

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298**FILED**

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February 7, 2025

Agenda ID #23306
Ratesetting

TO PARTIES OF RECORD IN APPLICATION 23-11-008:

This is the proposed decision of Administrative Law Judge Eric Fredericks. 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 March 13, 2025 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 of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

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/ ZITA KLINE for

Michelle Cooke

Chief Administrative Law Judge

MLC:jnf

Attachment

Decision **PROPOSED DECISION OF ALJ FREDERICKS**
(mailed 2/7/2025)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of WaveStreet Managed
Services, Inc. for Registration as a
Non-Dominant Inter-Exchange Carrier
within the State of California.

Application 23-11-008

**DECISION GRANTING WAVESTREET MANAGED SERVICES, INC. A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
PROVIDE FIXED INTERCONNECTED
VOICE OVER INTERNET PROTOCOL SERVICES**

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Attachment A: Tariff Deficiencies

Attachment B: Requirements Applicable To Competitive Local Exchange Carriers, Interexchange Carriers And Fixed Interconnected VoIP Carriers (Carrier)

Attachment C: Annual Report

Attachment D: Calendar Year Affiliate Transaction Report

**DECISION GRANTING WAVESTREET MANAGED SERVICES, INC. A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY TO
PROVIDE FIXED INTERCONNECTED
VOICE OVER INTERNET PROTOCOL SERVICES**

Summary

Pursuant to Public Utilities Code Section 1001, the Commission grants WaveStreet Managed Services, Inc. a Certificate of Public Convenience and Necessity to provide non-facilities-based fixed interconnected Voice over Internet Protocol services subject to the terms and conditions set forth in the Ordering Paragraphs.¹

Application 23-11-008 is closed.

1. Background

On November 8, 2023, WaveStreet Managed Services, Inc. (WaveStreet), a California corporation authorized to do business in California filed an application for a registration to operate as an interexchange carrier pursuant to Public Utilities (Pub. Util.) Code Section 1013, an expedited and ministerial registration process. The California Public Utilities Commission's (Commission) Communications Division staff determined the application did not qualify for the expedited process and the application was reassigned to the Administrative Law Judge (ALJ) Division to be evaluated for a Certificate of Public Convenience and Necessity (CPCN) consistent with Pub. Util. Code Section 1001.

WaveStreet proposes to provide the fixed interconnected Voice over Internet Protocol (VoIP) services to business customers through third party

¹ While this application was filed pursuant to Pub. Util. Code Section 1013, an expedited and ministerial registration process, the determination it did not qualify for registration process and resulting assignment to an Administrative Law Judge (ALJ) removed it from the registration track. It has therefore been evaluated as a CPCN under Pub. Util. Code Section 1001.

providers. WaveStreet currently has a resale agreement with Bandwidth, Inc. to provide VoIP services.

WaveStreet's principal place of business is located at 901 Campisi Way, Suite 180, Campbell, CA, 95008.

On May 30, 2024, a prehearing conference (PHC) was held to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary.

On August 15, 2024, the assigned ALJ issued a ruling requesting additional information regarding WaveStreet's services.

On August 16, 2024, the assigned Commissioner issued a Scoping Memo and Ruling.

On September 3, 2024, WaveStreet filed and served a response to the August 15, 2024, ALJ ruling.

On September 20, 2024, the assigned ALJ issued a follow-up ruling requesting additional information regarding WaveStreet's services.

On September 25, 2024, WaveStreet filed and served a response to the September 20, 2024, ALJ ruling.

On November 12, 2024, the Commission issued Decision (D.) 24-11-003 establishing a regulatory framework for telephone corporations providing interconnected VoIP services. Section 5.5 of D.24-11-003 outlines the formal registration process for nomadic interconnected VoIP service providers (Nomadic Registration). Section 5.5 states that nomadic-only interconnected VoIP service providers must attest under penalty of perjury that their service has the same characteristics of Vonage's DigitalVoice service at issue in the Federal Communications Commission Vonage Order and they do not have the capability to track intrastate and interstate calls. The Nomadic Registration process is

delegated to the ministerial approval of the Commission's Director of the Communications Division (or its successor). Upon approval, nomadic interconnected VoIP service providers will be issued a Utility ID Number and designated as utility type Digital Voice Nomadic (DVN).

