

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution ALJ-496
Administrative Law Judge Division
DATE

RESOLUTION

RESOLUTION ALJ-496 Resolves K.26-04-013 Appeal of Cosand Partners LLC from Citation No. T.2026-03-010 issued on March 19, 2026, by the Consumer Protection and Enforcement Division

SUMMARY

This resolution resolves the appeal of Cosand Partners LLC (Cosand) from Citation No. T.2026-03-010, issued on March 19, 2026, by the Consumer Protection and Enforcement Division (CPED). Cosand and CPED reached a settlement resolving Appellant's appeal and requested withdrawal of the citation. Appellant's request to withdraw is granted.

K.26-04-013 is closed.

BACKGROUND

On March 19, 2026, the Consumer Protection and Enforcement Division (CPED) issued Citation No. T.2026-03-010 to Cosand Partners LLC (Cosand). CPED stated that Cosand had utilized sub-carriers that did not possess Commission authority as a charter-party carrier (TCP) or did not possess a valid sub-carrier agreement in violation of the Public Utilities (Pub. Util.) Code and California Public Utilities Commission (Commission) General Order (GO), specifically GO 157-E, Part 3.04. These violations occurred during the period from July 1 to October 31, 2025.

According to GO 157-E, Part 3.04, Sub-Carriers, a carrier shall not use the services of another carrier (subcarrier) that provides the vehicle and the driver, unless the second carrier holds Commission authority as a charter-party carrier. The agreement for the utilization of the second carrier's vehicle(s) and driver(s) by the operating carrier shall

be evidenced by a written document, and shall contain the carriers' names, TCP numbers, and the services to be provided.

Cosand failed to provide subcarrier agreements with sixteen sub-carriers and three of their subcarriers did not hold valid TCP authority or had their authority revoked during the service period.¹ Cosand filed a Notice of Appeal from Citation No. T.2026-03-010 on April 24, 2026. On May 8, 2026, CPED filed its Compliance Filing in this matter pursuant to Resolution ALJ-377.

Cosand and CPED notified the assigned Administrative Law Judge (ALJ) that on May 28, 2026, parties reached a settlement. The settlement included Cosand's admission that it used subcarriers who did not hold TCP authority or possess a valid sub-carrier agreement. Cosand also agreed to review its sub-carrier contracts and revise its affiliate agreement so that it conforms to the requirements for sub-carrier agreements pursuant to GO 157-E, Part 3.04. Finally, that parties agreed that Cosand shall pay a reduced fine of \$5,000 instead of the originally imposed fine of \$9,200 (as set out in Citation No. T.2026-03-010) with a payment plan of five installments of \$1,000, each to be paid on the 15th of each month.²

DISCUSSION

No hearings were conducted in this matter. Because CPED and Cosand have resolved the citation and fine, there are no issues in dispute for the Commission to resolve. Upon unopposed request to withdraw, we find that citation appeal K.26-04-013 should be dismissed with prejudice.

SAFETY

The Commission has broad authority to regulate charter-party carriers, particularly regarding safety concerns and compliance with Commission rules and regulations furthers safety through regulatory compliance. (*See* for example, Pub. Util. Code Sections 451, 5382, and 5387.)

Dismissal of Cosand's appeal is consistent with the Commission's authority to ensure charter-party carriers are meeting their regulatory obligations because, in resolving the citation with CPED, Cosand has shown commitment to reviewing its sub-carrier

¹ *See* CPED's Compliance Filing for Citation Number T.2026-03-010 at 9.

² CPED attached the settlement in an e-mail to the ALJ that copied the appellant.

contracts and revise its affiliate agreement so that it can conform to the requirements for sub-carrier agreements pursuant to GO 157-E, 3.04.

COMMENTS

No public comment is required for this resolution pursuant to Commission Rule of Practice and Procedure 14.6(c).

ASSIGNMENT OF PROCEEDING

Syche Cai is the assigned ALJ for this citation appeal.

Therefore, **IT IS ORDERED** that:

1. The appeal of Cosand Partners LLC from Citation No. T.2026-03-010 issued on March 19, 2026, by the Consumer Protection and Enforcement Division is dismissed with prejudice.
2. K.26-04-013 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: