

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Ripple Fiber California,
LLC for a Certificate of Public
Convenience and Necessity To
Provide Full Facilities-Based and
Resold Competitive Local Exchange
and Non-Dominant Interexchange
Service

Application 24-08-009

**DECISION GRANTING RIPPLE FIBER CALIFORNIA, LLC
A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
TO PROVIDE COMPETITIVE LOCAL EXCHANGE SERVICES AND
INTEREXCHANGE SERVICES**

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**DECISION GRANTING RIPPLE FIBER CALIFORNIA, LLC
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Summary

Pursuant to Public Utilities Code Section 1001, the Commission grants Ripple Fiber California, LLC a Certificate of Public Convenience and Necessity (CPCN) to provide full facilities-based and resold competitive local exchange services and resold interexchange services subject to the terms and conditions set forth in the Ordering Paragraphs.

Application 24-08-009 is closed.

1. Background

Ripple Fiber California, LLC (Ripple California or Applicant) is a Delaware limited liability company authorized to do business in California and the wholly owned subsidiary of its parent company Ripple Fiber, LLC.¹ The principal place of business of both Ripple Fiber California, LLC and Ripple Fiber, LLC is 6000 Fairview Road, SouthPark Towers Suite 300, Charlotte, North Carolina 28210.²

On August 15, 2024, Ripple California filed an application for a Certificate of Public Convenience and Necessity (CPCN) to provide full facilities-based and resold competitive local exchange services in the service territories of 1) Pacific

¹ Applicant's parent entity Ripple Fiber, LLC was previously known as Ripple Fiber, Inc. *See Response To Administrative Law Judge Ruling Requesting Supplemental Applicant Name, Corporate Standing, Financial Ability, Affiliate and Telecommunications Services Information* (January 6, 2025) (January 6, 2025 Supplement) at 2. *See also* January 6th Supplement at Exhibit A (Parent Ripple Fiber, LLC *State of South Carolina Secretary of State Conversion of Corporation to a Limited Liability Company Articles of Organization*).

² *See* January 6, 2025 Supplement at 2.

Bell Telephone Company d/b/a AT&T California, 2) Frontier California, Inc., 3) Frontier Communications of the Southwest, Inc., 4) Consolidated Communications of California Company, and 5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. pursuant to Pub. Util. Code Section 1001 et seq. Ripple California also proposed to provide resold interexchange services throughout California (Application (A.) 24-08-009 or Application). The August 15, 2024, Application was accompanied by a motion for confidential treatment of its supporting *Expected Customer Base* data and its Exhibit D.³

Commissioner John Reynolds and Administrative Law Judge (ALJ) Andrea D. McGary were assigned to A.24-08-009 on September 12, 2024. On September 18, 2024, *Administrative Law Judge's Ruling Setting Remote Prehearing Conference & Prehearing Conference Statement Deadline* was issued, setting a prehearing conference (PHC) for October 3, 2024 and ordering Applicant to provide supplemental corporate financial ability information, including: (1) efforts to ascertain sum certain deposit amounts that will be required by the local exchange or interexchange carriers in Applicant's proposed service territories, and (2) financial ability documentation in the correct form and format proscribed by Commission Decision (D.) 95-12-056⁴ (September 18th Ruling). On

³ See Application at 2, 10 and Exhibit D (*Demonstration of Financial Ability*). See also *Motion of Ripple Fiber California LLC To File Under Seal Confidential Information* (August 15, 2024).

⁴ See D.95-12-056; See also Information For Telecommunications Applicants and Registrants in California <https://www.cpuc.ca.gov/industries-and-topics/internet-and-phone/information-for-telecommunications-applicants-and-registrants-in-california>

September 26, 2024, Ripple California filed information and documents partially responsive to the September 18th Ruling (September 26, 2024 Supplement).⁵ A motion for confidential treatment of the financial information contained in Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*) to the September 26, 2024 Supplement was also filed.⁶

A PHC was held on October 3, 2024, before Judge McGary, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving this proceeding, and to address other matters as necessary. Assigned Commissioner John Reynold's *Scoping Memo and Ruling* was issued on November 12, 2024.

