PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Consumer Protection and Enforcement Division **Resolution TEB-003**
September 17, 2026

R E S O L U T I O N

DRAFT RESOLUTION TEB-003, APPROVING ADMINISTRATIVE CONSENT ORDER AND AGREEMENT OF CONSUMER PROTECTION AND ENFORCEMENT DIVISION, CAREY LIMOUSINE S.F. INC. AND SQUIRE LIMOUSINE SERVICE REGARDING COMPLIANCE DURING 2026 SUPERBOWL OPERATIONS

PROPOSED OUTCOME:

Approve Administrative Consent Order and Agreement (ACO) between the Consumer Protection and Enforcement Division (CPED) and the Transportation Charter-Party Carriers (TCPs) Carey Limousine S.F., Inc. (TCP 9906-A) (Carey Limo) and Squire Limousine Service (TCP 9905-A) (Squire). Carey Limo and Squire (jointly referred to as "Carriers") are governed by General Order (G.O.) 157-E and the Public Utilities Code. This Resolution and ACO (if adopted) resolve all issues involving the Carriers' compliance with G.O. 157-E's requirements during the Carriers' 2026 Super Bowl LX operations for a total penalty amount of $67,000.

SAFETY CONSIDERATIONS:

The ACO identifies corrective actions necessary to improve compliance with rules and regulations intended to promote public safety.

ESTIMATED COST:

Pursuant to the ACO, the Carriers agree to jointly pay $67,000 in penalties to the State's General Fund to resolve the alleged violations.

SUMMARY

In this Resolution, the California Public Utilities Commission (Commission) approves an ACO, included as Attachment A, between CPED, Carey Limo and Squire, to resolve all issues involving the Carriers' compliance with applicable regulations between February 3, 2026 and February 9, 2026, including Commission Rules of Practice and Procedure (Commission Rule) Rule 1.1 and G.O. 157-E, Section 1.06, requirements for charter-party carriers to comply with California Vehicle (Veh.) Code. To resolve CPED's allegations, the Carriers agreed to initiate corrective actions and pay a total penalty amount of $67,000. This Resolution includes an analysis of the Penalty Assessment Methodology.

BACKGROUND

CPED, through its Transportation Enforcement Branch (TEB), is responsible for ensuring that all TCPs comply with the Commission's statutory and regulatory requirements for the provision of safe and reliable transportation to the public. TEB responds to and investigates complaints of unsafe, unlicensed, and uninsured passenger carriers. TEB staff may initiate enforcement actions and make recommendations to the Commission, such as this ACO. The Commission's authority to regulate TCPs is found in Article XII of the California Constitution and Public Utilities (Pub. Util.) Code section 5351, et seq.[1]

TCPs, including Carey Limo and Squire, are defined in Public Utilities Code sections 5351-5363. Subject to the exclusions of Section 5353, "charter-party carrier of passengers" means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state. "Charter-party carrier of passengers" includes any person, corporation, or other entity engaged in the provision of a hired driver service when a rented motor vehicle is being operated by a hired driver.

G.O. 157-E states that "Every charter-party carrier and its drivers shall comply with the provisions of the California Vehicle Code."[2] The G.O. further states that "The Commission may authorize deviations from these rules and regulations or prescribe or require the observance of additional or different rules by special order."[3] No such deviation or exemption was granted to either carrier for the Super Bowl LX operations addressed herein.

TEB investigated the Carriers' operations between February 3, 2026 and February 9, 2026 (Super Bowl LX Operations) for compliance with Commission rules and general orders, including requirements that all TCP vehicles be properly registered and inspected and that all TCP drivers be enrolled in the DMV Employer Pull Notice (EPN) program and Controlled Substance and Alcohol Testing.

As part of this investigation, TEB sent the Carriers a cease and desist letter on February 3, 2026 and then subsequent to Super Bowl LX operations concluding on February 9, 2026, the Carriers provided compliance records. TEB analyzed the Carriers' compliance

[1] *See also*, G.O.s 115-G, 157-E, and 158-A; *see also,* Decision ("D.")13-09-045.

[2] G.O. 157-E, §1.06.

[3] G.O. 157-E, §1.07 (See also Part 8, Exemptions).

records, identified potential violations of Pub. Util. Code, Veh. Code and G.O. 157-E, and initiated settlement discussions to share its investigation findings with Carey Limo and Squire.