Section 5.5 also noted that if there are any pending CPCN and Section 1013 applications with the Commission from companies offering only nomadic interconnected VoIP service, these applications may be dismissed. Prior to dismissal, the applicant must file in the pending docket an attestation that its service meets the qualifications for the DVN utility type, such as the one provided in D. 24-11-003 Appendix A. Those companies must now obtain a Nomadic Registration approval from the Director of the Communications Division by filing a Nomadic Registration form.

In light of D.24-11-003, on November 22, 2024, the assigned ALJ issued a ruling that WaveStreet must either file and serve a signed affidavit indicating that its service meets the qualifications for the DVN utility type or provide a statement affirmatively indicating that its service does not qualify for Nomadic Registration. The ruling noted that, if WaveStreet submitted a completed affidavit attesting to its operations as a nomadic interconnected VoIP provider, the instant Application would be dismissed, WaveStreet would be directed to submit a Nomadic Registration, and all required fees for the Nomadic Registration would be waived. Otherwise, the proceeding would be processed as a request for non-facilities-based, fixed interconnected VoIP.

On December 10, 2024, WaveStreet responded to the Service List that its proposed service does not qualify for a Nomadic Registration as outlined in D.24-11-003.

On January 22, 2025, the assigned ALJ issued a ruling requesting WaveStreet to clarify whether they are exempt from the requirement to file a tariff, and if they are not exempt, to file and serve a tariff for Commission review.

On January 28, 2025, WaveStreet filed and served a response to the January 22, 2025, ALJ ruling that stated their proposed services are exempt from the requirement to file a tariff.

2. Submission Date

This matter was submitted on January 28, 2025, upon WaveStreet's response to the assigned ALJ's January 22, 2025, ruling.

3. Issues Before the Commission

The issue in this proceeding is as follows:

1. Whether WaveStreet meets all of the Commission requirements, including but not limited to financial, technical, and California Environmental Quality Act requirements for a non-dominant interexchange carrier within the State of California?

4. Jurisdiction

The Commission has broad jurisdiction over "public utilities,"² as defined in Public Utilities (Pub. Util.) Code Section 216.³ 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.⁴ The Commission classifies entities providing two-way voice

² Pub. Util. Code § 216.

³ Pub. Util. Code § 234.

⁴ See D.20-07-011, at 14-15, See Cal. Const., Art. XII, §§ 1-6; Pub. Util. Code § 701.

communications service for compensation within California as “telephone corporations”⁵ and regulates them as public utilities.^{6,7}

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 extension thereof” in California.⁸ 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.

Providers of voice services, including local exchange carriers, interexchange carriers, and interconnected VoIP service providers, are telephone corporations subject to the Commission’s jurisdiction.⁹ Providers of local exchange, interexchange, and fixed interconnected VoIP services must obtain a CPCN or 1013 registration license to operate in California.¹⁰ Providers of only nomadic interconnected VoIP are subject to the Commission’s jurisdiction for rules of general applicability and preempted from licensing requirements that act

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

⁶ Pub. Util. Code § 216(a).

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

⁸ Pub. Util. Code § 1001.

⁹ Pub. Util. Code §§ 216, 233, 234; D.22-10-021 at 68; D.24-11-003 at 003.

¹⁰ D.24-11-003.

as barriers to market entry; these providers must obtain a nomadic registration to operate in California.¹¹

WaveStreet proposes to provide fixed interconnected VoIP services to commercial customers to supplement their current product offerings. WaveStreet is a telephone corporation and a public utility subject to the Commission's jurisdiction.

5. Proposed Construction and California Environmental Quality Act (CEQA) Compliance

WaveStreet proposes to provide non-facilities-based VoIP services. Pursuant to CEQA¹² and Rule 2.4 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, investigate alternatives, and ensure that any affected environmental impact is restored or otherwise mitigated to the fullest extent possible under CEQA. Since WaveStreet states that it does not intend to construct any facilities, it can be seen with certainty that there is no possibility that granting this application will have an adverse impact upon the environment.¹³ Before it can construct facilities, WaveStreet must file for additional authority and submit to any necessary CEQA review.

Granting this CPCN will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

¹¹ *Ibid.*

¹² Public Resources Code § 21000 *et seq.*

¹³ See D.99-10-025; D.24-11-003.

