

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Silica Network for a Certificate of Public Convenience and Necessity to provide: (i) full facilities-based and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company, Verizon California, Inc., SureWest Telephone, and Citizens Telecommunications Company of California, Inc.; and (ii) full facilities-based and resold interexchange service statewide.

Application 17-06-013

**DECISION GRANTING SILICA NETWORKS A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
IN ORDER TO PROVIDE RESOLD AND COMPETITIVE FULL
FACILITIES-BASED LOCAL AND INTER-EXCHANGE
SERVICE WITHIN CALIFORNIA**

Summary

Pursuant to Public Utilities Code § 1001, we grant Silica Network a Certificate of Public Convenience and Necessity (CPCN) to provide resold and competitive full facilities-based local and inter-exchange telecommunications services in California subject to the terms and conditions set forth in the ordering paragraphs.

This proceeding is closed.

1. Background

On June 30, 2016, Silica Network, a California corporation, filed an application for a Certificate of Public Convenience and Necessity (CPCN) to provide resold and competitive full facilities-based local and inter-exchange

telecommunications services in the service territories of Pacific Bell Telephone Company (Pac Bell), Frontier California, Inc. (Frontier)¹, Consolidated Communications of California Company (Consolidated, formerly SureWest Telephone²) , and Citizens Telecommunications Company of California, Inc. (Citizens).

Silica Network proposes to provide a variety of retail and wholesale switched and dedicated network and point-to-point (special access services. Initially, the Applicant intends to focus on the provision of fiber optic infrastructure for use by other telecommunications providers and large commercial customers. Silica Network principal place of business is located at 5499 Daisy Drive, Pollock Pines, California 95726.

No protests or responses to the application were filed. A telephonic prehearing conference was held on October 31, 2017; no persons appeared other than the applicant. The assigned Commissioner issued a scoping memo and ruling on November 15, 2017, identifying the issues to be determined as follows, upon which the matter was submitted:

(1) Does Silica Networks meet all the requirements for being granted a CPCN, including;

- a. Is Silica Networks a telephone corporation and a public utility as defined in Pub. Util. Code § 234(a) and § 216(a).

¹ Frontier California was formerly Verizon California, Inc. (Verizon). As of April 1, 2016, Verizon's operations in California were acquired and are now operated by Frontier California, Inc., pursuant to Decision (D.) 15-12-005.

² SureWest Telephone was acquired by Consolidated Communications Inc. in 2012, pursuant to D.12-06-004, and SureWest Telephone changed its name to Consolidated Communications of California Company as of January 1, 2016.

- b. Do Silica Network's proposed construction activities fall within one or more California Environmental Quality Act (CEQA) categorical exemptions?
- c. Should Silica Network be allowed to use the Energy Division's 21-day CEQA exemption process?
- d. Will Silica Network's authority to provide telecommunications services have a significant adverse effect upon the environment?
- e. Does Silica Networks have a minimum of \$125,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses and to cover deposits that may be required?
- f. Does Silica Network's management possess sufficient experience, knowledge, and technical expertise to provide local exchange services to the public?
- g. Is anyone associated with or employed by Silica Networks as an affiliate, officer, director, partner, agent, or owner of more than 10 percent of Silica Networks: (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 §§ 17000, *et seq.*, §§ 17200, *et seq.*, or §§ 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; (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; or (i) 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.
- h. Did Silica Networks provide a map of the location of its proposed service territory?
 - i. Does Silica Networks have information to report under Rule 3.1(i)?
 - j. Did Silica Networks provide an estimate of its customer base for the first and fifth year of operation; and
2. If granted a CPCN, Silica Networks shall comply with all Commission requirements of ownership and operation of a telecommunications utility.

2. Jurisdiction

Public Utilities Code (Pub. Util. Code) § 216(a) defines the term “public utility” to include a “telephone corporation,” which in turn is defined in Pub. Util. Code § 234(a) as “every corporation or person owning, controlling, operating, or managing any telephone line for compensation within this state.”

Silica Network proposes to provide resold and competitive full facilities based local and inter-exchange services to other telecommunications providers and large commercial customers. In particular, Silica Network plans on providing (1) broadband Internet service to underserved areas; (2) high capacity data transport between financial institutions, government offices, or other businesses; (3) private voice/data networks for medical institutions, schools, and businesses; (4) transport of public switched telephone network (PSTN) traffic between wire centers; (5) transport of video transmission for broadcasters and Community Access Television (CATV) providers; (6) special access to long haul toll telephone networks; (7) internet access; and (8) other jurisdictionally-

intrastate or interstate purposes. Silica Network is a telephone corporation and a public utility subject to our jurisdiction.

