



STATE OF CALIFORNIA

GAVIN NEWSOM, Governor

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

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September 13, 2024

**Agenda ID #22918**  
**Ratesetting**

TO PARTIES OF RECORD IN APPLICATION 23-10-005:

This is the proposed decision of Administrative Law Judge Andrew Dugowson. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's October 17, 2024 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties to the proceeding may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure (Rules).

The Commission may hold a Ratesetting Deliberative Meeting to consider this item in closed session in advance of the Business Meeting at which the item will be heard. In such event, notice of the Ratesetting Deliberative Meeting will appear in the Daily Calendar, which is posted on the Commission's website. If a Ratesetting Deliberative Meeting is scheduled, *ex parte* communications are prohibited pursuant to Rule 8.2(c)(4).

/s/ MICHELLE COOKE

Michelle Cooke

Chief Administrative Law Judge

MLC:nd3

Attachment

Decision PROPOSED DECISION OF ALJ DUGOWSON (Mailed 9/13/2024)

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

Application of Zito Southern California, LLC for a Certificate of Public Convenience and Necessity to provide facilities- based local exchange and interexchange carrier services in Harrison Park, Julian, Lake Cuyamaca, Ramona, Wynola, Borrego Springs, Calipatria, Kane and Salton City, California.

Application 23-10-005

**DECISION GRANTING ZITO SOUTHERN CALIFORNIA, LLC  
A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
TO PROVIDE FULL FACILITIES-BASED COMPETITIVE LOCAL  
EXCHANGE SERVICES AND FULL-FACILITIES BASED  
INTEREXCHANGE SERVICES**

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**DECISION GRANTING ZITO SOUTHERN CALIFORNIA, LLC  
A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY  
TO PROVIDE FULL FACILITIES-BASED COMPETITIVE LOCAL  
EXCHANGE SERVICES AND FULL-FACILITIES BASED  
INTEREXCHANGE SERVICES**

## **Summary**

Pursuant to Public Utilities Code Section 1001, the California Public Utilities Commission grants Zito Southern California, LLC a certificate of public convenience and necessity to provide full facilities-based competitive local exchange services and full facilities-based interexchange services in California subject to the terms and conditions set forth in the Ordering Paragraphs.

Application 23-10-005 is closed.

### **1. Background**

On September 27, 2023, Zito Southern California, LLC (Zito), a corporation authorized to do business in California, filed an application for a certificate of public convenience and necessity (CPCN) to provide full facilities-based competitive local exchange services and full facilities-based interexchange services in the service territory of Pacific Bell Telephone Company d/b/a AT&T California (AT&T California).

Zito proposes to provide competitive local exchange services to business and residential customers “using its own facilities as well as leased facilities, leased capacity, or other arrangements that make use of other carriers’ telecommunications facilities. Zito plans to own, control, operate and manage a fiber network in the aforementioned territories in the State.”<sup>1</sup>

Zito’s principal place of business is located at 102 South Main Street, Coudersport, Pennsylvania 16915.

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<sup>1</sup> Application at 3.

A prehearing conference was on December 18, 2023, and the assigned Commissioner issued a Scoping Memo and Ruling on March 22, 2024. On May 7, 2024, the assigned Administrative Law Judge (ALJ) issued a ruling ordering Zito to provide supplemental information, which Zito timely filed on May 21, 2024. On June 12, 2024, Zito filed a supplemental response to its May 21, 2024 filing.

## **2. Submission Date**

This matter was submitted on May 21, 2024, upon Zito's filing of its response to the ALJ ruling issued on May 7, 2024.

## **3. Jurisdiction**

The California Public Utilities Commission (Commission) has broad jurisdiction over "public utilities,"<sup>2</sup> as defined in Public Utilities (Pub. Util.) Code Section 216.<sup>3</sup> California's constitution extends the Commission's jurisdiction to companies engaged in "the transmission of telephone and telegraph messages," which includes both public utility services and facilities.<sup>4</sup> The Commission classifies entities providing two-way voice communications service for compensation within California as "telephone corporations"<sup>5</sup> and regulates them as public utilities.<sup>6,7</sup>

As part of its regulatory authority over "telephone corporations," the Commission authorizes certificates of public convenience and necessity to "telephone corporations" seeking to construct a "line, plant, or system, or any

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<sup>2</sup> Pub. Util. Code § 216.

<sup>3</sup> Pub. Util. Code § 234.

<sup>4</sup> See Decision (D.) 20-07-011 at 14-15; see Cal. Const., Art. XII, §§ 1-6; Pub. Util. Code § 701.

<sup>5</sup> Pub. Util. Code § 216, §§ 233-234; D.22-10-021 at 68.

<sup>6</sup> Pub. Util. Code § 216(a).

<sup>7</sup> Telephone corporations are required to file annual affiliate transaction reports, and pay surcharges and user fees.

extension thereof” in California.<sup>8</sup> Pub. Util. Code Section 233 defines a “telephone line” to include “all conduits, ducts, poles, wires, cables, instruments, and appliances, and other real estate, fixtures, and personal property owned or controlled, operated, or managed in connection with or to facilitate communication by telephone, whether such communication is had with or without the use of transmission wires.” This includes services delivered over any technology, including but not limited to, traditional copper lines, coaxial cable, fiber optic cable, and mobile or fixed wireless radios.

Zito proposes to provide full facilities-based competitive local exchange services and full facilities-based interexchange services in California. Zito is a telephone corporation and a public utility subject to the Commission’s jurisdiction.

