commission's Rules of Practice and Procedure (Rules). The factual underpinnings set forth in the OSC Ruling are incorporated herein by this reference. The OSC Ruling also set an evidentiary hearing for April 22, 2022.

On April 13, 2022, the Joint Applicants filed a motion to remove the order show cause hearing from the Hearing Calendar of the California Public Utilities Commission (Commission or CPUC). They conceded that the transaction resulting in the transfer of control was closed without Commission approval. Also on April 13, 2022, the Joint Applicants filed Joint Applicants' Response to the OSC Ruling (April 13, 2022 Response), proposing a penalty of \$5,000 to \$7,500 for knowingly violating Public Utilities Code § 854.

In an April 15, 2022 ruling by the assigned ALJ, the Commission disagreed with the proposed penalty range, citing the deliberate behavior of the Joint Applicants, the disorderly Application, and Decision (D.)14-06-004.

On April 18, 2022, the OSC evidentiary hearing scheduled for April 22, 2022 was removed from the Commission's Hearing Calendar when the Joint Applicants chose to participate in the Commission's Alternative Dispute Resolution (ADR) program. Their decision to participate in

ADR was filed on April 18, 2022 in the Joint Applicants' Response to Administrative Law Judge Ruling Requesting Assignment to Alternative Dispute Resolution. The proceeding was referred to the Commission's ADR program.

On May 17, 2022, the ADR program administrators deemed the proceeding unsuitable for ADR and returned the matter to the assigned ALJ. *See* email below.

Accordingly, an evidentiary hearing will be re-scheduled for the Joint Applicants to show cause as to why they should be not held in contempt, fined, and penalized by the Commission.

IT IS ORDERED:

By June 30, 2022, the Joint Applicants shall file a Pre-hearing Order to Show Cause Statement using the same title. The statement shall address why the Joint Applicants should not be fined \$25,000 for consummating the transaction transferring indirect control of certificates of public convenience and necessity prior to Commission approval. The statement shall address the facts set forth in the OSC Ruling, the April 15, 2022 Ruling, Rule 1.1, Pub. Util. Code § 2107, and the five-factors the Commission considers in response to a violation pursuant to D. 14-06-004.

The Docket Office shall formally file this ruling.

Susan F. Lee (she/her)
Administrative Law Judge
California Public Utilities Commission
susan.lee@cpuc.ca.gov

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A.21-03-013 ALJ/SNE/cmf

From: Kim, Kimberly <kimberly.kim@cpuc.ca.gov>

Sent: Tuesday, May 17, 2022 2:02 PM

To: Ronald.DelSesto@MorganLewis.com; jnakahata@hwglaw.com; Stephany.Fan@MorganLewis.com; brett.ferenchak@morganlewis.com; hshi@hwglaw.com; richard.monto@inteliquent.com; Culver, Ian <Ian.Culver@cpuc.ca.gov>; Fong, Justin H. <Justin.Fong@cpuc.ca.gov>; Lee, Susan <Susan.Lee@cpuc.ca.gov>; Anita@icommlaw.com

Cc: Ferguson, Charles <Charles.Ferguson@cpuc.ca.gov>; Donovan, James <James.Donovan@cpuc.ca.gov>

Subject: Referral Back to the Formal Proceeding regarding Joint Applicants Response to ALJ Ruling Requesting Assignment to Alternative Dispute Resolution in A.21-03-013

To the Parties and Service List of Proceeding A.21-03-013

We thank you for your interest in the Commission ADR Process. Upon review of this request and noting that the sole outstanding issue in this uncontested proceeding is the amount of penalty relating to an OSC issue with no dispute amongst the parties, we find that there are no disputing/opposing parties to mediate, facilitate or otherwise help reach a compromise between one another.

We therefore find that this matter is not suitable for the ADR program and are referring this matter back to the formal proceeding

Thank you.

Kim

Kimberly H. Kim (*she, her, hers*)

Assistant Chief Administrative Law Judge

California Public Utilities Commission

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