3. CEQA issues

Silica Network's proposed construction activities generally include some small scale outside plant construction, such as (1) trenching for the installation of underground conduit and the installation of new utility poles; (2) construction of above-ground equipment or support structures; and (3) short conduit extensions or stubs. Silica Network states that such construction would generally occur in existing roadways or other previously-developed and disturbed rights-of-way.

These activities are very limited and would in almost all circumstances be very likely to qualify for an exemption from environmental review pursuant to CEQA for being construction projects involving existing facilities (CEQA Guidelines §15301), replacement or reconstruction (CEQA Guidelines §15302), or new construction or conversion of small structures (CEQA Guidelines §15303). In order to ensure that Silica Network's activities do not have a significant adverse effect on the environment, we require that Silica Network not perform any full facilities-based construction activities without first obtaining either a Notice to Proceed from the Energy Division upon its confirmation that the project is categorically exempt from CEQA review or, in the alternative, authorization by the Commission after the requisite environmental review.

Before commencing any full facilities-based construction activity, Silica Network shall provide the Commission's Energy Division with:

- A detailed description of the proposed project, including:
 - Customer(s) to be served;
 - The precise location of the proposed construction project; and

- Regional and local site maps.
- A description of the environmental setting, to include at a minimum:
 - Cultural, historical, and paleontological resources;
 - Biological resources; and
 - Current land use and zoning.
- A construction workplan, to include:
 - Commission Preconstruction Survey Checklist – Archaeological Resources;
 - Commission Preconstruction Survey Checklist – Biological Resources;
 - A detailed schedule of construction activities, including site restoration activities;
 - A description of construction/installation techniques;
 - A list of other agencies contacted with respect to siting, land use planning, and environmental resource issues, including contact information; and
 - A list of permits required for the proposed project.
- A statement of the CEQA exemption(s) applicable to the proposed project; and
- Documentation and factual evidence sufficient to support a finding that the claimed exemption(s) is (are) applicable.
- The Energy Division will review Silica Network's submission for the proposed project to confirm that the claimed exemption(s) from CEQA are applicable.
- Within 21 days from the date of Silica Network's submittal, the Energy Division will issue either:
 - A Notice to Proceed and will file a Notice of Exemption with the State Clearinghouse, Office of Planning and Research, or

- A letter of denial stating the specific reasons why the claimed exemption(s) are not applicable to the proposed project.

If the Energy Division disapproves Silica Network's claimed CEQA exemption(s) and issues a letter of denial to Silica Network, Silica Network 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.

4. Financial Qualifications

To be granted a CPCN, an applicant for authority to provide competitive full facilities-based and resold local exchange services 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.³ An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers (LEC) and/or interexchange carriers in order to provide the proposed service.⁴ Silica Network provided a letter of guarantee from its President and Chief Executive Officer, Robert Stevens, that \$100,000 would be available to Silica Network for one year following certification, for start-up expenses; as well as , a bank statement showing sufficient savings to cover start-up expenses and \$25,000 for any deposit required by Pac Bell,

³ The financial requirement for Competitive Local Exchange Carriers (CLEC) is contained in Decision (D.) 95-12-056, Appendix C. The financial requirement for Non-Dominant Interexchange Carriers (NDIEC) is contained in D.91-10-041.

⁴ The requirement for Competitive Local Carrier (CLC) applicants to demonstrate that they have additional financial resources to meet any deposits required by underlying LECs and/or IECs is set forth in D.95-12-056, Appendix C. For NDIECs, the requirement is found in D.93-05-010.

Frontier, Consolidated, or Citizens. Since Silica Network has provided documentation that it possesses a minimum of \$100,000 for start-up expenses and \$25,000 for any deposit required, it has demonstrated that it has sufficient funds to meet its start-up expenses and has fulfilled this requirement.

Silica Network's financial documentation will be subject to verification and review by the Commission for one year to ensure that such funds are available.

5. Technical Qualifications

To be granted a CPCN for authority to provide competitive local exchange and interexchange service, an applicant must make a reasonable showing of managerial and technical expertise in telecommunications or a related business.⁵

Silica Network supplied biographical information on its management in Exhibit D to its application that demonstrates it has sufficient expertise and training to operate as a telecommunications provider.