#### **4. California Environmental Quality Act**

Pursuant to CEQA and Rule 2.4<sup>9</sup> of the Commission’s Rules of Practice and Procedure (Rules), the Commission acts as the designated lead agency to consider the environmental consequences of projects that are subject to the Commission’s approval to determine any potential environmental impacts, to avoid adverse effects, and ensure that any affected environmental is restored or otherwise mitigated to the fullest extent possible under CEQA.

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<sup>8</sup> Pub. Util. Code § 1001.

<sup>9</sup> Unless otherwise noted, items labeled “Rule” are from the Commission’s Rules of Practice and Procedure.

Zito stated that while it has not determined all of the projects, it provided a description of the projects it may construct in California; it anticipates all its projects will fall within one or more categorical exemptions under CEQA.<sup>10,11</sup>

These activities are expected to fall within the following classes of projects that are exempt from CEQA and for which neither an Environmental Impact Report nor a Negative Declaration is required.<sup>12</sup>

1. Class 1 Exemption: operation, repair, maintenance, leasing or minor alteration of existing public or private structures and facilities, with negligible or no expansion of an existing use. This includes existing facilities used to provide public utility services. (California Code of Regulations (CCR), Title 14, § 15301.)
2. Class 2 Exemption: replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced. (14 CCR § 15302.)
3. Class 3 Exemption: construction including water main, sewage, electrical, gas and other utility extensions of reasonable length to serve such construction. This includes the construction of limited numbers of new small facilities or utility extensions. (14 CCR § 15303.)
4. Class 4 Exemption: minor public or private alterations in the condition of land, water, and/or vegetation which do not involve the removal of healthy, mature, scenic trees except for forestry and agricultural purposes. Among other things, this includes filling of earth into previously

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<sup>10</sup> Application at 18.

<sup>11</sup> Response at 1.

<sup>12</sup> The Commission considers both Categorical (Classes 1-4 and Class 32 listed herein) and Statutory Exemptions (Public Resources (Pub. Res.) Code Section 21080.51 listed herein). Categorical Exemptions apply to classes of projects that generally do not have potential substantial impacts on the environment. Statutory Exemptions are projects specifically excluded from CEQA consideration as detailed by California law.

- excavated land with material compatible with the natural features of the site, and minor trenching and backfilling where the surface is restored. (14 CCR § 15304.)
5. Class 32(a)-(e) Exemption: consists of projects characterized as in-fill development meeting the following conditions: (a) The project is consistent with applicable general plan designation, general plan policies, and applicable zoning designation and regulations; (b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses; (c) The project site has no value, as habitat for endangered, rare or threatened species; (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and (e) The site can be adequately served by all required utilities and public services. (14 CCR § 15332.)
  6. Pub. Res. Code Section 21080.51, which provides an exemption from CEQA for projects that consist of linear broadband deployment that meet certain requirements.

Zito's proposed activities may involve a combination of existing facilities obtained from others and new construction of its own facilities to deploy service, for which Zito anticipates seeking exemptions under Class 1, Classes 3-4, and Class 32(a)-(e).<sup>13</sup> Exemption of these activities is consistent with Commission precedent. Zito's new construction activities are will likely be similar to those undertaken by other carriers that the Commission has decided are categorically exempt from CEQA. (*See, e.g.,* D.06-04-063 (*ClearLinx Network Corporation*); D.06-04-067 (*CA-CLEC LLC*).

Zito requests approval to utilize a procedure for expedited review of its projects once it is aware of a specific site(s) in which it plans construction. The proposed procedure tracks the expedited review procedure that the Commission

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<sup>13</sup> Zito Response to Ruling at 2.



approved for other carriers. Such a process will expedite the review and is appropriate for the type of construction outlined here, which will likely be categorically exempt. By establishing this expedited review process, the Commission is able to review the information on a specific project to confirm that it is categorically exempt from CEQA or to explain why further environmental review is required. At the same time, the proposed review process will enable Zito to undertake construction of its projects in an efficient manner without experiencing delays caused by an unnecessarily protracted CEQA review.

Similar to the procedure approved for other carriers, the following procedure will be used to obtain Commission approval of Zito's claimed CEQA exemptions for proposed construction projects:

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

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

The Commission reviewed the application and Supplement and finds the proposed process for reviewing the applicability of CEQA exemptions to Zito's 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 Zito to respond in a timely manner to requests for service without the delay or burden of a full CEQA review. This decision therefore approves Zito's proposed process for Commission review of claimed CEQA exemptions for construction projects undertaken pursuant to Zito's full facilities-based authority, based on the specific

facts of this case with the following modifications related to the Commission's Energy Division review and approval or disapproval of the proposed exemptions.

If the Energy Division rejects Zito's claimed CEQA exemption(s) and issues a letter of denial to Zito, Zito must 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.

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

The Commission previously determined that public convenience and necessity requires it to allow competition in the provision of Competitive Local Exchange Carrier (CLEC) service, (Rulemaking 95-04-043/ Investigation 95-04-044). Granting this application will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

## **5. Financial Qualifications**

To be granted a CPCN for authority to provide full facilities-based local exchange services and full facilities-based interexchange services, a new applicant must demonstrate that it has a minimum of \$100,000 cash or cash equivalent, reasonably liquid and readily available to meet the firm's start-up expenses.<sup>14</sup> In the application, Zito provided a Corporate Guaranty from Zito

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<sup>14</sup> The financial requirement for CLECs is contained in D.13-05-035 and D.95-12-056, Appendix C. The financial requirement for Non-Dominant Interexchange Carriers (NDIEC) is contained in D.14-11-004.