During the pendency of this Application, on November 13, 2024, this Commission issued D.24-11-003 in Rulemaking (R.) 22-08-008. D.24-11-003 established a framework for licensing interconnected VOIP services and included updates to the means by which telephone corporations may document possession of financial resources.⁷ On January 2, 2025, ALJ McGary issued a ruling ordering Applicant to file supplemental corporate name and standing,

⁵ See Ripple Fiber California LLC Response to Administrative Law Judge's Request For Prehearing Conference Statements on or Before September 30, 2024 (September 26, 2024) (September 26, 2024 Supplement).

⁶ See *Motion of Ripple Fiber California LLC To File Under Seal Confidential Information* (September 26, 2024) at 2.

⁷ See D.24-11-003, Appendix F (*Financial Requirements for CPCN And Section 1013 Registration Application*).

financial ability, affiliate and proposed telecommunication services information (January 2nd Ruling).⁸

On January 6, 2025,⁹ January 15, 2025,¹⁰ and January 17, 2025¹¹ respectively, Ripple California filed information and documents in response to the January 2nd Ruling. Applicant also filed a motion for confidential treatment of bank statements, financial transactions, and corporate structure information contained in Exhibits D and E to its January 6, 2025 Supplement.¹²

On April 21, 2025, ALJ McGary issued a ruling ordering Applicant to file supplemental proposed telecommunication services and service territory

⁸ See *Administrative Law Judge's Ruling Ordering Applicant Ripple Fiber California, LLC to Submit Supplemental Information* (January 2, 2025).

⁹ See January 6, 2025 Supplement at 2-3 and Exhibit A (Parent Ripple Fiber, LLC *State of South Carolina Secretary of State Conversion of Corporation to a Limited Liability Company Articles of Organization*), Exhibit B (Ripple Fiber California, LLC *California Secretary of State Certificate of Qualification/ Registration* and), Exhibit C (*Letter of Guaranty* by Guarantor Parent Ripple Fiber, LLC to the benefit of Obligor Ripple Fiber California, LLC), Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc.*, currently Ripple Fiber, LLC), and Exhibit E (*Ripple Fiber California, LLC Ownership Chart*).

¹⁰ See *Second Response to Administrative Law Judge Ruling Requesting Supplemental Applicant Name, Corporate Standing, Financial Ability, Affiliate, and Telecommunications Services Information* (January 15, 2025) (January 15, 2025 Supplement).

¹¹ See *Third Response to Administrative Law Judge Ruling Requesting Supplemental Applicant Name, Corporate Standing, Financial Ability, Affiliate, and Telecommunications Services Information* (January 17, 2025) (January 17, 2025 Supplement).

¹² See *Motion of Ripple Fiber California LLC to File Under Seal Confidential Information* (January 6, 2025) at 2.

information (April 21st Ruling).¹³ Applicant's response to the April 21st Ruling was filed on April 24, 2025.¹⁴

2. Submission Date

This matter was submitted on June 10, 2025 following the Commission's final review of Ripple California's April 24, 2025 Supplement.

3. Issues Before the Commission

The issues in this proceeding are as follows:

1. Whether Ripple California meets all of the Commission requirements, including but not limited to financial, technical, and California Environmental Quality Act (CEQA) requirements for a CPCN.
2. Whether Ripple California should be authorized to use the Commission Energy Division's 21 day expedited environmental review process for its full facilities-based construction activities under statutory or categorical exemptions to the CEQA.

4. Jurisdiction

The Commission has broad jurisdiction over "public utilities,"¹⁵ as defined in Public Utilities (Pub. Util.) Code Section 216.¹⁶ California's constitution extends the Commission's jurisdiction to companies engaged in "the

¹³ See Administrative Law Judge's Ruling Ordering Applicant Ripple Fiber, LLC To Submit Supplemental Telecommunication Services and Service Territory Information (April 21, 2025).

¹⁴ See Response to Administrative Law Judge's Ruling Ordering Applicant Fiber California, LLC To Submit Supplemental Telecommunication Services and Service Territory Information (April 24, 2025) (April 24, 2025 Supplement).

¹⁵ Pub. Util. Code § 216.

¹⁶ Pub. Util. Code § 234.

transmission of telephone and telegraph messages,” which includes both public utility services and facilities.¹⁷ The Commission classifies entities providing two-way voice communications service for compensation within California as “telephone corporations”¹⁸ and regulates them as public utilities.^{19,20}

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.²¹ 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 Voice over Internet Protocol (VoIP) service providers, are telephone corporations subject to the Commission’s

¹⁷ See D.20-07-011, at 14-15, See Cal. Const., Art. XII, §§ 1-6; Pub. Util. Code § 701.

¹⁸ Pub. Util. Code §§ 216, 233, 234; D.22-10-021 at 68.

¹⁹ Pub. Util. Code § 216(a).

²⁰ Telephone corporations are required to file annual affiliate transaction reports and pay surcharges and user fees.

²¹ Pub. Util. Code § 1001.

jurisdiction.²² Providers of local exchange, interexchange, and fixed interconnected VoIP services must obtain a CPCN or 1013 registration license to operate in California.²³ 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 as barriers to market entry; these providers must obtain a nomadic registration to operate in California.²⁴

Ripple California proposes to provide full facilities based and resold competitive local exchange and interexchange services to "a mixture of residential, business, institutional" customers as well as "wholesale services to other carriers" in California. Also,

Ripple Fiber plans to construct, control and operate fiber optic lines, conduits, ducts, and appliances in California for the purposes of providing customers fiber optic-based Internet access service.²⁵

Ripple Fiber does not intend to offer fixed interconnected VoIP service in the State of California, and there are no current arrangements or contemplated arrangements for third parties to use Ripple Fiber's network to provide fixed interconnected VoIP service.²⁶

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

²³ D.24-11-003.

²⁴ *Ibid.*

²⁵ Application at 2. See also April 24, 2025 Supplement at 1-3.

²⁶ January 6, 2025 Supplement at 4. See also April 24, 2025 Supplement at 3.

Applicant must seek Commission authority to provide or facilitate fixed interconnected VoIP through its facilities prior to offering any such direct services or facilitating third party services in the future.²⁷

Ripple California is a telephone corporation and a public utility subject to the Commission's jurisdiction.

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

Applicant proposes to provide full facilities-based service in addition to resold/non-facilities-based service, which may be subject to CEQA review. Pursuant to CEQA and Rule 2.4²⁸ of the Commission's Rules, the Commission acts as the designated lead agency to consider the environmental consequences of projects that are subject to the Commission's approval to determine any potential environmental impacts, to avoid adverse effects, and ensure that any affected environment is restored or otherwise mitigated to the fullest extent possible under CEQA.

Ripple California contends that it may rely on the existing facilities of other carriers or utilities or construct its own facilities to deploy its services in some cases. Applicant's description of proposed construction activities indicates it will generally include "placement of fiber optic facilities in aerial and underground conduit configurations; installation or replacement of utility poles and subsurface conduit; installation of underground vaults; trenching, boring and grading, primarily inside existing roadways, other previously developed

²⁷ D.24-11-003.

²⁸ Unless otherwise noted, items labeled "Rule" are from the Commission's Rules of Practice and Procedure.

and disturbed rights of way, and public rights of way but occasionally on private property in existing easements.”²⁹

These activities are expected to fall into Class 3 (*New Construction or Conversion of Small Structures*), Class 4 (*Minor Alterations to Land*), and Class 32 (*In-Fill Development Projects*) categorical CEQA exemptions for which neither an Environmental Impact Report nor a Negative Declaration is required, see D.24-11-003.³⁰

Exemption from CEQA review of these activities is similar to those undertaken by other carriers that the Commission has decided are exempt from CEQA. *See, e.g.,* Decision (D) 06-04-063 (*ClearLinx Network Corporation*); D.06-04-067 (*CA-CLEC LLC*).

Ripple California may use the 21-Day CEQA review process adopted in D.21-04-006 and extended to telecommunications licensing in D.24-11-003. Such a process will expedite the review and is appropriate for the type of construction outlined here, which will likely be exempt.

If the Energy Division rejects Ripple California’s claimed CEQA exemption(s) and issues a letter of denial to Ripple California, it 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.