6. Financial Qualifications

To be granted a CPCN for authority to provide non-facilities-based services, a new applicant must demonstrate that it has a minimum of \$25,000 cash or cash equivalent, reasonably liquid and readily available to meet the firm's start-up expenses.¹⁴ In the application, WaveStreet provided confidential documentation showing it had at least \$25,000. Since WaveStreet has provided bank statements showing it possesses a minimum of \$25,000 that is reasonably liquid and available, it demonstrated that it has sufficient funds to meet its start-up expenses and fulfilled this requirement. WaveStreet's financial documentation will be subject to verification and review by the Commission for one year to ensure that such funds are available. Accordingly, WaveStreet must demonstrate that it maintained at least \$25,000 that was reasonably liquid and available for its first year of operations by providing the Commission's Communications Division with a confidential copy of its updated financial documentation at both six and 12 months from the issuance date of this decision by email to cdcompliance@cpuc.ca.gov.

In addition to demonstrating financial fitness, WaveStreet must also demonstrate it has an additional \$25,000 available for deposits to interconnect with local exchange carriers. Since WaveStreet provided documentation of its ability to pay deposits in its confidential bank statements, it has met its deposit requirement.

7. Technical Qualifications

To be granted a CPCN for authority to provide fixed interconnected VoIP, an applicant must make a reasonable showing of managerial and technical

¹⁴ The financial requirement for Competitive Local Exchange Carriers (CLECs), NDIECs, and fixed interconnected VoIP providers is contained in D.24-11-003, Appendix F.

expertise in telecommunications or a related business.¹⁵ WaveStreet supplied biographical information on its management in Attachment C of its application that demonstrates it has sufficient expertise and training to operate as a telecommunications provider.

8. Certification Requirements

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

(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 (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; or (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.¹⁶

¹⁵ D.95-12-056 at Appendix C, Rule 4.A as modified by D.13-05-035 and D.24-11-003.

¹⁶ These certifications are required by D.13-05-035, OP 14; D.24-11-003.

Also, to the best of WaveStreet's knowledge, neither WaveStreet, nor any affiliate, officer, director, partner, nor owner of more than 10 percent of WaveStreet, 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.¹⁷ For the foregoing reasons, this decision finds that WaveStreet is in compliance with the requirements of D.13-05-035 and D.24-11-003.

9. Tariffs

CLECs, Interexchange Carriers, and fixed interconnected VoIP providers requesting detariffed status and may be exempt from the requirement to file tariffs provided they do not provide basic service as defined by D.12-12-038 and comply with the consumer protection rules identified in D.98-08-031. WaveStreet indicated it will not offer services that require a tariff or schedule and therefore detariffed status is granted.

In the future, if WaveStreet 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 by Tier 2 Advice Letter using the General Order (GO) 96B advice letter process at least 30 days before initiation of service.¹⁸

10. Service Territory and Map Requirements

When service is provided in small LEC territories, CLECs and fixed interconnected VoIP providers are required to comply with applicable rules set in D.20-08-011, as extended to VoIP providers in D.24-11-003. Since WaveStreet

¹⁷ *Ibid.*

¹⁸ D.12-12-038.

proposes to provide fixed interconnected VOIP services throughout California, WaveStreet is subject to the applicable requirements in D.20-08-011 when operating in small LEC territories.

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

Applicant requests treatment as a non-dominant interexchange carrier (NDIEC), as detailed in D.85-01-008 and modified in D.85-07-081 and D.85-11-044. The Commission recently streamlined and updated the requirements for CLECs and NDIECs, and established a regulatory framework for VoIP providers in D.24-11-003. Therefore, WaveStreet is accorded all exemptions traditionally granted to NDIECs without the need for an individual grant for such treatment in this decision. Accordingly, WaveStreet's request for NDIEC treatment is moot. Applicant must follow the requirements as summarized and provided for by D.24-11-003,¹⁹ and as indicated in Appendices B through D.

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 WaveStreet will meet the Commission's minimum safety goals and expectations of VoIP providers because: (1) WaveStreet has taken steps to meet the financial requirements as set forth in this decision for VoIP providers, and (2) WaveStreet is a public utility that is required pursuant to Pub. Util. Code Section 451 to "... furnish and maintain such adequate, efficient, just and

¹⁹ D.24-11-003 at 58-82 (Section 8.2).

