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

April 10, 2025

**Agenda ID #23421**

TO PARTIES OF RECORD IN DRAFT RESOLUTION ALJ-472:

This is the draft Resolution of Administrative Law Judge Rajan Mutialu Resolving K.23-12-016. It will not appear on the Commission's agenda sooner than 30 days from the date it is mailed. The Commission may act then, or it may postpone action until later.

When the Commission acts on the draft resolution, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own order. Only when the Commission acts does the resolution become binding on the parties.

You may serve comments on the draft resolution. Comments shall be served (but not filed) within 20 days of the date that the draft Resolution is first noticed in the Commission's Daily Calendar, <http://docs.cpuc.ca.gov/SearchRes.aspx?DocTypeID=9&Latest=1>, as provided in Rule 14.5 of the Commission's Rules of Practice and Procedure. Comments shall be served upon the mailing list to receive Notice of Amendments to the Commission's Rules of Practice and Procedure and on Administrative Law Judge Rajan Mutialu at [RM3@cpuc.ca.gov](mailto:RM3@cpuc.ca.gov).

/s/ MICHELLE COOKE

Michelle Cooke  
Chief Administrative Law Judge

MLC: smt

Attachment

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

Resolution ALJ-472  
Administrative Law Judge Division  
[Date]

**RESOLUTION**

RESOLUTION ALJ-472 Dismissing the Appeal of Jeffrey A. Thorne, Thorne Transportation Services, of Citation T-2023-11-001 Issued by the Consumer Protection Enforcement Division.

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**SUMMARY**

This resolution resolves the appeal of Citation No. T.23-11-001 issued to Jeffrey A. Thorne, Thorne Transportation Services by the Consumer Protection Enforcement Division of the California Public Utilities Commission on November 1, 2023. The citation imposed a \$5,000 penalty for four counts of allegedly advertising transportation services illegally. The citation is sustained. The penalty of \$5,000 is now due.

**PROCEDURAL BACKGROUND**

On November 1, 2023, the Consumer Protection and Enforcement Division (CPED) Transportation Enforcement Branch (TEB) issued citation No. T.23-11-001 (Citation) to Jeffrey A. Thorne, Thorne Transportation Services (TTS or Appellant) alleging four counts of violating Public Utilities (Pub. Util.) Code Section 5415.5. Appellant timely appealed the Citation (Citation Appeal) on December 22, 2023. On January 10, 2024, CPED filed a Compliance Report for Citation T.23-11-001.<sup>1</sup>

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<sup>1</sup> On December 20, 2023, the Appellant requested that CPED extend the deadline to file an appeal until December 30, 2023. CPED granted an extension until December 27, 2023.

On February 27, 2024, the assigned Administrative Law Judge (ALJ) issued a ruling noticing a remote appeal hearing on March 26, 2024. The March 26, 2024, the hearing was initiated but was continued to April 26, 2024 due to the technical difficulties of the Appellant that prevented him from participating effectively. To address the technical issues Appellant faced, the assigned ALJ issued a ruling that noticed and set an in-person hearing that was held on April 26, 2024 CPED appeared at the April 26, 2024 hearing, but the Appellant failed to appear.<sup>2</sup>

### **FACTUAL BACKGROUND**

On August 17, 2023, CPED received a non-consumer complaint which triggered CPED's investigation of TTS.<sup>3</sup> CPED's investigation revealed that TTS was operating without authority and advertising without a permit.<sup>4</sup> CPED initiated contact with Appellant on September 8, 2023, by e-mail informing him that he needed to have a permit to operate and to advertise. Appellant was given the option to apply for the requisite permit or remove all advertisements by September 13, 2023. CPED provided contact information for Transportation Licensing and Analysis to assist Appellant in applying for a permit.

Because Appellant did not apply or remove advertising, CPED issued a Notice to Cease and Desist by e-mail to Appellant on September 18, 2023.<sup>5</sup> On September 25, 2023, CPED emailed the Appellant directing that all advertisements be removed by the close of business on September 29, 2023. If the Appellant failed to comply, CPED stated it would issue a citation.<sup>6</sup> In response to Appellant's

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<sup>2</sup> Appellant failed to contact the ALJ to explain his failure to attend the hearing at or before the hearing.