Part I of the Appendix to the ACO contains relevant stipulated facts relating to the Carriers' compliance with Pub. Util. Code, Veh. Code, and G.O. 157-E. Part II of the Appendix contains a summary of CPED's allegations.

TEB alleged that the Carriers' Super Bowl LX Operations included the use of 290 non-compliant vehicles. Carey Limo and Squire deny TEB's allegation of 290 violations but admit that 162 non-compliant vehicles were utilized in Super Bowl LX operations, comprising 68 manufacturer courtesy vehicles, 50 rental vehicles, and 44 out-of-state vehicles, 118 of which were operated by Squire Limo-employed chauffeurs.

TEB, Carey Limo and Squire engaged in extensive direct settlement discussions, which included the Carriers providing TEB with details of their advance efforts to communicate and work with the Commission's Transportation Licensing and Analysis Branch (TLAB) to achieve compliance and/or deviation authorization from Commission rules and regulations related to planned Super Bowl LX operations.

TEB, Carey Limo and Squire all share the common goal of promoting and improving public safety and complying with the Commission's Orders, including Vehicle Inspection Requirements and current and accurate driver and vehicle lists on file with TLAB.

DISCUSSION

Resolution M-4846, issued in November 2020, adopted the Commission Enforcement and Penalty Policy (Enforcement Policy) and authorized Commission staff to negotiate and propose an ACO to resolve an enforcement matter, subject to review and consideration by the Commission.[4] CPED and the Carriers executed the attached ACO,[5] pursuant to and consistent with the Enforcement Policy, which resolves all issues related to the Carriers' compliance with Pub. Util. Code, Veh. Code and G.O. 157-E during a roughly week long period and any enforcement action CPED might have brought related to or arising therefrom. In accordance with the Enforcement Policy, the proposed settlement between CPED, Carey Limo and Squire (collectively, Parties) is memorialized in the attached ACO. The ACO includes information consistent with the requirements of Section III.A.7 of the Enforcement Policy.

[4] Resolution M-4846, Findings and Conclusions No. 8; *see also, id.,* Enforcement Policy at 11.

[5] The ACO is attached as Attachment A.

The Enforcement Policy provides that "the following general considerations should be evaluated as part of any proposed settlement to be submitted for Commission review: (1) [e]quitable factors; (2) [m]itigating circumstances; (3) [e]videntiary issues; and (4) [o]ther weaknesses in the enforcement action[.]"[6] The Parties explicitly considered these factors in their confidential settlement communications under Commission Rule 12.6. CPED acknowledges the Carriers' cooperation with CPED on the negotiation of the ACO, and CPED explicitly considered a range of evidentiary and other matters that would bear upon its pursuit of enforcement actions seeking penalties or citations on disputed issues of fact and law.

The Penalty Assessment Methodology sets forth five factors that staff and the Commission must consider in determining the amount of a penalty for each violation: "[s]everity or gravity of the offense, conduct of the regulated entity, financial resources of the regulated entity, including the size of the business, totality of the circumstances in furtherance of the public interest, and the role of precedent."[7] These factors are addressed here.

A. Severity or Gravity of the Offenses

The Commission has stated that the severity of the offense includes several considerations, including economic harm, physical harm, and harm to the regulatory process.

1. Physical and Economic Harm

The Commission has described the physical and economic harm criteria as follows:

> Economic harm reflects the amount of expense which was imposed upon the victims. In comparison, violations that cause actual physical harm to people or property are generally considered the most severe, followed by violations that threaten such harm.[8]

CPED did not allege any physical or economic harm to the general public. However, the settlement payment amount reflects the possibility of physical harm from vehicles that are not registered commercially in California while simultaneously acknowledging that brand new or low-mileage manufacturer "courtesy" vehicles pose a lessened risk than high-mileage vehicles.

[6] Resolution M-4846, Enforcement Policy at 15.

[7] *Id.* at 16-21.

[8] *Id.* at 16.