6. Civil and Criminal Record

Silica Network verified that no one associated with or employed by Silica Network as an affiliate, officer, director, partner, or owner of more than ten percent of Silica Network: (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

⁵ D.95-12-056 at Appendix C, Rule 4.A.

settlement of criminal or civil claims involving violations of §§ 17000, *et seq.*, §§ 17200, *et seq.*, or §§ 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; (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; or (i) 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.⁶

7. Tariffs

Silica Network has requested de-tariffed status and is exempt from the requirement to file tariffs provided that it complies with the consumer protection rules identified in D.98-08-031.

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.⁷ In its application, Silica Network 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 § 1001, provide a statement regarding General Order

⁶ These certifications are required by D.13-05-035, Ordering Paragraph 14.

⁷ D.95-12-056 at Appendix C, Rule 4.E.

(GO) 104-A, Section 2. Silica Network states that it is not aware of any reportable matters pursuant to GO 104-A, Section 2. Silica Network, therefore, has nothing to report under this rule.

On a going forward basis, though, Silica Network must file all reports required of a public utility under Commission jurisdiction.

10. Expected Customer Base

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

11. Safety Considerations

With the adoption of the *Safety Policy Statement of the California Public Utilities Commission* on July 10, 2014, the Commission has, among other things, heightened its focus on the potential safety implications of every proceeding. We have considered the potential safety implications here. We are satisfied that Silica Network will meet the Commission's minimum safety goals and expectations of competitive local exchange carriers (CLECs) because: (1) Silica Network has taken steps to meet the financial requirements as set forth in this decision for a facilities-based CLEC, and (2) Silica Network is a public utility that is required pursuant to Pub. Util. Code § 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."

12. Compliance

The application conforms to our rules for certification as a competitive local exchange carrier. Accordingly, we grant Silica Network a CPCN to provide resold and competitive full facilities-based local and inter-exchange

telecommunications services in the service territories of Pacific Bell Telephone Company (Pac Bell), Frontier California, Inc. (Frontier)⁸, SureWest Telephone (SureWest), and Citizens Telecommunications Company of California, Inc. (Citizens) with additional conditions as set forth in the Ordering Paragraphs.

The CPCN granted by this decision provides benefits to Silica Network and corresponding obligations. Silica Network receives authority to operate in the prescribed service territories, and this authority enables Silica Network, pursuant to section 251 of the 1934 Communications Act, as amended by the 1996 Telecommunications Act (47 U.S.C. 251), to interconnect with telecommunications carriers.⁹ This authority also enables Silica Network to obtain access to public rights of way in California as set forth in D.98-10-058 subject to the CEQA requirements set forth in this decision. In return, Silica Network is obligated to comply with all applicable statutes and Commission rules, general orders and decisions applicable to telephone corporation providing approved services. The applicable statutes, rules, general orders and decisions include, but are not limited to, consumer protection rules, tariffing, and reporting requirements. Moreover, Silica Network 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 § 451 which states that every public utility "...shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities,

⁸ Frontier California was formerly Verizon California, Inc. (Verizon). As of April 1, 2016, Verizon's operations in California were acquired and are now operated by Frontier California, Inc., pursuant to Decision (D.) 15-12-005.

⁹ The California Public Utilities Code uses the term "telephone corporation." Its counterpart in federal law is a "telecommunications carrier."

equipment, and facilities, including telephone facilities, as defined in § 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

Silica Network must obtain a performance bond of at least \$25,000 in accordance with D.13-05-035. 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. Within five days of acceptance of its CPCN, Silica Network must submit a Tier 1 advice letter to the Communications Division, containing a copy of the license holder’s executed performance bond, and subsequently submit a Tier 1 advice letter annually, but not later than March 31 of each subsequent year, with a copy of the executed bond.

Silica Network must not allow its performance bond to lapse during any period of its operation. Pursuant to D.13-05-035, the Commission may revoke a CPCN if Silica Network is more than 120 days late in providing the Communications Division a copy of its executed performance bond and has not been granted an extension of time by the Communications Division.

The corporate identification number assigned to Silica Network, U-7336-C, must be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

13. Categorization and Need for Hearings

In Resolution ALJ-176-3400 dated June 30, 2017, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were necessary. This matter was uncontested, and the assigned Commissioner’s scoping memo therefore determined that evidentiary

hearing was not needed. We approve the change to the preliminary determination of need for hearing.

