

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution ALJ-492
Administrative Law Judge Division
[xxxx, 2026]

RESOLUTION

RESOLUTION ALJ-492: Resolves K.25-06-021, the Appeal of WTI Communications U- 1447-C from Citation No. CD-2025-05-011 issued by the Communications Division.

SUMMARY

This resolution resolves the appeal of Citation No. CD-2025-05-011 by the California Public Utilities Commission's (Commission or CPUC) Communication Division. Citation No. CD-2025-05-011 issues a fine of \$1,000.00 to WTI Communications, Inc. (WTI) for non-compliance with reporting and remitting surcharges and/or user fees.

BACKGROUND

Pursuant to California Public Utilities Commission (Commission) Resolution T-17601, and Public Utilities Code (Pub. Util.) Code Sections 247.1, 285, 702, 2101, 2107, 2108, and Decision (D.) W22-10-021, the Communications Division (CD) issued WTI a citation assessing \$1,000.00 for non-compliance in reporting and remitting surcharges and/or user fees.

Resolution T-17601 (Resolution) authorizes the CD Staff (Staff) to implement a citation program for enforcing compliance by telecommunications carriers with the Commission's Resolutions, Decisions, Orders, and the Public Utilities Code. The Resolution adopted a citation procedure, a list of specific violations, and the corresponding amount of each fine or penalty. Telephone corporations may accept the fine imposed or contest it through the process of appeal under Resolution ALJ-377.

Telephone corporations or carriers operating in California are required to comply with annual reporting requirements. Staff contacts carriers before reporting requirements are due. If carriers do not comply with the required reporting deadlines staff will send a citation to the address on record for that carrier.

DISCUSSION

WTI appealed Citation No. CD-2025-05-011 and the Commission granted the request. A virtual hearing was held on October 17, 2025. WTI and CD appeared as parties at the hearing. Staff offered into evidence Exhibits numbered 1 through 12 as follows:

| Communications Division Exhibit List | |
|---|--|
| Exhibit 1: | 10/13/16 - WTI Communication Inc.'s VoIP registration with the CPUC |
| Exhibit 2: | 11/9/11 – Executive Director Letter for informal registration for DVS |
| Exhibit 3: | 12/7/22 – Letter from the Communications Division to all carriers about the new Telecommunications & User Fees Filing System (TUFFS) |
| Exhibit 4: | 2/7/24 – CD's Citation No. CD-2024-02-010, with cover letter and attachments |
| Exhibit 5: | Spreadsheet showing WTI's Access Line Reporting History in TUFFS (from April 2023 to present) |
| Exhibit 6: | 4/28/23 – CPUC Contact Update form to update primary regulatory contact's email address |
| Exhibit 7: | TUFFS Activity Log Screenshot, showing all the Notices were sent to "accounting@wticommunications.com" |
| Exhibit 8: | 1/31/25 – A Notice of Reminder of Surcharge Reporting/Remittance sent from TUFFS |
| Exhibit 9: | Emailed Three Non-Compliance Notices sent from February 18, 2025, to April 17, 2025 |
| Exhibit 10: | Two Notices of Impending Citation sent from TUFFS, dated March 12, 2025 and April 17, 2025 |
| Exhibit 11: | Excerpt of CD's Compliance Filing with Citation No. 2025-05-011 and Certificate of Mailing |
| Exhibit 12: | 6/22/18 - Excerpt of Resolution T-17601 cover page with Appendix A |

WTI, represented by Mr. Tony Rodriguez, the Chief Executive Officer (CEO) and President of the company¹, introduced no exhibits at the October 17, 2025 hearing.

¹ CD-1; CD-6

RESOLUTION OF THE APPEAL

During the hearing, the CD witness presented exhibits showing that staff had repeatedly communicated with WTI to inform and alert the company about reporting deadlines. CD's witness testified that carriers must report their business activity to the Commission each month through a database system. On December 7, 2022, CD notified all carriers by letter that the Commission adopted a new surcharge mechanism to fund the state's universal service Public Purpose Programs pursuant to Decision (D.) 22-10-021.² The letter detailed that the new mechanism would assess surcharges based on the number of access lines that a telephone corporation serves in California. In addition, the letter stated that, effective April 1, 2023, all carriers would be required to report their access line data as defined in Section 5.2.2 of D.22-10-021. The letter also provided that, beginning May 1, 2023, carriers would be required to access newly created accounts to report their number of access lines for the April 2023 reporting period in the new Telecommunications and User Fees Filing System (TUFFS) launched by CD.³ The letter made clear that the new TUFFS would process carriers' access line data to calculate the resulting surcharges due and would redirect the carrier to the First Data Payment Portal for payment remittance.⁴ To avoid interest charges, carriers must continue to report and remit payment no later than 40 days following the close of a reporting period.⁵

On April 28, 2023, WTI submitted its latest contact information to the Commission via the CPUC Communications Utility Contact Update Form.⁶ The Commission requires is that carriers to update their contact information within 30 days of any changes. The form submitted by WTI indicates that WTI updated its email address to accounting@wticommunications.com. CD directed all subsequent communications with WTI to accounting@wticommunications.com.

On February 7, 2024, CD issued Citation No. CD-2024-02-010 in the amount of \$1,000 to WTI for violations related to noncompliance with reporting and remitting surcharges and/or user fees.⁷ The citation states that the violation is for "[n]on-compliance with California Public Utilities Commission's authority to require carriers to report intrastate revenue and remit Public Purpose Program surcharges (and user fees, if applicable)."