<sup>3</sup> Transcript at 2. Compliance Filing at Attachment 1.

<sup>4</sup> *Ibid.*

<sup>5</sup> Compliance Filing at Attachment 3.

<sup>6</sup> Compliance Filing at Attachment 5.

request for an extension of time to comply, CPED extended the deadline to October 6, 2023.<sup>7</sup>

On October 10, 2023, CPED notified the Appellant by e-mail that advertisements for TTS continued to appear at several websites on the Internet, including NextDoor, Foursquare and Yelp.<sup>8</sup> To support their findings, CPED provided links to these websites. CPED also noted that in April 2023 the Appellant initiated but did not complete an application for a Commission permit to operate (permit). CPED stated that the Appellant must complete an application for a permit or remove advertisements for TTS from the Internet by October 13, 2023. If not, CPED stated that the Appellant would be subject to a citation.<sup>9</sup>

On October 10, 2023, Appellant sent an e-mail to CPED stating that he would not apply for a permit and was going to cease operating.<sup>10</sup> He also stated in this e-mail that he would report the investigator to state and Federal legislators for “the treatment” he received. Later the same day, Appellant sent an e-mail stating “you are going to wish you had never messed with me...” A third e-mail from Appellant on October 10, 2023, further stated that Appellant was giving out the investigator’s number and warned “Don’t MESS with me.”

On November 1, 2023, CPED issued the instant citation to Appellant.<sup>11</sup> Upon review of the citation, the ALJ noted a typographical error in the section titled “Violation” which states that TTS violated, “section(s) 5414.5 of the Public Utilities Code (PU Code) and California Public Utilities Commission (CPUC) General Order (GO) as described below.” But in the listing of the specific violations listed “(1) Advertising illegally in violation of P.U. Code Section 5415.5 [4 counts]. At the evidentiary hearing CPED explained that Appellant had sufficient notice and opportunity to defend as demonstrated through multiple e-mails between Appellant and CPED directing TTS to remove all illegal

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<sup>7</sup> Compliance Filing at Attachment 6, See also Transcript at 14.

<sup>8</sup> Compliance Filing at Attachment 8.

<sup>9</sup> Citation Appeal, Attachment 4.

<sup>10</sup> See Compliance Filing at Attachment 9.

<sup>11</sup> Compliance Filing at Attachment A.

advertising. In addition, CPED noted that Appellant had until November 22, 2023, to respond to the Citation and until December 22, 2023, to file the Appeal, giving the Appellant sufficient notice and opportunity to understand what statute he violated.

Appellant appealed the citation, claiming that TTS operated as a “neighborhood transportation service,” like 30 other alleged transportation services in the area. His appeal states that he did not know a license was required. The Appellant estimated that TTS provided rides to 35-45 customers per month in Granite Bay, Roseville, and Rocklin and periodically received calls from Folsom and Lincoln for service. The Appellant explained he advertised TTS on NextDoor because he was just covering these areas.

Appellant contends TTS is not required to obtain an operating license because the business did not operate high-capacity vehicles including vans, limousines, and buses. Further, the Appellant presumed that TTS provided livery services, which the Appellant defined as one “where the transportation is scheduled ahead of time or is on a scheduled route.” The Appellant claimed he did not identify a California statute that required a livery service to obtain a license to operate.<sup>12</sup>

Appellant also described the struggle to remove advertisements for Thorne. However, the Appellant contended that “bots” that he did not control were responsible for TTS advertisements found on Google, Yelp, and Yahoo. The Appellant stated that he complied with the order to discontinue advertising. Finally, Appellant stated his business was shut down until this matter was resolved.

Appellant contends the citation should be revoked and that he be allowed to continue “as before.” He asserts that even though 30-plus other companies

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<sup>12</sup> *Id.* Attachment 5.

operate without authority the Commission singled him out.<sup>13</sup> The appellant finally contends that the penalty is a large financial strain on his family.

### **EVIDENTIARY HEARING**

At the hearing, the CPED's investigator testified and summarized the investigation.