14. Waiver of Comments

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to § 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

15. Assignment of Proceeding

Michael Picker is the assigned Commissioner and Hallie Yacknin is the assigned ALJ in this proceeding.

Findings of Fact

1. Silica Network is a telephone corporation and a public utility as defined in Pub. Util. Code § 234(a) and § 216(a).

2. Silica Network's proposed construction activities appear to fall within one or more CEQA categorical exemptions.

3. With the requirement that Silica Network not perform any full facilities-based construction activities without first obtaining either a Notice to Proceed from the Energy Division upon its confirmation that the project is categorically exempt from CEQA review or, in the alternative, authorization by the Commission after the requisite environmental review, Silica Network's activities will not have a significant adverse effect on the environment.

4. Silica Network has a minimum of \$125,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses and to cover deposits that may be required.

5. Silica Network's management possesses sufficient experience, knowledge, and technical expertise to provide local exchange services to the public.

6. No one associated with or employed by Silica Network as an affiliate, officer, director, partner, agent, or owner of more than 10 percent of Silica Network: (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 §§ 17000, *et seq.*, §§ 17200, *et seq.*, or §§ 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; (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; or (i) 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.

7. Silica Network provided a map of the location of its proposed service territory.

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

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

Conclusions of Law

1. Silica Network should be granted a CPCN to provide resold and competitive full facilities-based local and inter-exchange telecommunications service in the service territory of Pac Bell, Frontier CA, Consolidated, and Citizens, subject to the terms and conditions set forth in the Ordering Paragraphs.

2. Silica Network should be allowed to use the Energy Division 21-day CEQA exemption process.

3. Silica Network should be exempt from the requirement to file tariffs provided that it complies with the consumer protection rules identified in D.98-08-031.

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

5. The corporate identification number assigned to Silica Network, U-7336-C, should be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

ORDER

IT IS ORDERED that:

1. A Certificate of Public Convenience and Necessity is granted to Silica Network to provide resold and competitive full facilities-based local and inter-exchange telecommunications services in the territories of Pacific Bell

Telephone Company, Frontier California, Inc., Consolidated Communications of California Company (Consolidated, formerly SureWest Telephone¹⁰), and Citizens Telecommunications Company of California, Inc., subject to the terms and conditions set forth below.

2. The corporate identification number assigned to Silica Network, U-7336-C, must be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

3. Silica Network 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. Written acceptance filed in this docket does not reopen the proceeding.

4. Silica Network is exempt from the requirement to file tariffs provided that it complies with the consumer protection rules identified in Decision 98-08-031.

5. The certificate granted by this decision will expire if not exercised within 12 months of the effective date of this decision.

6. Silica Network must notify the Director of the Communications Division at cdcompliance@cpuc.ca.gov in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.

7. Silica Network must obtain a performance bond of at least \$25,000 in accordance with Decision 13-05-035. 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. Within five days of acceptance of its certificate of public convenience and necessity authority,

¹⁰ SureWest Telephone was acquired by Consolidated Communications Inc. in 2012, pursuant to D.12-06-004, and SureWest Telephone changed its name to Consolidated Communications of California Company as of January 1, 2016.

Silica Network must submit a Tier 1 advice letter to the Communications Division, containing a copy of the license holder's executed bond, and submit a Tier 1 advice letter annually, but not later than March 31, with a copy of the executed bond.

8. Silica Network must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-035, the Commission may 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.

9. In addition to all the requirements applicable to competitive local exchange carriers and interexchange carriers included in Attachments B, C, and D to this decision, Silica Network is subject to the Consumer Protection Rules contained in General Order (GO) 168, and all applicable Commission rules, decisions, GOs, and statutes that pertain to California public utilities.

10. Silica Network must pay the public purpose surcharges specified in Attachment B, and the Combined California Public Utilities Commission Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.

11. Silica Network must pay an annual minimum user fee of \$100 or 0.33 percent of gross intrastate revenue, whichever is greater. Under Public Utilities Code Section 405, carriers that are in default of reporting and submitting user fees for a period of 30 days or more will be subject to penalties including suspension or revocation of their authority to operate in California.

12. Prior to initiating service, Silica Network must provide the Commission's Consumer Affairs Branch with the name and address of its designated contact

person(s) for purposes of resolving consumer complaints. This information must be updated if the name or telephone number changes, or at least annually.

13. Prior to initiating service, Silica Network must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact person(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at <http://www.cpuc.ca.gov/communications> . This information must be updated if the name or telephone number changes, or at least annually.

14. Silica Network must submit an affiliate transaction report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with Decision 93-02-019, on a calendar year basis using the form contained in Attachment D.

15. Silica Network must submit an annual report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with General Order 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

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

17. If Silica Network wishes to engage in full facilities-based construction activities and believes that these activities are exempt from California Environmental Quality Act, Silica Network shall first apply to the Commission's Energy Division staff for a determination of exemption from California Environmental Quality Act 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 California Environmental Quality Act exemption(s) claimed to apply to the proposed project; and
- e. Documentation supporting the finding of exemption from California Environmental Quality Act.
- f. The Energy Division will then review the submittal and notify Silica Network of either its approval or its denial of Silica Network's claim for exemption from California

Environmental Quality Act review within 21 days from the time that Silica submittal is complete.

18. If the Commission's Energy Division approves Silica Network 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 Silica Network's claimed CEQA exemptions, the staff shall issue to Silica Network a letter which states the specific reasons that the claimed CEQA exemptions do not apply to the proposed project.

19. If the Commission's Energy Division rejects Silica Network claimed California Environmental Quality Act (CEQA) exemption(s), Silica Network 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.

20. Application 17-06-013 is closed.

This decision is effective today.

Dated _____, at Lyndwood, California.

ATTACHMENT A

As detailed in the ordering paragraphs herein, Silica Network is exempt from the requirement to file tariffs provided that it complies with the consumer protection rules identified in Decision 98-08-031.

(END OF ATTACHMENT A)

ATTACHMENT B

REQUIREMENTS APPLICABLE TO COMPETITIVE LOCAL EXCHANGE CARRIERS AND INTEREXCHANGE CARRIERS

1. Applicant must file, in this docket with reference to this decision number,¹¹ a written acceptance of the certificate granted in this proceeding within 30 days of the effective date of this order.
2. The certificate granted and the authority to render service under the rates, charges, and rules authorized will expire if not exercised within 12 months of the date of this decision.
3. Applicant is subject to the following fees and surcharges that must be regularly remitted. Per the instructions in Exhibit E to Decision (D.) 00-10-028, the Combined California PUC Telephone Surcharge Transmittal Form must be submitted even if the amount due is \$0.
 - a. The Universal Lifeline Telephone Service Trust Administrative Committee Fund (Pub. Util. Code § 879);
 - 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 § 739.3; D.96-10-066, at 3-4, App. B, Rule 1.C);
 - d. The California High Cost Fund-B (D.96-10-066, at 191, App. B, Rule 6.F.; D.07-12-054);
 - e. The California Advanced Services Fund (D.07-12-054);
 - f. The California Teleconnect Fund (D.96-10-066, at 88, App. B, Rule 8.G).

¹¹ Written acceptance filed in this docket does not reopen the proceeding.

- g. The User Fee provided in Pub. Util. Code §§ 431-435. The minimum annual User Fee is \$100, as set forth in D.13-05-035.

Note: These fees change periodically. In compliance with Resolution T-16901, December 2, 2004, Applicant must check the joint tariff for surcharges and fees filed by Pacific Bell Telephone Company (dba AT&T California) and apply the current surcharge and fee amounts in that joint tariff on end-user bills until further revised. Current and historical surcharge rates can be found at <http://www.cpuc.ca.gov/General.aspx?id=1124>.

- Carriers must report and remit CPUC telephone program surcharges online using the CPUC Telecommunications and User Fees Filing System (TUFFS). Information and instructions for online reporting and payment of surcharges are available at <http://www.cpuc.ca.gov/General.aspx?id=1010>. To request a user ID and password for TUFFS online filing and for questions, please e-mail Telco_surcharges@cpuc.ca.gov.
- Carriers must submit and pay the PUC User Fee (see above item 3g) upon receiving the User Fee statement sent by the Commission. Instructions for reporting and filing are available at <http://www.cpuc.ca.gov/General.aspx?id=1009>. Please call (415) 703-2470 for questions regarding User Fee reporting and payment.

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

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

6. Tariff submissions must reflect all fees and surcharges to which Applicant is subject, as reflected in #3 above.

7. Applicant must obtain a performance bond of at least \$25,000 in accordance with Decision 13-05-035. 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. Within five days of acceptance of its certificate of public convenience and necessity authority, Applicant must submit a Tier-1 advice letter to the Communications Division containing a copy of the license holder's executed bond, and submit a Tier-1 advice letter annually, but not later than March 31, with a copy of the executed bond.