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

WaveStreet’s application conforms with the Commission’s rules for certification as a fixed interconnected VoIP provider. Accordingly, the Commission grants WaveStreet’s CPCN to provide non-facilities-based fixed interconnected VoIP services in the service territories throughout California subject to compliance with the terms and conditions set forth in the OPs.

The CPCN granted by this decision provides benefits to WaveStreet and corresponding obligations. WaveStreet receives authority to operate in the prescribed service territory, and this authority enables WaveStreet, pursuant to Section 251 of the 1934 Communications Act, as amended by the 1996 Telecommunications Act (47 U.S.C. Section 251), to interconnect with telecommunications carriers.²⁰

In return, WaveStreet 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 include, but are not limited to consumer protection rules, tariffing, and reporting requirements. Moreover, WaveStreet 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,

²⁰ The California Pub. Util. Code uses the term “telephone corporation.” Its counterpart in federal law is a “telecommunications carrier.”

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.” Granting this application will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

14. Additional Requirements for Applicants Following Commission’s Grant of CPCN

The CPCN granted in this decision is contingent upon WaveStreet’s compliance with several requirements: (1) rendering service to customers within 12 months from the effective date of this decision; (2) using its assigned corporate identification number in the caption of all original filings with the Commission; (3) filing in this docket a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this decision; (4) providing the name, address, e-mail address, and telephone number of its designated primary regulatory/official contact person to the Commission’s Communications Division within five days of written acceptance of its certificate; (5) providing the name, address, e-mail address, and telephone number of its designated contact person for purposes of resolving consumer complaints to the Commission’s Consumer Affairs Branch within five days of written acceptance of its certificate; (6) submitting a Tier 1 Advice Letter containing a copy of the license holder’s executed performance bond within 30 days of the effective date of this decision; (7) submitting its compliance with Public Utilities Code Section 708, Employee Identification Cards, to the Commission’s Director of the Communications Division, in writing, by email to cdcompliance@cpuc.ca.gov, within 60 days of the effective date of this decision; (8) providing the date that competitive local

exchange service is first rendered to the public, to the Commission's Director of the Communications Division, in writing, by email to

cdcompliance@cpuc.ca.gov, no later than five days after service first begins.

These requirements are in addition to WaveStreet's ongoing obligation to be subject to all the current requirements applicable to Voice over Internet Providers included in Attachments B, C, and D to this decision (including annual affiliate transaction reports, ongoing performance bond requirements, and payment of surcharges and user fees); all Consumer Protection Rules contained in GO 168; and all applicable Commission rules, decisions, GOs, and statutes that pertain to California public utilities on an ongoing basis.

15. Confidential Treatment of Documents and Other Procedural Matters

WaveStreet submitted financial documents as listed in D.24-11-003 Appendix F in a confidential filing. These documents are granted confidential treatment for a period of three years without the need to file a motion for confidential treatment of the aforementioned documents.²¹ During this three-year period, this information shall not be publicly disclosed except on further Commission order or ALJ ruling. If WaveStreet believes that it is necessary for this information to remain under seal for longer than three years, WaveStreet may file a motion showing good cause for extending this order by no later than 30 days before the expiration of the grant of confidentiality.

All rulings by the assigned Commissioner and the assigned ALJ are affirmed. All pending motions are deemed denied.

²¹ D.24-11-003 at 48-54; GO 66-D; Cal. Constitution Article 3, subdivision (b)(2).

16. 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 relevant written comment was submitted in this proceeding.

17. Comments on Proposed Decision

The proposed decision of ALJ Eric Fredericks in this matter was mailed to the parties in accordance with Pub. Util. Code Section 311 and comments were allowed under Rule 14.3 of the Commission’s Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

18. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Eric Fredericks is the assigned ALJ in this proceeding.

Findings of Fact

1. WaveStreet is a corporation authorized to do business in California.
2. WaveStreet’s principal place of business is located at 901 Campisi Way, Suite 180, Campbell, CA, 95008.
3. WaveStreet proposes to provide fixed interconnected VoIP services.
4. Wavestreet will not construct any facilities.
5. Granting this CPCN will expand the availability of technologically advanced telecommunications services within the state.
6. WaveStreet has a minimum of \$25,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.