²⁹ Application at 4-6 and Exhibit G (*Proponent’s Environmental Assessment*).

³⁰ D.24-11-003 at 48-49 (Categorical exemptions includes Classes 1, 2, 3, 4 and 32 while statutory exemptions include Public Resources (Pub. Res.) Code § 21080.51.)

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

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

6. Financial Qualifications

To be granted a CPCN for authority to provide full facilities-based and resold services, a new applicant must demonstrate that it has a minimum of \$100,000 cash or cash equivalent, reasonably liquid and readily available to meet the firm's start-up expenses.³¹ In the original Application and supplemental filings, Ripple California provided parent Ripple Fiber LLC's: 1) bank statements, 2) audited financial reports, and 3) an irrevocable letter of guaranty from Ripple Fiber, LLC to the benefit of subsidiary Ripple California to demonstrate the availability funds in excess of \$100,000.³² Since Ripple California has provided documentation that it possesses a minimum of \$100,000 that is reasonably liquid and available, it demonstrated that it has sufficient funds to

³¹ The financial requirement for CLECs, NDIECs, and fixed interconnected VoIP providers is contained in D.24-11-003, Appendix F.

³² See Application at 8-9 and Exhibit D (*Demonstration of Financial Ability*) thereto. See also September 26, 2024 Supplement at 2 and Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*) thereto. See also January 6, 2025 Supplement at 3 and Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc., currently Ripple Fiber, LLC*), Exhibit E (*Ripple Fiber California, LLC Ownership Chart*), and Exhibit C (*Letter of Guaranty* by Guarantor Parent Ripple Fiber, LLC to the benefit of Obligor Ripple Fiber California, LLC) thereto.

meet its start-up expenses and fulfilled this requirement. Ripple California's financial documentation will be subject to verification and review by the Commission for one year to ensure that such funds are available.

In addition to demonstrating financial fitness, Ripple California must also demonstrate it has an additional \$25,000 available for deposits to interconnect with local exchange carriers. Because Ripple California provided documentation of its ability to pay deposits in Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc.*) and Exhibit C (*Ripple Fiber, LLC Letter of Guaranty*) to the January 6, 2025 Supplement, it has met its deposit requirement.

7. 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.³³ Ripple California supplied biographical information on its President Lance van der Spuy, Chief Legal Officer Josh Runyan, and its management and executive teams extensive experience in the telecommunications industry in Exhibit F to its Application that demonstrates it has sufficient expertise and training to operate as a telecommunications provider.³⁴

8. Certification Requirements

In its application, Ripple California verified that no one associated with or employed by Ripple California as an affiliate, officer, director, partner, or owner

³³ D.95-12-056 at Appendix C, Rule 4.A as modified by D.13-05-035 and D.24-11-003.

³⁴ Application at 10 and Exhibit F (*Demonstration of Technical and Managerial Competence*).

of more than 10 percent of Ripple California, or anyone acting in a management capacity for Ripple California

- 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.³⁵

³⁵ These certifications are required by D.13-05-035, OP 14; D.24-11-003.

Also, to the best of Ripple California 's knowledge, neither Ripple California, nor any affiliate, officer, director, partner, nor owner of more than 10 percent of Ripple California, 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.^{36,37} For the foregoing reasons, this decision finds that Ripple California is in compliance with the requirements of D.13-05-035 and D.24-11-003.

9. Tariffs

CLECs, IECs, 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. Ripple California indicated it will not offer services that require a tariff or schedule³⁸ and therefore detariffed status is granted.

In the future, if Ripple California 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

³⁶ *Ibid.*

³⁷ Application at 3-4 and Exhibit H (*D.13-05-035 Certification*).

³⁸ Application at 3-4.