The evidentiary record consists of CPED's Compliance Filing (Compliance Filing) which included a copy of the Citation for Passenger Stage Carrier-5955 dated November 1, 2023, the Investigation Report, and 11 attachments as follows:

1. Carrier Complaint (Redacted)
2. First Email Correspondence with Mr. Thorne on 9/8
3. Cease-and-Desist Letter
4. Thorne Transportation Services Website
5. Second email Correspondence with Mr. Thorne on 9/25
6. Third email Correspondence with Mr. Thorne Granting Extension on 9/28
7. Thorne Transportation Website, Foursquare Ad, NextDoor Ad, Yelp Ad on 10/10
8. Final email Correspondence Sent to Mr. Thorne on 10/10
9. Mr. Thorne's Three email Responses on 10/10
10. Mr. Thorne's Final email Response on 10/11
11. Thorne Transportation Website, Foursquare Ad, NextDoor Ad, Yelp Ad on 10/13
12. Mr. Thorne's Inactive Account in the Transportation Carrier Portal

### **RESOLUTION OF THE APPEAL**

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<sup>13</sup> *Ibid.*

The California Public Utilities Commission (Commission) regulates charter-party carriers of passengers primarily pursuant to the Passenger Charter-Party Carriers' Act (Pub. Util. Code § 5351, et seq.) Pursuant to Resolution ALJ-187, issued by the Commission on September 22, 2005, the Commission's CPED is authorized to issue citations to various classes of transportation carriers for violation of the Public Utilities Code and/or Commission orders. In turn, a carrier issued such a citation may accept the fine imposed or contest it through a process of appeal under Resolution ALJ-377.<sup>14</sup>

Under Resolution ALJ-377, CPED bears the burden to prove by a preponderance of evidence the case supporting the issuance of a citation. If that initial burden is met, the burden shifts to the appellant "to demonstrate that a violation did not occur, and the citation should not issue or that the amount of the penalty is inappropriate."<sup>15</sup>

Based on evidence in the record, we find that the Appellant failed to meet his burden to show error in the citation. We further find Appellant failed to comply with Pub. Util. Code §5414.5. The statute reads as follows:

"Every corporation or person who knowingly and willfully issues, publishes, or affixes, or causes or permits the issuance, publishing, or affixing, of any oral or written advertisement, broadcast, or other holding out to the public, or any portion thereof, that the corporation or person is in operation as a charter-party carrier of passengers without having a valid certificate or permit issued under this chapter is guilty of a misdemeanor punishable, if an individual, by a fine of not more than one thousand dollars (\$1,000) or by imprisonment in the county jail for not more than six months, or by both, or, if a corporation, by a fine of not more than five thousand dollars (\$5,000)."

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<sup>14</sup> Resolution ALJ-377 sets a standardized appeal process for citation appeals and applies here.

<sup>15</sup> Resolution ALJ-377, Appendix A.



CPED's investigation report showed that the Appellant operated TTS, an unlicensed and unpermitted carrier service. A common carrier is defined as a passenger stage corporation pursuant to Pub. Util. Code §226(a), as follows:

“Passenger stage corporation” includes every corporation or person engaged as a common carrier, for compensation, in the ownership, control, operation, or management of any passenger stage over any public highway in this state between fixed termini or over a regular route except those, 98 percent or more of whose operations as measured by total route mileage operated, which are exclusively within the limits of a single city or city and county, or whose operations consist solely in the transportation of bona fide pupils attending an institution of learning between their homes and that institution”

In communications with CPED, Appellant stated that advertisements for TTS were removed from the Thorne company website by October 13, 2023, the final compliance deadline. Appellant argued that automated “bots” listed TTS on Yahoo, Google, and Yelp and he was unable to have them removed.<sup>16</sup> We find, based on evidence provided by CPED, that TTS advertisements were posted on Nextdoor on October 13, 2023. We find that the Appellant had direct control of advertisements for TTS on Nextdoor and that they remained after the deadline.

Appellant's contention that he is justified in his refusal “...to do anything further or alter what I have been doing in the past” because others in the area lack the required permit, merits no consideration. TTS offered and provided charter party carrier service which, by law, requires a permit. Appellant did not and refuses to obtain the required permit. Appellant demonstrates a willful disregard of compliance with Commission rules.