7. Wavestreet has an additional \$25,000 to cover deposits that may be required by other telephone corporations in order to provide the proposed service.

8. WaveStreet's management possesses sufficient experience, knowledge, and technical expertise to provide fixed interconnected VoIP services to the public.

9. No one associated with or employed by WaveStreet as an affiliate, officer, director, partner, agent, or owner (directly or indirectly) of more than 10 percent of WaveStreet, or anyone acting in a management capacity for WaveStreet: (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.

10. To the best of WaveStreet's knowledge, neither WaveStreet, or any affiliate, officer, director, partner, nor owner of more than 10 percent of WaveStreet, 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.

11. WaveStreet requested and is eligible for exemption from tariffing requirements and must observe the consumer protection rules adopted in D.98-08-031 and D.24-11-003.

12. WaveStreet proposes to operate throughout California.

13. WaveStreet is eligible for all exemptions traditionally accorded NDIECs through D.24-11-003, without need for an individual grant of such treatment in this decision.

14. WaveStreet will meet the Commission's minimum safety goals.

15. WaveStreet filed documents which have a presumption of confidentiality pursuant to D.24-11-003 and GO 66-D.

Conclusions of Law

1. WaveStreet should be granted a CPCN to provide non-facilities-based fixed interconnected VoIP services throughout California, subject to the terms and conditions set forth in this decision.

2. WaveStreet is a telephone corporation and a public utility as defined in Pub. Util. Code Sections 234(a) and 216(a).

3. WaveStreet should be granted non-facilities-based fixed interconnected VoIP authority and may not construct any facilities, including equipment in existing buildings or structures.

4. Granting WaveStreet a CPCN is in the public interest.

5. WaveStreet meets the financial requirements for a CPCN pursuant to D.24-11-003.
6. WaveStreet should demonstrate that it maintained at least \$25,000 that was reasonably liquid and available for its first year of operations by providing the California Public Utilities Commission's Communications Division with a confidential copy of its updated financial documentation at both six and 12 months from the issuance date of this decision by providing updated bank statements within eight and 14 months, respectively, as an information-only submittal by email to cdcompliance@cpuc.ca.gov.
7. WaveStreet meets the technical managerial requirements for a CPCN pursuant to D.13-05-013 and D.24-11-003.
8. WaveStreet meets the certification requirements for a CPCN pursuant to D.13-05-013 and D.24-11-003.
9. WaveStreet is exempt from tariffing. In the future, if WaveStreet 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.
10. WaveStreet should be subject to applicable rules in D.20-08-011 for operating in a small LEC territory.
11. WaveStreet's request for NDIEC treatment should be denied as moot.
12. The certificate granted, and the authority for WaveStreet to render service to customers under the rates, charges, and rules authorized, should expire if not exercised, by offering or actively providing service on a wholesale and/or resale basis, after 12 months from the effective date of this decision. WaveStreet should

be responsible for seeking approval for an extension of time to comply with this decision pursuant to Rules of Practice and Procedure Rule 16.6.

13. WaveStreet should be assigned utility identification number U-7465-C and should be responsible for using this as its corporate identification number in the caption of all original filings with this Commission, in the titles of other pleadings filed in existing cases, and informal submissions to the Commission.

14. WaveStreet should file in this docket a written acceptance of the certificate 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.

15. WaveStreet should provide the name, address, e-mail 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.

16. WaveStreet should provide the name, address, e-mail 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.

17. WaveStreet should submit a Tier 1 Advice Letter containing a copy of the license holder's executed performance bond in accordance with the process established in D.10-09-017/D.11-09-026 and modified by D.13-05-035 and D.24-11-003 to the California Public Utilities Commission's Communications Division within 30 days of the effective date of this decision.

18. WaveStreet should 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, within 60 days of the effective date of this decision.

19. WaveStreet should be subject to all the current requirements applicable to fixed interconnected Voice over Internet Providers included in Attachments B, C, and D to this decision (including annual affiliate transaction reports, ongoing performance bond requirements, and payment of surcharges and user fees); all Consumer Protection Rules contained in GO 168; and all applicable California Public Utilities Commission rules, decisions, GOs, and statutes that pertain to California public utilities on an ongoing basis.

20. WaveStreet's financial documents should be kept under seal for a period of three years from the issuance date of this decision pursuant to D.24-11-003.