Advice Letter using the General Order 96B advice letter process at least 30 days before initiation of service.³⁹

10. Service Territory and Map Requirements

To be granted a CPCN for authority to provide competitive local exchange service, a CLEC shall file a service territory map with the Commission that details the area in which the CLEC is authorized to provide service.⁴⁰ CLCs shall be required to serve customers requesting service within their designated service territory on a nondiscriminatory basis, but shall not be required to have the same service territory as LEC service territories.⁴¹

Ripple California proposes to provide competitive local exchange services in the service territories of: (1) Pacific Bell Telephone Company d/b/a AT&T California, (2) Frontier California, Inc, (3) Frontier Communications of the Southwest, Inc., (4) Consolidated Communications of California Company, and (5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. and resold interexchange services throughout California, subject to the terms and conditions set forth in this decision. Ripple California provided a map of the service territory it proposes to provide local exchange services, in compliance with D.95-12-056's service territory map requirement.

³⁹ D.12-12-038.

⁴⁰ D.95-12-056 at Appendix C, Rule 4.F.

⁴¹ *Ibid.*

11. Rule 3.1(i) Statement

Rule 3.1(i) sets forth the requirement that a utility filing an application under Pub. Util. Code Section 1001 provide a statement regarding General Order (GO) 104-A, Section 2. Ripple California's Application indicates that it is not aware of any reportable matters pursuant to GO 104-A, Section 2. Ripple California, therefore, has nothing to report under this rule at this time. However, going forward, Ripple California must file all reports required of a public utility under Commission jurisdiction.

12. Expected Customer Base

Ripple California provided its estimated customer base for the first and fifth years of operation at page 10 of the confidential version of its August 15, 2024 Application. Therefore, Ripple California has complied with this requirement.

13. 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, Ripple California is accorded all exemptions traditionally granted to NDIECs without the need for an individual grant for such treatment in this decision. Accordingly, Ripple's request for NDIEC treatment is moot. Applicant must follow the requirements as

summarized and provided for by D.24-11-003,⁴² and as indicated in Appendices B through D.

14. 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 Ripple California will meet the Commission's minimum safety goals and expectations of CLECs and interexchange carriers because: (1) Ripple California has taken steps to meet the financial requirements as set forth in this decision for facilities based CLECs and interexchange carriers and (2) Ripple California is a public utility that is required pursuant to Pub. Util. Code Section 451 to "... furnish and maintain such adequate, efficient, just and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities ... as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

15. Conclusion

Ripple California's application conforms with the Commission's rules for certification as a competitive local exchange carrier and an interexchange carrier provider. Accordingly, the Commission grants Ripple California a CPCN to provide full facilities-based and resold competitive local exchange services in the service territories of: (1) Pacific Bell Telephone Company d/b/a AT&T California,

⁴² D.24-11-003 at 58-82 (Section 8.2).

(2) Frontier California, Inc, (3) Frontier Communications of the Southwest, Inc., (4) Consolidated Communications of California Company, and (5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. and resold interexchange services throughout California, subject to compliance with the terms and conditions set forth in the Ordering Paragraph's herein below.

The CPCN granted by this decision provides benefits to Ripple California and corresponding obligations. Ripple California receives authority to operate in the prescribed service territory, and this authority enables Ripple, 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.⁴³ This authority also enables Ripple California to obtain access to public rights-of-way in California as set forth in D.98-10-058, and approved in *T-Mobile West LLC v. City and County of San Francisco*, 6 Cal. 5th 1107 (2019), subject to the CEQA requirements set forth in this decision.

In return, Ripple California 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, Ripple California is obligated to pay all Commission prescribed user fees and public purpose program surcharges as set

⁴³ The California Pub. Util. Code uses the term "telephone corporation." Its counterpart in federal law is a "telecommunications carrier."

forth in the Appendix B of this decision, to comply with CEQA, and to adhere to Pub. Util. Code Section 451 which states that every public utility "... shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities, as defined in Section 54.1 of the Civil Code, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public." Granting this application will benefit the public interest by expanding the availability of technologically advanced telecommunications services within the state.

**16. Additional Requirements for Applicants
Following Commission's Grant of CPCN**

The CPCN granted in this decision is contingent upon Ripple'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 Ripple's ongoing obligation to be subject to all the current requirements applicable to competitive local exchange carriers, interexchange carriers, and 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 Commission rules, decisions, General Orders, and statutes that pertain to California public utilities on an ongoing basis.