West Holding, LLC for at least \$100,000. Since Zito West Holding, LLC, has provided documentation it possesses a minimum of \$100,000 that is reasonably liquid and available, it demonstrated that it has sufficient funds to meet its start-up expenses and fulfilled this requirement. Zito's and Zito West Holding's financial documentation will be subject to verification and review by the Commission for one year to ensure that such funds are available.

Zito indicates that it does not expect to be required to pay any deposits, but affirms that its guaranty exceeds the \$100,000 requirement by \$25,000 and the funds are unencumbered will be available and remain available until sufficient revenue is generated.<sup>15</sup>

## **6. Technical Qualifications**

To be granted a CPCN for authority to provide competitive local exchange and/or interexchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business.<sup>16</sup> Zito supplied biographical information on its management in Exhibit G to its application that demonstrates it has sufficient expertise and training to operate as a telecommunications provider.

In its application, with two exceptions, Zito verified that no one associated with or employed by Zito as an affiliate, officer, director, partner, or owner of more than 10 percent of Zito, or anyone acting in a management capacity for Zito:

(a) held one of these positions with a company that filed for bankruptcy; (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to

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<sup>15</sup> Zito Application at 7.

<sup>16</sup> D.13-05-035; D.95-12-056 at Appendix C, Rule 4.A.

consumers or others; (c) been convicted of a felony; (d) been (to his/her knowledge) the subject of a criminal referral by judge or public agency; (e) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction; (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of [Sections] 17000 *et seq.*, [Sections] 17200 *et seq.*, or [Sections] 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; or (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general.<sup>17</sup>

The exceptions to the verification above involve Michael Rigas and James Rigas, the Co-Presidents of Zito and its holding company, Zito West Holding, LLC. The first exception is that Michael Rigas entered into a plea agreement with United States Attorney, Southern District of New York, on November 23, 2005. Michael Rigas pled guilty to one count under Title II of the Communication Act of 1934, 47 USC Section 220(e). In Zito's Response to the ALJ Ruling from May 7, 2024, Zito elaborated on the charge to which Michael Rigas pleaded guilty. While Michael Rigas was employed by Adelphia Communications Corporation (Adelphia), Adelphia's outside counsel prepared and filed SEC Form 13D with the US Securities and Exchange Commission (SEC). Michael Rigas "admitted that the form falsely certified that he personally had undertaken a reasonable inquiry into whether his family had supplied funds for the purchase of company stock in

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<sup>17</sup> These certifications are required by D.13-05-035, Ordering Paragraph 14.

1999 when he in fact did not undertake a reasonable inquiry to confirm those facts.”<sup>18</sup>

The second exception is that James Rigas and Michael Rigas in 2005 agreed with the SEC not to serve as an officer or director of any publicly traded company. In Zito’s Response to the ALJ Ruling from May 7, 2024, Zito explained that the SEC had filed a civil complaint against James Rigas, Michael Rigas, and others, alleging “various securities fraud violations, including misrepresentations and omissions of material fact and improper entries in accounting records and on certain SEC forms designed to portray Adelphia Communications Corporation’s financial condition and performance in a favorable light.”<sup>19</sup> The 2005 agreement between James Rigas, Michael Rigas, and the SEC, resolved those claims, and as part of that settlement agreement, James Rigas and Michael Rigas agreed not to serve as an officer or director of any public company.<sup>20</sup>

The ALJ Ruling from May 7, 2024 asked Zito to provide additional detail about the incidents described above, and to explain to the Commission why, in light of the incidents described above, the Commission should have confidence in James Rigas’ and Michael Rigas’ ability to serve competently and ethically as the key leaders of Zito. In response, Zito argued that since 2005, James Rigas and Michael Rigas have served as Co-Presidents of Zito West Holding, LLC and Treasure Lake, LP, two privately-held entities, constructing and operating communications networks in multiple states, and have not been charged with any crimes or found liable for fraud or misrepresentations. Zito add that:

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<sup>18</sup> Response at 4.

<sup>19</sup> Response at 7.

<sup>20</sup> Response at 7-8.

Zito West Holding LLC holds FCC licenses, has entered into statewide and local franchise agreements, and has been awarded various federal and state grants subsequent to 2005. This is evidence of other regulatory bodies' and local authorities' confidence in Michael and James Rigas' abilities to serve as competent and ethical leaders.<sup>21</sup>

The Commission finds Zito's argument persuasive. Zito West Holding, LLC, has been operating for nearly twenty years with conduct that meets the Commission's certification requirements, demonstrating that Zito and its management represent a focus on operating consistent with the requirements of D.13-05-035. Accordingly, the Commission finds that the exceptions disclosed by Zito should not preclude it from operating within the state of California.

Similarly, to the best of Zito's knowledge, neither Zito, nor any affiliate, officer, director, partner, nor owner of more than 10 percent of Zito, or any person acting in such capacity whether or not formally appointed, is being, or has been investigated by the Federal Communications Commission or any law enforcement or regulatory agency for failure to comply with any law, rule or order, with the exception of the two exceptions discussed above.<sup>22</sup>

For the foregoing reasons, this decision finds that Zito is in compliance with the requirements of D.13-05-035.

## **7. Tariffs**

Applicant requested detariffed status and may be exempt from the requirement to file tariffs provided that Applicant complies with the consumer protection rules identified in D.98-08-031.

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<sup>21</sup> Response at 8.

<sup>22</sup> *Ibid.*

Applicant states that it plans to offer services on a non-discriminatory basis as well as individual case basis contracts.

Detariffed status is not available for carriers providing residential local exchange service. Based on the application, it does not appear that Applicant intends to provide residential local exchange service at this time.

Pursuant to D.12-12-038, Appendix A, Section II, parts a-b, basic service must be tariffed or scheduled. In the future, if Applicant decides to offer services that require a tariff or schedule, such as basic service, Applicant must submit proposed tariffs and/or user guides to the Commission's Communications Division via Tier 2 Advice Letters using the General Order (GO) 96-B advice letter process at least 30 days before initiation of service.

#### **8. Map of Service Territory**

To be granted a CPCN for authority to provide competitive local exchange service, an applicant must provide a map of the service territories it proposes to serve.<sup>23</sup> In its Application, Zito provided a map of the location of its proposed service territory, in compliance with this requirement.

#### **9. Rule 3.1(i) Statement**

Rule 3.1(i) sets forth the requirement that a utility filing an application under Pub. Util. Code Section 1001 provide a statement regarding GO 104-A, Section 2. Zito states that it is not aware of any reportable matters pursuant to GO 104-A, Section 2. Zito, therefore, has nothing to report under this rule. Going forward, though, Zito must file all reports required of a public utility under Commission jurisdiction.

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<sup>23</sup> D.95-12-056 at Appendix C, Rule 4.F.



**10. Expected Customer Base**

Zito provided its estimated customer base for the first and fifth years of operation on page eight of its application. Therefore, Zito has complied with this requirement.

**11. Request for Treatment as a Non-dominant Interexchange Carrier**

Applicant requests treatment as an NDIEC, which would exempt it from the requirements of Pub. Util. Code Sections 816-830 concerning stocks and security. Applicant also requests an exemption from Pub. Util. Code Section 851, solely for the transfer and encumbrance of utility property to secure debt.

The Commission detailed its rules regarding exemption of NDIECs in D.85-01-008, and subsequently modified in D.85-07-081 and D.85-11-044. Pursuant to D.85-07-081 and D.85-11-044 (addressing NDIECs) and D.97-01-015 (addressing CLECs), NDIECs and CLECs are exempt from Pub. Util. Code Section 851 for the sole purpose of the transfer or encumbrance of utility assets to secure debt. This decision denies Applicant's request for NDIEC status as Zito is a full facilities-based provider of local exchange and interexchange service. However, Zito is eligible for exemptions granted to all CLECs and interexchange carriers, and should refer to Appendix B regarding their obligations.

**12. Safety Considerations**

With the adoption of the *Safety Policy Statement of the California Pub. Util. Commission* on July 10, 2014, the Commission has, among other things, heightened its focus on the potential safety implications of every proceeding. The Commission considered the potential safety implications here and is satisfied that Zito will meet the Commission's minimum safety goals and expectations of CLECs because: (1) Zito has taken steps to meet the financial requirements as set forth in this decision for a facilities-based CLEC, and (2) Zito is a public utility

that is required pursuant to Pub. Util. Code Section 451 to “... furnish and maintain such adequate, efficient, just and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities... as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

### **13. Conclusion**

Zito’s application conforms with the Commission’s rules for certification as a competitive local exchange and interexchange carrier. Accordingly, the Commission grants Zito’s CPCN to provide full facilities-based competitive local exchange services in the service territory of AT&T California and full facilities-based interexchange services in California subject to compliance with the terms and conditions set forth in the OPs.

The CPCN granted by this decision provides benefits to Zito and corresponding obligations. Zito receives authority to operate in the prescribed service territory, and this authority enables Zito, pursuant to Section 251 of the 1934 Communications Act, as amended by the 1996 Telecommunications Act (47 USC § 251), to interconnect with telecommunications carriers.<sup>24</sup> This authority also enables Zito to obtain access to public rights-of-way in California as set forth in D.98-10-058, and approved in *T-Mobile West LLC v. City and County of San Francisco*, 6 Cal. 5th 1107 (2019) – subject to the CEQA requirements set forth in this decision.

In return, Zito is obligated to comply with all Pub. Util. Code provisions, Commission rules, GOs, and decisions applicable to telephone corporations providing approved services. The applicable statutes, rules, GOs, and decisions

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<sup>24</sup> The California Public Utilities Code uses the term “telephone corporation.” Its counterpart in federal law is “telecommunications carrier.”

include, but are not limited to consumer protection rules, tariffing, and reporting requirements. Moreover, Zito is obligated to pay all Commission prescribed user fees and public purpose program surcharges as set forth in the Appendix B of this decision, to comply with CEQA, and to adhere to Pub. Util. Code Section 451 which states that every public utility "...shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities, as defined in Section 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

#### **14. Summary of Public Comments**

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding.

No public comments were filed in this proceeding.

#### **15. Comments on Draft Decision**

The proposed decision of ALJ Andrew Dugowson in this matter was mailed to the parties in accordance with Pub. Util. Code Section 311 and comments were allowed under Rule 14.3. Comments were filed on \_\_\_\_\_, and reply comments were filed on \_\_\_\_\_ by \_\_\_\_\_.

#### **16. Assignment of Proceeding**

Alice Reynolds is the assigned Commissioner and Andrew Dugowson is the assigned ALJ in this proceeding.