² CD-3

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ CD-6

⁷ CD-4

Specifically, the violation was for WTI's failure to report its active number of access lines for over six months.⁸ WTI paid the fine for this citation.⁹

After receiving the February 7, 2024 citation, WTI began reporting its number of access lines by the due date for a few months but then stopped reporting in compliance with reporting requirements.¹⁰ WTI last reported its number of access lines in June 2024.¹¹ Subsequently, CD sent multiple email notices to WTI notifying it of its reporting/remittance deadline, non-compliance with reporting and payment requirements, and impending citation. The TUFFS activity log shows that the following CD notices were emailed to WTI at accounting@wticommunications.com¹²:

- Reminder of Surcharge Reporting/Remittance Deadline, sent January 2025¹³;
- First Notice of Non-Compliance of Surcharge Reporting and Payment, sent February 2025¹⁴;
- First Notice of Non-Compliance of Surcharge Reporting and Payment, sent March 2025¹⁵, and Notice of Impending Citation, sent March 2025¹⁶; and
- First Notice of Non-Compliance of Surcharge Reporting and Payment, sent April 2025¹⁷, and Notice of Impending Citation, sent April 2025¹⁸.

The TUFFS activity log shows that the above-referenced CD notices were listed as “[u]nopened” despite having been sent monthly from January 2025 through April 2025.¹⁹ The activity log also shows, however, that all notices were sent to the email

⁸ Reporter's Transcript (“RT”), p. 18, lines 5-7.)

⁹ RT, p. 18, lines 7-8.

¹⁰ RT, p. 18, lines 9-14.

¹¹ *Id.*; CD-5

¹² CD-7

¹³ CD-8

¹⁴ CD-9a

¹⁵ CD-9b

¹⁶ CD-10a

¹⁷ CD-9c

¹⁸ CD-10b

¹⁹ CD-8

address that WTI provided to the Commission as its current and/or latest contact email address.

On May 7, 2025, CD issued Citation No. CD-2025-05-011, the subject of the instant citation appeal, to WTI for violations related to noncompliance with reporting and remitting surcharges and/or user fees. As with the previous citation, Citation No. CD-2025-05-011 states that the violation is for “[n]on-compliance with California Public Utilities Commission’s authority to require carriers to report intrastate revenue and remit Public Purpose Program surcharges (and user fees, if applicable).”²⁰ CD sent Citation No. CD-2025-05-011 to WTI by certified mail to its address on record as evidenced by the certificate of mailing.²¹

During the hearing, Mr. Rodriguez, the CEO and President of WTI, did not dispute that WTI had received the above-referenced CD notices regarding WTI’s non-compliance of surcharge reporting and payment as well as CD’s notices of impending citation. In fact, Mr. Rodriguez testified that he did receive the notifications that had been going to WTI’s accounting department but that WTI’s failure to respond was due to a “good-faith misunderstanding” by WTI’s accounting clerk who believed that WTI did not have to report anything to the Commission if WTI had no active lines to report.²² Mr. Rodriguez also testified that it was the accounting clerk who was “actually performing the job and wasn’t clear” on the reporting requirements, but that Mr. Rodriguez intends to ensure “that doesn’t happen moving forward.”²³

WTI is bound by the reporting requirements of the Certificate of Public Convenience and Necessity (CPCN) license it holds. Ignorance of those reporting requirements does not justify the failure to meet its regulatory obligations. Moreover, over the course of several months, CD sent multiple reminder notices, non-compliance notices, and notices of impending citation to WTI’s email address on file to advise WTI of its reporting and surcharge remittance obligations.

WTI has failed to show any basis to reduce or dismiss the citation. WTI’s appeal from Citation No. CD-2025-05-011 issued on May 7, 2025 by the California Public Utilities Commission’s Communications Division is denied and the penalty of \$1,000.00 is sustained.

²⁰ CD-11

²¹ *Id.*

²² RT, p. 22, lines 15-23.

²³ RT, p. 24, lines 15-21.

COMMENTS

Comments are allowed on this Resolution pursuant to Public Utilities Code section 311(g) and Commission Rule of Practice and Procedure 14.5. A draft of this resolution was distributed for comment on March 30, 2026. No comments were filed into the record of this proceeding.

ASSIGNMENT OF PROCEEDING

Suman Mathews is the assigned Administrative Law Judge for this citation appeal.

FINDINGS AND CONCLUSIONS

1. WTI violated Resolution T-17601 by failing to comply with surcharge reporting and payment requirements.
2. CD issued a citation on May 7, 2025 with a penalty in the amount of \$1,000.00.
3. CD properly sent all notices to WTI at the email address and mailing address that WTI provided on the California Public Utilities Commission Communications Utility Contact Update Form.
4. Mr. Rodriguez, the CEO and President of WTI, did not dispute that WTI had received CD's multiple notices regarding WTI's surcharge reporting and payment obligations.

THEREFORE, IT IS ORDERED that:

1. The Appeal of WTI Communications, Inc. is denied.
2. The violation and penalty set in Citation No. CD-2025-05-011 is affirmed.
3. WTI Communications, Inc. must pay the penalty of \$1,000.00. Payment must be made by check or money order payable to the California Public Utilities Commission and mailed or delivered to the Commission's Fiscal Office at 505 Van Ness Avenue, San Francisco, CA 94102-3298. WTI Communications, Inc. shall write on the face of the check or money order "For deposit to the California General Fund per Resolution ALJ-492."

4. Proceeding K.25-06-021 is closed.

This resolution is effective today.

The foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on May 14, 2026 at San Francisco, California; the following Commissioners voting favorably thereon:

Leuwam Tesfai
Executive Director

JOHN REYNOLDS
President
DARCIE L. HOUCK
KAREN DOUGLAS
MATTHEW BAKER
CHRISTINE HARADA
Commissioners