17. Confidential Treatment of Documents and Other Procedural Matters

Ripple California provided the following: (1) financial documents as listed in D.24-11-003 Appendix F,⁴⁴ (2) estimated number of customers in the first and

⁴⁴ See Application at 8-9 and Exhibit D (*Demonstration of Financial Ability*) thereto. See also September 26, 2024 Supplement at 2 and Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*) thereto. See also January 6, 2025 Supplement and Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc., currently Ripple Fiber, LLC*) thereto. See also corresponding August 15, 2024, September 26, 2024, and January 6, 2025 motions to file confidential information under seal.

fifth year of operation,⁴⁵ and (3) the estimated cost of construction.⁴⁶ Applicant also provided a detailed ownership chart at Exhibit E (*Ripple Fiber California, LLC Ownership Chart*) to its January 6, 2025 Supplement and contends that that the chart contains sensitive asset, corporate structure, and affiliates information that could substantially harm its ability to compete if publicly disclosed.⁴⁷ Pursuant to motions to seal filed on August 15, 2024, September 26, 2024, and January 6, 2025 and Decision 24-11-003 respectively, Ripple California's: (1) financial documents as listed in D.24-11-003 Appendix F,⁴⁸ (2) estimated number of customers in the first and fifth year of operation,⁴⁹ and (3) the estimated cost of construction are granted confidential treatment for a period of three years.⁵⁰

During this three-year period, Ripple California's: (1) D.24-11-003 Appendix F financial documents, (2) estimated number of customers in the first and fifth year of operation, and (3) the estimated cost of construction shall not be

⁴⁵ See Application at 10, filed with motion to file confidential information under seal.

⁴⁶ See Application at 8-9 and Exhibit D (*Demonstration of Financial Ability*), motion to file confidential information under seal.

⁴⁷ *Motion Of Ripple Fiber California, LLC To File Under Seal Confidential Information* (January 6, 2025) at 2.

⁴⁸ See Application at 8-9 and Exhibit D (*Demonstration of Financial Ability*) thereto. See also September 26, 2024 Supplement at 2 and Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*) thereto. See also January 6, 2025 Supplement and Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc., currently Ripple Fiber, LLC*) thereto. See also corresponding August 15, 2024, September 26, 2024, and January 6, 2025 motions to file confidential information under seal.

⁴⁹ See Application at 10, filed with motion to file confidential information under seal.

⁵⁰ D.24-11-003 at 48-54; GO 66-D; Cal. Constitution Article 3, subdivision (b)(2).

publicly disclosed except on further Commission order or Administrative Law Judge ruling. Applicant's motion for confidential treatment of Exhibit E (*Ripple Fiber California, LLC Ownership Chart*) to its January 6, 2025 Supplement is granted pursuant to California Public Utilities Code Section 583 and the Commission's GO 66-D, and shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling.

If Ripple California believes that it is necessary for this information to remain under seal for longer than three years, Ripple California 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.

18. Summary of Public Comments

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding. No Public Comments were received in this proceeding.

19. Comments on Draft Decision

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

20. Assignment of Proceeding

John Reynolds is the assigned Commissioner and Andrea D. McGary is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. Ripple California is a Delaware limited liability company authorized to do business in California.

2. Ripple California is a wholly owned subsidiary of parent company Ripple Fiber, LLC, a Delaware limited liability company previously known as Ripple Fiber, Inc.

3. Ripple California's principal place of business is 6000 Fairview Road, Suite 300, Charlotte, North Carolina, 28210.

4. Ripple California proposes to provide local exchange and interexchange services.

5. Ripple California proposes to rely on the existing facilities of other carriers or utilities or construct its own facilities to deploy its services in some cases.

6. Ripple California's proposed construction activities are likely to fall within CEQA Class 3 (New Construction or Conversion of Small Structures), Class 4 (Minor Alterations to Land), and Class 32 (In-Fill Development Projects) exemptions.

7. Granting this CPCN will expand the availability of technologically advanced telecommunications services within the state.

8. Ripple California has a minimum of \$100,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses needed to provide the proposed services.

9. Ripple California's management possesses sufficient experience, knowledge, and technical expertise to provide local exchange and interexchange services to the public.