21. All rulings by the assigned Commissioner and the assigned ALJ should be affirmed.

22. All pending motions should be deemed denied.

23. 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 WaveStreet Managed Services, Inc. to provide non-facilities-based fixed interconnected Voice over Internet Protocol services throughout California subject to the terms and conditions set forth in this decision.

2. WaveStreet Managed Services, Inc. may not construct any facilities, including equipment in existing buildings or structures.

3. WaveStreet Managed Services, Inc. must demonstrate that it maintained at least \$25,000 that was reasonably liquid and available for its first year of operations by providing the California Public Utilities Commission's Communications Division with a confidential copy of its updated financial documentation at both six and 12 months from the issuance date of this decision

by providing updated bank statements within eight and 14 months, respectively, as an information-only submittal by email to cdcompliance@cpuc.ca.gov.

4. WaveStreet Managed Services, Inc. may operate on a detariffed basis. In the future, if WaveStreet Managed Services, Inc. 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 process at least 30 days before initiation of service.

5. WaveStreet Managed Services, Inc.'s motion for non-dominant carrier status treatment is denied as moot.

6. The certificate granted, and the authority for WaveStreet Managed Services, Inc. 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, after 12 months from the effective date of this decision. WaveStreet Managed Services, Inc. is responsible for seeking approval for an extension of time to comply with this decision pursuant to Rules of Practice and Procedure Rule 16.6.

7. The WaveStreet Managed Services, Inc. is assigned utility identification number U-7465-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.

8. WaveStreet Managed Services, Inc. must file in this docket a written acceptance of the certificate 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.

9. WaveStreet Managed Services, Inc. must provide the name, address, e-mail 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.

10. WaveStreet Managed Services, Inc. must provide the name, address, e-mail 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. Refer to Attachment B for additional information related to updating contact information.

11. WaveStreet Managed Services, Inc. must submit a Tier 1 Advice Letter containing a copy of the license holder's executed performance bond in accordance with the process established in Decision (D.) 10-09-017/D.11-09-026 and modified by D.13-05-035 and D.24-11-003 to the California Public Utilities Commission's Communications Division within 30 days of the effective date of this decision. Refer to Attachment B for additional information on annual performance bond requirements.

12. WaveStreet Managed Services, Inc. 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, within 60 days of the effective date of this decision.

13. WaveStreet Managed Services, Inc. is subject to all the current requirements applicable to fixed interconnected Voice over Internet Providers

included in Attachments B, C, and D to this decision (including annual affiliate transaction reports, ongoing performance bond requirements, and payment of surcharges and user fees); 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.

14. Confidential Treatment of WaveStreet Managed Services, Inc.'s (WaveStreet) financial documents is granted for a period of three years after the date of this decision pursuant to Decision 24-11-003. During this three-year period, this information shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling. If WaveStreet believes that it is necessary for this information to remain under seal for longer than three years, WaveStreet may file a motion showing good cause for extending this order by no later than 30 days before the expiration of this order.

15. All rulings by the assigned Commissioner and the assigned Administrative Law Judge are affirmed.

16. All pending motions are deemed denied.

17. Application 23-11-008 is closed.

This decision is effective today.

Dated _____, at _____, California

ATTACHMENT A

TARIFF DEFICIENCIES

This Attachment is Intentionally Left Blank

(END OF ATTACHMENT A)

ATTACHMENT B

ATTACHMENT B**REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS, INTEREXCHANGE CARRIERS AND FIXED INTERCONNECTED VOIP CARRIERS (Carrier)**

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 (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 access line to report and zero 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 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 and 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 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 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 T16901, 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 dba 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 e-mail to cdcompliance@cpuc.ca.gov, in compliance with Public Utilities 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 Decision 13-05-035 and D.24-11-003. Within 30 calendar 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 Decision 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 e-mail to 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 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 Pub. Util. Code Sections 2107 and 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@cpuca.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 ¹ via e-mail to 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 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.

¹ 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.cpsc.ca.gov/-/media/cpsc-website/divisions/communications-division/documents/licensing-compliance/annual-reporting-requirements/annual-affiliate-transaction-report-form_.pdf.

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 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 Section 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 (CCP 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 e-mail to cdcompliance@cpuca.ca.gov with a subject line that includes: "CD Annual Reports."

(END OF ATTACHMENT D)