**Findings of Fact**

1. Zito is a telephone corporation and a public utility as defined in Pub. Util. Code Section 234(a) and Section 216(a).
2. The Commission is the Lead Agency for this project under CEQA.
3. Zito's proposed construction activities may fall within one or more CEQA categorical exemptions.
4. Zito has a minimum of \$100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
5. Zito has sufficient additional cash or cash equivalent to cover deposits that may be required by other telephone corporations in order to provide the proposed service.
6. Zito management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.
7. With two exceptions, no one associated with or employed by Zito as an affiliate, officer, director, partner, agent, or owner (directly or indirectly) of more than 10 percent of Zito, or anyone acting in a management capacity for Zito:
  - (a) held one of these positions with a company that filed for bankruptcy;
  - (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others;
  - (c) been convicted of a felony;
  - (d) been the subject of a criminal referral by judge or public agency;
  - (e) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction;
  - (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of Section 17000 *et seq.*, Section 17200 *et seq.*, or Section 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to

consumers or others; (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; or (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general.

8. Michael Rigas entered into a plea agreement with United States Attorney, Southern District of New York, on November 23, 2005. Michael Rigas pled guilty to one count under Title II of the Communications Act of 1934 (47 USC § 220(e)).

9. In 2005, James Rigas and Michael Rigas agreed with the SEC not to serve as an officer or director of any publicly traded company.

10. Since 2005, James Rigas and Michael Rigas have served as Co-Presidents of Zito West Holding, LLC and Treasure Lake, LP, constructing and operating communications networks in multiple states, and have not been charged with any crimes or found liable for fraud or misrepresentations.

11. To the best of Zito's knowledge, neither Zito, or any affiliate, officer, director, partner, nor owner of more than 10 percent of Zito, or any person acting in such capacity whether or not formally appointed, is being, or has been investigated by the FCC or any law enforcement or regulatory agency for failure to comply with any law, rule or order, with the exceptions provided by James Rigas and Michael Rigas.

12. Zito requested and is eligible for exemption from tariffing requirements and must observe the consumer protection rules adopted in D.98-08-031.

13. Zito provided a map of the location of its proposed service territory.

14. Zito has no information to report under Rule 3.1(i), which requires that a utility filing an application under Pub. Util. Code Section 1001, provide a statement regarding compliance with GO 104-A, Section 2.

15. Zito provided an estimate of its customer base for the first and fifth years of operation.

16. Zito requested NDIEC status.

### **Conclusions of Law**

1. Zito should be granted a CPCN to provide full facilities-based competitive local exchange services in the service territory of AT&T California and full facilities-based interexchange services in California, subject to the terms and conditions set forth in the Ordering Paragraphs.

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

3. Zito should be allowed to use the Energy Division 21-day CEQA exemption review process.

4. Zito should be granted an exemption from the requirement to file tariffs.

5. Zito should not be granted NDIEC status.

6. Zito should be exempt from Pub. Util. Code Section 851 for the sole purpose of securing debt.

7. Zito is exempt from tariffing. In the future, if Zito decides to offer services that require a tariff or schedule, such as basic service, Applicant should submit proposed tariffs and/or user guides to the Commission's Communications Division via Tier 2 Advice Letters using the GO 96-B advice letter process at least 30 days before initiation of service.

8. This proceeding should be closed.

**O R D E R****IT IS ORDERED** that:

1. A certificate of public convenience and necessity is granted to Zito Southern California, LLC to provide full facilities-based competitive local exchange services in the territory of Pacific Bell Telephone Company d/b/a AT&T California and full facilities-based interexchange services in California, subject to the terms and conditions in this decision.
2. The certificate of public convenience and necessity granted, and the authority for Zito Southern California, LLC (Zito) to render service to customers under the rates, charges, and rules authorized, will expire if not exercised by offering or actively providing service on a wholesale and/or resale basis within 12 months from the effective date of this decision. Zito is responsible for seeking approval for an extension of time to comply with this decision pursuant to Rule 16.6 of the California Public Utilities Commission's Rules of Practice and Procedure.
3. Zito Southern California, LLC is assigned utility identification number U-7457-C and is responsible for using this as its corporate identification number in the caption of all original filings with the California Public Utilities Commission (Commission), in the titles of other pleadings filed in existing cases, and informal submissions to the Commission.
4. Zito Southern California, LLC must file in this docket a written acceptance of the certificate of public convenience and necessity granted in this proceeding within 30 days of the effective date of this decision. The written acceptance filed in this docket does not reopen the proceeding.
5. Zito Southern California, LLC must provide the name, address, email address, and telephone number of its designated primary regulatory/official

contact person to the California Public Utilities Commission's Communications Division within five days of written acceptance of its certificate. Refer to Attachment B for additional information related to updating contact information.

6. Zito Southern California, LLC must provide the name, address, email address, and telephone number of its designated contact person for purposes of resolving consumer complaints to the California Public Utilities Commission's Consumer Affairs Branch within five days of written acceptance of its certificate of public convenience and necessity. Refer to Attachment B for additional information related to updating contact information.

7. Zito Southern California, LLC (Zito) must submit a Tier 1 Advice Letter containing a copy of the license holder's executed performance bond in accordance with Decision 13-05-035 to the California Public Utilities Commission's Communications Division within five days of the effective date of this decision. Zito is responsible, if needed, for seeking approval for an extension of time to submit the Tier 1 Advice Letter containing a copy of the performance bond. Zito is responsible for ensuring that the performance bond is active for all periods of its operations and comply with the annual performance bond filing on or before March 31 of each year. Refer to Attachment B for additional information on performance bond requirements.