10. To the best of Ripple California's knowledge, no one associated with or employed by Ripple California as an affiliate, officer, director, partner, agent, or owner (directly or indirectly) of more than 10 percent of Ripple California, or anyone acting in a management capacity for Ripple California: (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.

11. Ripple California's attests that to the best of its knowledge, neither Ripple California, or any affiliate, officer, director, partner, nor owner of more than 10 percent of Ripple California, 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.

12. Ripple California 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.

13. Ripple California proposes to provide local exchange services in the service territories of 1) Pacific Bell Telephone Company d/b/a AT&T California, 2) Frontier California, Inc, 3) Frontier Communications of the Southwest, Inc., 4) Consolidated Communications of California Company, and 5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. as well as providing interexchange services throughout California.

14. Ripple California provided a map showing the location of its proposed construction or extension, and its relation to other public utilities, corporation, person, or entities with which the same is likely to compete.

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

16. Ripple California 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.

17. Ripple California Application provided an estimate of its customer base for the first and fifth year of operation under seal and was accompanied by a motion for confidential treatment of its estimated customer base data.

18. Ripple California will meet the Commission's minimum safety goals.

19. Ripple California filed documents which have a presumption of confidentiality pursuant to D.24-11-003 and GO 66-D, summarily:

- A.24-08-009 at Page 10 (estimated customer base for the first and fifth years of operation).
- A.24-08-009 at Exhibit D (*Demonstration of Financial Ability*).
- September 26, 2024 *Ripple Fiber California LLC Response to Administrative Law Judge's Request For Prehearing Conference Statements on or Before September 30, 2024* at Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*).
- January 6, 2025 filed *Response To Administrative Law Judge Ruling Requesting Supplemental Applicant Name, Corporate Standing, Financial Ability, Affiliate and Telecommunications Services Information* at Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc.*).

20. Ripple California filed a detailed ownership chart as Exhibit E to its January 6, 2025 Supplement which contains sensitive asset, corporate structure, and affiliates information and which, if publicly disclosed, could substantially harm its ability to compete.

21. Exhibit E to Ripple California's January 6, 2025 Supplement qualifies for confidential treatment pursuant to California Public Utilities Code Section 583 and the Commission's GO 66-D.

Conclusions of Law

1. Ripple California should be granted a CPCN to provide full facilities-based and resold competitive local exchange services in the service territories in the service territories of 1) Pacific Bell Telephone Company d/b/a AT&T California, 2) Frontier California, Inc, 3) Frontier Communications of the Southwest, Inc., 4) Consolidated Communications of California Company, and 5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. and resold interexchange services throughout California, subject to the terms and conditions set forth in this decision.

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

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

4. Granting Ripple California a CPCN is in the public interest.

5. Ripple California meets the financial requirements for a CPCN pursuant to D.24-11-003.

6. Ripple California meets the technical managerial requirements for a CPCN pursuant to D.13-05-013 and D.24-11-003.

7. Ripple California meets the certification requirements for a CPCN pursuant to D.13-05-013 and D.24-11-003.

8. Ripple California is exempt from tariffing. In the future, if Ripple California 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 General Order 96-B advice letter process at least 30 days before initiation of service.

9. Ripple California meets the applicable requirements of Rule 3.1 of the Rules of Practice and Procedure.

10. Ripple California's request for NDIEC treatment should be denied as moot.

11. The certificate granted, and the authority for Ripple California 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. Ripple California 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.

12. The Ripple California should be assigned utility identification number U7466C 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.

13. Ripple California 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.

14. Ripple California 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.

15. Ripple California 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.

16. Ripple California 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 Decision 24-11-003 to the California Public Utilities Commission's Communications Division within 30 days of the effective date of this decision.

17. Ripple California 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.

18. Ripple California should provide the date that competitive local exchange service is first rendered to the public, to the California Public Utilities Commission's Director of the Communications Division, in writing, by email to cdcompliance@cpuc.ca.gov, no later than five days after service first begins.

19. Ripple California should be subject to all the current requirements applicable to competitive local exchange carriers and interexchange carriers 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.

20. Ripple California's financial documents, expected customer base, and construction costs 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. Ripple California's *Ownership Chart* attached as Exhibit E to its January 6, 2025 Supplement should be kept under seal for a period of three years from the issuance date of this decision pursuant to California Public Utilities Code Section 583 and the Commission's GO 66-D.