8. Applicant must not allow its performance bond to lapse during any period of its operation. Pursuant to Decision 13-05-035, the Commission may 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.

9. Applicants providing local exchange service must include a service area map as part of their initial tariff.

10. Prior to initiating service, Applicant must provide the Commission's Consumer Affairs Branch with the name and address of its designated contact person(s) for purposes of resolving consumer complaints. This information must be updated if the name or telephone number changes, or at least annually.

11. Applicant must provide the Commission's Communications Division with the name and address of its designated regulatory/official contact persons(s). This information must be provided electronically, using the "Regulatory/Official Contact Information Update Request" found at <http://www.cpuc.ca.gov/communications>. This information must be updated if the name or telephone number changes, or at least annually.

12. Applicant must notify the Director of the Communications Division at cdcompliance@cpuc.ca.gov in writing of the date that local exchange service is first rendered to the public, no later than five days after service first begins.

13. Applicant must keep its books and records in accordance with the Generally Accepted Accounting Principles.

14. In the event Applicant's books and records are required for inspection by the Commission or its staff, it must either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to its office.

15. Applicant must submit an annual report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with GO 104-A, on a calendar-year basis with the information contained in Attachment C to this decision.

16. Applicant must submit an affiliate transaction report to the Director of the Communications Division at cdcompliance@cpuc.ca.gov, in compliance with D.93-02-019, on a calendar-year basis using the form contained in Attachment D.

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

18. Within 60 days of the effective date of this order, Applicant must comply with Pub. Util. Code § 708, Employee Identification Cards, and notify the

Director of the Communications Division at cdcompliance@cpuc.ca.gov in writing of its compliance.

19. If Applicant is 90 days or more late in filing an annual report, or in remitting the surcharges and fee listed in #3 above, and has not received written permission from the Communications Division to file or remit late, the Communications Division must prepare for Commission consideration a resolution that revokes Applicant's CPCN.

20. Applicant is exempt from Rule 3.1(b) of the Commission Rules of Practice and Procedure

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

22. Applicant is exempt from the requirements of Pub. Util. Code § 851 for the transfer or encumbrance of property whenever such transfer or encumbrance serves to secure debt.

23. If Applicant decides to discontinue service or file for bankruptcy, it must immediately notify the Communications Division's Bankruptcy Coordinator.

24. Applicant must send a copy of this decision to concerned local permitting agencies no later than 30 days from the date of this order.

(END OF ATTACHMENT B)

ATTACHMENT C

ANNUAL REPORT

An original and a machine readable, copy using Microsoft Word or compatible format must be submitted to the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

Failure to submit this information on time may result in a penalty as provided for in Pub. Util. Code §§ 2107 and 2108.

Required information:

1. Exact legal name and U # of the reporting utility.
2. Address.
3. Name, title, address, and telephone number of the person to be contacted concerning the reported information.
4. Name and title of the officer having custody of the general books of account and the address of the office where such books are kept.
5. Type of organization (*e.g.*, corporation, partnership, sole proprietorship, etc.).

If incorporated, specify:

- a. Date of filing articles of incorporation with the Secretary of State.
 - b. State in which incorporated.
6. Number and date of the Commission decision granting the Certificate of Public Convenience and Necessity.
 7. Date operations were begun.
 8. Description of other business activities in which the utility is engaged.
 9. List of all affiliated companies and their relationship to the utility. State if affiliate is a:
 - a. Regulated public utility.
 - b. Publicly held corporation.

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

For answers to any questions concerning this report, call (415) 703-2883.

(END OF ATTACHMENT C)

ATTACHMENT D

CALENDAR YEAR AFFILIATE TRANSACTION REPORT

An original and a machine readable, copy using Microsoft Word and Excel, or compatible format must be submitted to the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 3107, San Francisco, CA 94102-3298, no later than May 1st of the year following the calendar year for which the annual 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 #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 #1 and #2 above any affiliated entity that either (a) is a public utility or (b) transacts any business with the utility filing the annual report excluding the provision of tariff services.

4. Each annual report must be signed by a corporate officer of the utility stating under penalty of perjury under the laws of the State of California (CCP 2015.5) that the annual report is complete and accurate with no material omissions.

5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, must be set forth in the utility’s Annual Affiliate Transaction Report and verified in accordance with 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.

(END OF ATTACHMENT D)