## **PENALTY**

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<sup>16</sup> Citation Appeal at Attachment 5.

At the evidentiary hearing, the ALJ asked CPED to explain the penalty calculation process. The CPED witness explained that they use standard methodology adopted by the Commission in Resolution M-4846. In addition, she considered the harm and integrity to the process, economic harm, and physical harm to the passengers. Additional factors that were considered included whether TTA carried appropriate insurance, complied with mandatory drug testing of drivers, and proper vehicle safety checks.

We find that CPED offered sufficient evidence and information to support the finding that the penalty is reasonable. CPED considered harm to the regulatory process, and the potential harm to passengers from failing to meet regulatory requirements for common carriers including but not limited to verification of carrier insurance, drug testing of drivers, and vehicle safety checks were considered.

In reviewing the compliance filing we found Appellant's e-mails to the investigator on October 10, 2023 and October 11, 2023 disturbing. We admonish appellant for his threatening e-mails to the CPED investigator. The Commission's Rules of Practice and Procedure (Rules) should not be taken lightly. Rule 1.1 states that:

"Any person who signs a pleading or brief, enters an appearance, offers testimony at a hearing, or transacts business with the Commission, by such act represents that he or she is authorized to do so and agrees to comply with the laws of this State; to maintain the respect due to the Commission, members of the Commission and its ALJs; and never to mislead the Commission or its staff by an artifice or false statement of fact or law."

By issuing threats to Commission staff, the Appellant violated Rule 1.1. As such, the Commission could consider further action in reference to harassment of staff during the Citation appeal process.

## COMMENTS

Pub. Util. Code Section 311(g)(1) requires that a draft resolution be served on all parties and made available for public review and comment period of 30 days or more, prior to a vote of the Commission on the resolution. A copy of today's resolution was distributed for comment to the service list.

Under Rule 14.5 comments to this draft Resolution are due within 20 days of the date that notice of this draft Resolution was posted on the Commission's daily Calendar. The Commission [received/did not receive] comments.

**ASSIGNMENT OF THE PROCEEDING**

Rajan Mutialu is the assigned Administrative Law Judge for this citation appeal.

**FINDINGS AND CONCLUSIONS**

1. CPED received a non-consumer complaint that Appellant was operating and advertising TTS without a permit on August 17, 2023.
2. CPED informed Appellant that he needed a permit to operate and advertise TTS on September 8, 2023.
3. Appellant did not apply for a permit to operate TTS or remove all TTS advertisements by September 13, 2023.
4. CPED confirmed that TTS advertisements continued to appear on Next Door, Foursquare, and Yelp on October 10, 2023.
5. CPED required Appellant to obtain a permit to operate TTS or remove TTS advertisements by October 13, 2023 or be subject to a citation.
6. Appellant sent threatening emails to CPED staff on October 10, 2023.
7. CPED issued citation No. T.23-11-001 to Appellant alleging four counts of violating Pub. Util. Code Section §5414.5 on November 1, 2023.
8. Pub. Util. Code Section §5414.5 requires that a charter-party carrier of passengers must have a valid certificate or permit before advertising carrier services.
9. Appellant timely appealed the Citation Appeal on December 22, 2023.
10. Appellant stated that TTS provided rides to approximately 35-45 customers per month in Granite Bay, Roseville, and Rocklin and periodically to customers in other outlying areas in the Citation Appeal.
11. Pub. Util. Code §226(a) defines a common carrier as a passenger stage corporation.
12. Pursuant to Pub. Util. Code §226(a) TTS is a passenger stage corporation.
13. Appellant placed advertisements for TTS on NextDoor.
14. Appellant had direct control of advertisements for TTS on NextDoor
15. CPED filed a Compliance Report for Citation T.23-11-001 on January 10, 2024.

16. On February 27, 2024, the assigned ALJ issued a ruling noticing a remote appeal hearing on March 26, 2024.
17. The March 26, 2024 hearing was initiated but was continued to April 26, 2024 due to the technical difficulties of the Appellant that prevented him from participating effectively.
18. To address the technical issues Appellant faced, the assigned ALJ issued a ruling that noticed and set an in-person hearing that was held on April 26, 2024.
19. CPED appeared at the April 26, 2024 hearing, but the Appellant failed to appear.
20. Appellant violated Rule 1.1 by sending threatening emails to CPED staff.
21. It is reasonable for the Commission to consider further action in reference to harassment of staff during the Citation appeal process.
22. Appellant operated TTS as an unlicensed and unpermitted carrier service.
23. Appellant is in violation of Pub. Util. Code Section §5414.5 by failing to have a valid certificate or permit for TTS before advertising TTS services.