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

23. All pending motions not yet ruled on herein should be deemed denied.

24. 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 Ripple Fiber California, LLC to provide full facilities-based and resold competitive local exchange services in the territories of 1) Pacific Bell Telephone Company

d/b/a AT&T California, 2) Frontier California, Inc, 3) Frontier Communications of the Southwest, Inc., 4) Consolidated Communications of California Company, and 5) Citizens Telecommunications Company of California d/b/a Frontier Communications of California, Inc. and resold interexchange services throughout California, subject to the terms and conditions set forth in this decision.

2. Ripple Fiber California, LLC may construct facilities, including equipment in existing buildings or structures.

3. Ripple Fiber California, LLC is allowed to use the California Public Utilities Commission's Energy Division 21-day California Environmental Quality Act exemption review process.

4. Ripple Fiber California, LLC may operate on a detariffed basis. In the future, if Ripple Fiber California, LLC 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. Ripple Fiber California, LLC's motion for non-dominant carrier status treatment is denied.

6. The certificate granted, and the authority for Ripple Fiber California, LLC 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. Ripple Fiber California, LLC 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. Ripple Fiber California, LLC is assigned utility identification number U-7466-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. Ripple Fiber California, LLC 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. Ripple Fiber California, LLC 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. Ripple Fiber California, LLC 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. Ripple Fiber California, LLC 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. Ripple Fiber California, LLC must submit its compliance with Public Utilities Code Section 708, Employee Identification Cards, to the California Public Utilities Commission's Director of the Communications Division, in writing, by email to cdcompliance@cpuc.ca.gov, within 60 days of the effective date of this decision.

13. Ripple Fiber California, LLC must provide the date that competitive local exchange service is first rendered to the public, to the California Public Utilities Commission's Director of the Communications Division, in writing, by email to cdcompliance@cpuc.ca.gov, no later than five days after service first begins.

14. Ripple Fiber California, LLC is subject to all the current requirements applicable to competitive local exchange carriers and interexchange carriers 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.

15. The August 15, 2024 *Motion of Ripple Fiber California LLC To File Under Seal Confidential Information* is granted for a period of three years after the date of this

decision. During this three-year period, Ripple Fiber California, LLC's estimated customer base for the first and fifth years of operation at page 10 and Exhibit D (*Demonstration of Financial Ability*) of the confidential version of Application 24-08-009 shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling.

16. The September 26, 2024 *Motion of Ripple Fiber California LLC To File Under Seal Confidential Information* is granted for a period of three years after the date of this decision. During this three-year period, Exhibit 1 (*Ripple Fiber LLC Bank Statement*) and Exhibit 2 (*Ripple Fiber LLC Financial Information*) to the September 26, 2024 filed *Ripple Fiber California LLC Response to Administrative Law Judge's Request For Prehearing Conference Statements on or Before September 30, 2024* shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling.

17. The January 6, 2025 *Motion of Ripple Fiber California LLC To File Under Seal Confidential Information* is granted for a period of three years after the date of this decision. During this three-year period, Exhibit D (*April 2024 and 2023 Financial Statements Ripple Fiber, Inc.*), and Exhibit E (*Ripple Fiber California, LLC Ownership Chart*) to the January 6, 2025 filed *Response To Administrative Law Judge Ruling Requesting Supplemental Applicant Name, Corporate Standing, Financial Ability, Affiliate and Telecommunications Services Information* shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling.

18. If Ripple Fiber California, LLC believes that it is necessary for the confidential information to remain under seal for longer than three years, it may

file a motion showing good cause for extending this order by no later than 30 days before the expiration of this order.

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

20. All pending motions are deemed denied.

21. Application 24-08-009 is closed.

This decision is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT A

**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.cpsc.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.cpus.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.

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 Form⁵¹ 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.

⁵¹ 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](https://www.cpsc.ca.gov/-/media/cpsc-website/divisions/communications-division/documents/licensing-compliance/annual-reporting-requirements/annual-affiliate-transaction-report-form.pdf).

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.
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)