8. Zito Southern California, LLC must submit its compliance with Public Utilities Code Section 708 (Employee Identification Cards) to the California Public Utilities Commission's Director of the Communications Division in writing by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) within 60 days of the effective date of this decision.

9. Zito Southern California, LLC must provide the date that competitive local exchange service is first rendered to the public to the California Public Utilities



Commission's Director of the Communications Division in writing by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) no later than five days after service first begins.

10. Zito Southern California, LLC (Zito) may operate on a detariffed basis. In the future, if Zito decides to offer services that require a tariff or schedule, such as basic service, Applicant must submit proposed tariffs and/or user guides to the California Public Utilities Commission's Communications Division via a Tier 2 Advice Letter using the General Order 96-B advice letter process at least 30 days before initiation of service.

11. Zito Southern California, LLC is subject to California public purpose program surcharges (surcharges) and user fees; and is responsible for timely reporting and remittance of surcharges and user fees using the California Public Utilities Commission's proprietary Telecommunications and User Fee Filing System. Refer to Attachment B for additional information on surcharges and user fees requirements.

12. Zito Southern California, LLC is responsible for submitting an annual report in accordance with General Order 104-A to the California Public Utilities Commission's Director of the Communications Division by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) no later than March 31 of the year following the calendar year for which the annual report is submitted. Refer to Attachment C for additional information on annual report requirements.

13. Zito Southern California, LLC is responsible for submitting its annual affiliate transaction report in accordance with Decision 93-02-019 to the California Public Utilities Commission's Director of the Communications Division by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) no later than May 1 of the year following the calendar year for which the annual affiliate transaction report is

submitted. Refer to Attachment D for additional information on annual affiliate transaction report requirements.

14. Zito Southern California, LLC is subject to all the current requirements applicable to competitive local exchange carriers and interexchange carriers included in Attachments B-D to this decision; all Consumer Protection Rules contained in General Order 168; and all applicable California Public Utilities Commission rules, decisions, General Orders, and statutes that pertain to California public utilities on an ongoing basis.

15. The staff of the California Public Utilities Commission's Energy Division is authorized to review, process, and act upon Zito Southern California, LLC's requests for a determination that its full facilities-based construction activities are exempt from the requirements of the California Environmental Quality Act.

16. If Zito Southern California, LLC (Zito) wishes to engage in full facilities-based construction activities and believes that these activities are exempt from California Environmental Quality Act (CEQA), Zito shall first apply to the California Public Utilities Commission's (Commission) Energy Division staff for a determination of exemption from CEQA by providing the Commission's Energy Division (Energy Division) with:

- a. A detailed description of the proposed project, including:
  - i. Customer(s) to be served;
  - ii. The precise location of the proposed construction project; and
  - iii. Regional and local site maps.
- b. A description of the environmental setting, including at a minimum:
  - i. Cultural, historical, and paleontological resources;
  - ii. Biological resources; and

- iii. Current land use and zoning.
- c. A construction workplan, including:
  - i. Commission Preconstruction Survey Checklist – Archaeological Resources;
  - ii. Commission Preconstruction Survey Checklist – Biological Resources;
  - iii. A detailed schedule of construction activities, including site restoration activities;
  - iv. A description of construction/installation techniques;
  - v. A list of other agencies contacted with respect to siting, land use planning, and environmental resource issues, including contact information; and
  - vi. A list of permits required for the proposed project.
- d. A statement of the CEQA exemption(s) claimed to apply to the proposed project;
- e. Documentation supporting the finding of exemption from CEQA; and
- f. The Energy Division will then review the submittal and notify Zito of either its approval or its denial of Zito's claim for exemption from CEQA review within 21 days from the time that Zito's submittal is complete.

17. If the California Public Utilities Commission's Energy Division approves Zito Southern California, LLC's (Zito) claimed California Environmental Quality Act (CEQA) exemption(s), the staff shall prepare a Notice to Proceed and file a Notice of Exemption with the State Clearinghouse, Office of Planning and Research. If the Energy Division disapproves Zito's claimed CEQA exemptions, the staff shall issue to Zito a letter which states the specific reasons that the claimed CEQA exemptions do not apply to the proposed project.

18. If the California Public Utilities Commission's (Commission) Energy Division disapproves Zito Southern California, LLC's (Zito) claimed California

Environmental Quality Act (CEQA) exemption(s), Zito 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.

19. Application 23-10-005 is closed.

This decision is effective today.

Dated \_\_\_\_\_, at Sacramento, California.

# **ATTACHMENT A**

This attachment is intentionally left blank.

**(END OF ATTACHMENT A)**

# **ATTACHMENT B**

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

1. Carrier is subject to all the current applicable California Public Utilities Commission (CPUC or Commission) rules, decisions, General Orders, and statutes that pertain to California public utilities and telephone corporations on an ongoing basis.

2. Carrier is responsible for rendering services to customers under the rates, charges and rules authorized by the Commission within 12 months from the date of the decision. Rendering services may include but are not limited to offering and/or actively providing services to its customers on a wholesale and/or resale basis.

3. Carrier is responsible for keeping all contact information up to date with the Commission. Changes to its primary regulatory and/or complaint contact information must be provided electronically, using the “Contact Information Request Update” form at <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone> under Service Provider Requirements and Programs. Carrier is responsible for updating this information within 30 days of the change, or at least annually by June 1 of each calendar year.