**THEREFORE, IT IS ORDERED** that:

1. The violations and penalties in Citation No. T-2023-11-001 are sustained. The appeal by Jeffrey A. Thorne, Thorne Transportation Services is denied.
2. Jefferey Thorne, Thorne Transportation Services must pay the penalty of \$5,000 by check or money order within 30 days of the effective date of this order. The check or money order must be payable to the California Public Utilities Commission and mailed or delivered to the Commission's Fiscal Office at 505 Van Ness Avenue, San Francisco, California 94102. Jeffrey A. Thorne, Thorne Transportation Services must write on the face of the check or money order, "For deposit to the California General Fund per Resolution ALJ-472."
3. K.23-12-016 is closed.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on \_\_\_\_\_, the following Commissioners voting favorably thereon:

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Rachel Peterson  
Executive Director

ALJ/RM3/smt

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

RESOLUTION ALJ-472 Dismissing the Appeal of Jeffrey A.  
Thorne, Thorne Transportation Services, of Citation T-2023-11-001  
Issued by the Consumer Protection Enforcement Division.

**INFORMATION REGARDING SERVICE**

I have electronically served all persons on the attached official service list who have provided an e-mail address for K.23-12-016.

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served by U.S. mail on all parties listed in the "Party" category of the official service list for whom no e-mail address is provided.

Dated April 10, at San Francisco, California.

/s/ SENERITA MARTINEZ

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Senerita Martinez

**N O T I C E**

Persons should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074 or TDD# (415) 703-2032 five working days in advance of the event.



Resolution ALJ-472 ALJ/RM3/smt

\*\*\*\*\* SERVICE LIST \*\*\*\*\*

Last Updated on 10-APR-2025 by: KB3  
K2312016 LIST

\*\*\*\*\* PARTIES \*\*\*\*\*

Rahmon Momoh  
Consumer Protection and Enforcement Division  
AREA 2-E  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-1725  
rmm@cpuc.ca.gov  
For: Consumer Protection and Enforcement Division  
(CPED)

Jeffrey A. Thorne A.  
Owner  
THORNE TRANSPORTATION SERVICES  
7580 RED BUD ROAD  
GRANITE BAY CA 95746  
(916) 990-8790  
Jeffrey@JeffreyThorne.com  
For: Thorne Transportation Services

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\*\*\*\*\* STATE EMPLOYEE \*\*\*\*\*

\*\*\*\*\* INFORMATION ONLY \*\*\*\*\*

Terra M. Curtis  
Consumer Protection and Enforcement Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-1180  
tcu@cpuc.ca.gov

James Donovan  
Administrative Law Judge Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-1971  
jd8@cpuc.ca.gov

Destiny Graham  
Consumer Protection and Enforcement Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(628) 217-1952

Mingfeng Li  
Consumer Protection and Enforcement Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 696-7320  
mif@cpuc.ca.gov

Rajan Mutialu  
Administrative Law Judge Division  
AREA 4-A  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-2039  
rm3@cpuc.ca.gov

Mary Sekyi-Appiah  
Consumer Protection and Enforcement Division  
RM. 520-  
320 West 4th Street Suite 500  
Los Angeles CA 90013  
(213) 620-2212  
msa@cpuc.ca.gov

Yueting Sun  
Energy Division  
320 West 4th Street Suite 500  
Los Angeles CA 90013  
yts@cpuc.ca.gov

Pamela Wu  
Communications Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-2807  
pw6@cpuc.ca.gov

Shirley Lei  
Consumer Protection and Enforcement Division  
505 Van Ness Avenue  
San Francisco CA 94102 3298  
(415) 703-2447  
sl6@cpuc.ca.gov

Resolution ALJ-472 ALJ/RM3/smt

dgr@cpuc.ca.gov