4. Carrier is subject to California public purpose program surcharges and user fees. Pursuant to Decision (D.) 22-10-021, all telephone corporations operating in California must assess, collect, report and remit public purpose program surcharges based on the number of active access lines. For definition of access line, *see* Section 5.2.2 of D.22-10-021. The surcharge funds the following California public purpose programs:

- a. The Universal Lifeline Telephone Service Trust Administrative Committee Fund (Public Utilities (Pub. Util.) Code § 277);
- b. The California Relay Service and Communications Devices Fund (Pub. Util. Code § 2881; D.98-12-073);
- c. The California High Cost Fund-A (Pub. Util. Code § 275.6); D.96-10-066 at 3-4, App. B, Rule 1.C);
- d. The California High Cost Fund-B (Pub. Util. Code § 276.5), D.96-10-066 at 191, App. B, Rule 6.F.; D.07-12-054);
- e. The California Advanced Services Fund (Pub. Util. Code § 281; D.07-12-054); and
- f. The California Teleconnect Fund (Pub. Util. Code § 280; D.96-10-066 at 88, App. B, Rule 8.G).

User Fees must be assessed and collected based on intrastate telecommunications revenues. The User Fee funds the CPUC's annual operating budget for regulating the telecommunications corporations under its jurisdiction (Pub. Util. Code §§ 431-435).

5. Carrier is responsible for obtaining guidance and directive from the Commission's Communications Division for timely reporting and remitting of public purpose program surcharges and the user fees through the Commission's proprietary Telecommunications and User Fee Filing System (TUFFS).

Additional information about telecommunications surcharges and user fees is available from the CPUC website:

<https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/telecommunications-surcharges-and-user-fees>.

6. Carrier is responsible for timely and accurately reporting its number of access lines and remitting the resulting public purpose program surcharges through TUFFS even if there is zero (0) access line to report and zero (0) resulting



surcharges to remit. Carriers that report and/or remit surcharge funds after the due date will be charged a penalty equal to an annual rate of 10 percent. Send an email to [Telcosurcharge@cpuc.ca.gov](mailto:Telcosurcharge@cpuc.ca.gov) for questions related to surcharges and access to TUFFS. Current and historical surcharge rates can be found at <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/telecommunications-surcharges-and-user-fees/surcharge-rates>.

7. Carrier is responsible for timely and accurately reporting and remitting the user fees based on a standard user fee remittance rate applied to the gross intrastate revenue or an annual minimum user fee of \$100, whichever is greater. The user fee remittance rate is determined annually by the Commission and posted on the Commission's webpage. The reporting and remittance of user fees must be through TUFFS within 15 days after the end of each calendar quarter (March 31, June 30, September 30, and December 31) or January 15 due date for those paying the annual minimum user fee of \$100. TUFFS will automatically adjust the minimum user fee amount due to \$100 when the annual gross intrastate revenue is zero (\$0) or less than the annual minimum user fee of \$100. Under Pub. Util. Code Section 405, carriers that are in default of reporting and submitting user fees more than 30 days after the quarterly user fee payment due dates of April 15, July 15, October 15, and January 15, or more than 30 days after the January 15 due date for those utilities paying the annual minimum user fee of \$100, will be subject to automatic penalties including suspension or revocation of their authority to operate in California. Send an email to [userfees@cpuc.ca.gov](mailto:userfees@cpuc.ca.gov) for questions related to user fees. Current and historical user fee rates can be found at: <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/telecommunications-surcharges-and-user-fees/user-fee-rates>.

8. In compliance with Resolution T-16901, December 2, 2004, Carrier is responsible for checking the joint tariff for public purpose program surcharges and user fees filed by Pacific Bell Telephone Company d/b/a AT&T California and apply the current public purpose program surcharges and user fees amounts in that joint tariff on end-user bills until further revised.

9. Carrier is responsible for ensuring that its tariff filings reflect all surcharges and fees to which it is subject to, as identified above.

10. If Carrier is a competitive local exchange carrier, the effectiveness of its future competitive local exchange carrier tariffs is subject to the requirements of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

11. If Carrier is a non-dominant interexchange carrier, the effectiveness of its future non-dominant interexchange carrier tariffs is subject to the requirement of General Order 96-B and the Telecommunications Industry Rules (D.07-09-019).

12. Carrier providing competitive local exchange service is responsible for submitting a service area map as part of its initial tariff filed via Advice Letter to the Communications Division.

13. Carrier is responsible for submitting a copy of its complete tariff in use to the California Public Utilities Commission's Director of the Communications Division by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) in compliance with Pub. Util. Codes Section 489(a) no later than February 15 of each year. If Carrier is de-tariffed, it is responsible for providing an annual certification that it is granted exemption from tariff filing or is a de-tariffed carrier and identify the authorization granting such status.

14. Carrier is responsible for obtaining a performance bond of at least \$25,000 in accordance with D.13-05-035. Within five business days after the effective date of CPCN authority, carrier is required to submit a Tier 1 Advice

Letter to the Director of the Communications Division with a copy of the license holder's executed bond. The performance bond must be a continuous bond (*i.e.*, there is no termination date on the bond) issued by a corporate surety company authorized to transact surety business in California, and the Commission must be listed as the obligee on the bond. Pursuant to D.13-05-035, the Commission must revoke a certificate of public convenience and necessity if a carrier is more than 120 days late in providing the Communications Division a copy of its executed performance bond and the carrier has not been granted an extension of time by the Communications Division.

15. Carrier is required to submit a Tier 1 Advice Letter on an annual basis, no later than March 31 of each year, with a copy of the executed performance bond. Carrier is responsible for ensuring that its performance bond does not lapse during any period of its operation. Additional information regarding performance bond requirement is available at:

<https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/carrier-reporting-requirements/performance-bond-requirements>.

16. Carrier is responsible for ensuring that its employees comply with the provisions of Pub. Util. Code Section 2889.5 regarding solicitation of customers.

17. If Carrier is 90 days or more late in complying with its reporting obligations to the Commission including but not limited to filing its annual reports (*e.g.*, Operations and Financials, and Affiliated Transaction Reports), submitting Performance Bonds, reporting and remitting surcharges and user fees; and has not received written permission from the Commission or Communications Division to file or remit late, the Communications Division may issue a citation pursuant to Resolution T-17601. Failure to comply with the issued citation or timely appeal the citation may result in a revocation of the company's

operating authority and/or a referral to the Commission's Consumer Protection and Enforcement Division for enforcement action, which could result in additional fines, penalties, or other sanctions.

18. Carrier is exempt from Rule 3.1(b) of the Commission's Rules of Practice and Procedure.

19. Carrier is exempt from Pub. Util. Code Sections 816-830.

20. If Carrier decides to discontinue service or file for bankruptcy, it must immediately notify the California Public Utilities Commission's Director of the Communications Division by email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov).

**(END OF ATTACHMENT B)**

# **ATTACHMENT C**

**ATTACHMENT C**  
**ANNUAL REPORT**

In addition to the annual reports requirement pursuant to General Order 104-A, submit the following information electronically via email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) no later than March 31 of the year following the calendar year for which the annual report is submitted.

Failure to submit this information on time may result in a penalty as provided for in Public Utilities Code Sections 2107-2108.

Required information:

1. Exact legal name and Utility ID number of the reporting utility.
2. Address of the reporting utility.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (*e.g.*, corporation, partnership, sole proprietorship, *etc.*).  
If incorporated, specify:
  - a. Date of filing articles of incorporation with the Secretary of State.
  - b. State in which incorporated.
6. Number and date of the Commission decision granting the certificate of public convenience and necessity.
7. Date operations were begun.
8. Description of other business activities in which the utility is engaged.
9. List of all affiliated companies and their relationship to the utility. State if affiliate is a:
  - a. Regulated public utility.

- b. Publicly held corporation.
- 10. Balance sheet as of December 31st of the year for which information is submitted.
- 11. Income statement for California operations for the calendar year for which information is submitted.
- 12. Cash Flow statement as of December 31 of the calendar year for which information is submitted, for California operations only.

Additional information about the reporting requirements is available at: <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/carrier-reporting-requirements/annual-report-forms>. For any questions concerning this report, please send an email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) with a subject line that includes "CD Annual Reports."

**(END OF ATTACHMENT C)**

# **ATTACHMENT D**



**ATTACHMENT D****CALENDAR YEAR AFFILIATE TRANSACTION REPORT**

Submit the following information electronically using the Annual Affiliate Transaction Report Form<sup>1</sup> via email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) no later than May 1 of the year following the calendar year for which the annual affiliate transaction report is submitted.

1. Each utility must list and provide the following information for each affiliated entity and regulated subsidiary that the utility had during the period covered by the Annual Affiliate Transaction Report.
  - Form of organization (*e.g.*, corporation, partnership, joint venture, strategic alliance, *etc.*);
  - Brief description of business activities engaged in;
  - Relationship to the utility (*e.g.*, controlling corporation, subsidiary, regulated subsidiary, affiliate);
  - Ownership of the utility (including type and percent ownership);
  - Voting rights held by the utility and percent; and
  - Corporate officers.
2. The utility must prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries in item 1 above. The chart must have the controlling corporation (if any) at the top of the chart, the utility and any subsidiaries and/or affiliates of the controlling corporation in the middle levels of the chart, and all secondary subsidiaries and affiliates (*e.g.*, a subsidiary that in turn is owned by another subsidiary and/or affiliate) in the lower levels. Any regulated subsidiary must be clearly noted.
3. For a utility that has individuals who are classified as “controlling corporations” of the competitive utility, the utility must only report under

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<sup>1</sup> An Annual Affiliate Report form (in PDF format) has been developed to help facilitate the submission of this reporting obligation and it is available at: [https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/licensing-compliance/annual-reporting-requirements/annual-affiliate-transaction-report-form .pdf](https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/communications-division/documents/licensing-compliance/annual-reporting-requirements/annual-affiliate-transaction-report-form.pdf).

the requirements of item 1 and item 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 (California Code of Civil Procedure (C.C.P.) § 2015.5) that the annual report is complete and accurate with no material omissions.
5. Any required information, documents, or other material that a utility is unable to provide must be reasonably described and the reasons they cannot be obtained, as well as the efforts expended to obtain them, 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 submit, 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 (C.C.P. § 2015.5) that the annual report is complete and accurate with no material omissions.

Additional information about the reporting requirements is available at: <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/carrier-reporting-requirements/annual-report-forms>. For any questions concerning this report, please send an email to [cdcompliance@cpuc.ca.gov](mailto:cdcompliance@cpuc.ca.gov) with a subject line that includes "CD Annual Reports."

**(END OF ATTACHMENT D)**