2. Harm to the Regulatory Process

As part of the severity of the offense factor, the Commission has described the harm to the regulatory process criterion as follows:

> "Every public utility shall obey and comply with every order, decision, direction, or rule made or prescribed by the Commission in the matters specified in this part, or any other matter in any way relating to or affecting its business as a public utility, and shall do everything necessary or proper to secure compliance therewith by all of its officers, agents, and employees." (Public Utilities Code § 702).
>
> Such compliance is essential to the proper functioning of the regulatory process. For this reason, disregarding a statutory or Commission directive, regardless of the effects on the public, will be accorded a high level of severity.[9]

The ACO reflects a reasonable penalty considering the degree of harm to the regulatory process. Carey Limo and Squire complied with CPED during the investigation of their Super Bowl LX Operations compliance with Pub. Util. Code, Veh. Code, Commission Rules and G.O. 157-E and in the negotiation and presentation of the ACO.

Although CPED maintains that the Carriers violated Commission rules, General Orders, Veh. Code, and Public Utilities Code, CPED acknowledges that the Carriers proactively communicated with the Commission's Transportation Licensing and Analysis Branch (TLAB) and attempted to develop a compliance plan regarding its sub-carriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles beginning in June 2025. Despite the Carriers' proactive engagement with Commission staff, a compliance plan did not materialize, and the Carriers proceeded on the incorrect assumption that authorization would ultimately be granted.

3. Number of Violations

"The number of the violations is a factor in determining the severity."[10] The Carriers admit to 162 non-compliant vehicles being used during Super Bowl LX Operations, below the 290 vehicle number estimated by CPED. While the number of alleged violations is high, the risks associated with operating unregistered vehicles are less when the vehicles are brand new or "low-mileage" courtesy vehicles. The Settlement Payment reflects the number of acknowledged violations.

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[9] *Id.* at 17.

[10] *Id.*

4. Number of Customers Affected

A "widespread violation which affects a large number of consumers is a more severe offense than one that is limited in scope."[11] While the number of alleged noncompliant vehicles the Carriers operated was high, the number of passengers was low and comprised solely of individuals associated with the National Football League (NFL), and CPED did not find that any particular violation resulted in physical harm to a specific customer.

B. The Conduct of the Utility

In evaluating the conduct of the utility, the Commission has described the following considerations: (1) actions taken to prevent a violation; (2) actions taken to detect a violation; (3) actions taken to disclose and rectify a violation; (4) actions taken to conceal, hide or cover up a violation; and (5) prior history of violations.[12]

Although CPED maintains that the Carriers violated Commission rules, General Orders, and Public Utilities Code, CPED acknowledges that the Carriers proactively communicated with TLAB and attempted to develop a compliance plan regarding its sub-carriers, rental vehicles, out-of-state affiliates and manufacturer courtesy vehicles beginning in June 2025. Despite the Carriers' proactive engagement with Commission staff, a compliance plan did not materialize, the Carriers proceeded on the incorrect assumption that authorization would ultimately be granted and, as a result, CPED issued a cease-and-desist letter dated February 3, 2026 prior to the Carriers' Super Bowl LX operations. The Carriers acknowledge the regulatory obligation to achieve compliance for future operations and/or seek deviation authorization from Commission rules and regulations as necessary.

Significantly, as a result of this ACO, the Carriers have taken, and will continue to take, meaningful efforts to prevent future violations that include proactive communications with TLAB in order to obtain the proper exemptions or deviation authorization.

As of the date of this ACO, the Commission has received no complaints regarding the Carriers operating unregistered or noncompliant vehicles and the Carriers have begun communications with TLAB to address future large event operations. This absence of complaints and the Carriers' proactive efforts at compliance demonstrate a good-faith effort by the Carriers to comply with applicable law and to improve its ongoing compliance performance.

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[11] *Id.*

[12] *Id.*

C. Financial Resources of the Utility

The Commission has described this criterion as follows:

> Effective deterrence also requires that staff recognize the financial resources of the regulated entity in setting a penalty that balances the need for deterrence with the constitutional limitations on excessive penalties. . . . If appropriate, penalty levels will be adjusted to achieve the objective of deterrence, without becoming excessive, based on each regulated entity's financial resources.[13]

In determining the reasonableness of the settlement, CPED took the Carriers' financial resources into consideration, including the fact that both Carey Limo and Squire are small operators with Squire having only two vehicles subject to the jurisdiction and authority of the Commission and relied almost entirely on sub-carriers for the event.

The Parties agree for purposes of this ACO that the Carriers should be required to pay a total of $67,000 to the State's General Fund. Within thirty calendar days of the Commission's approval of this ACO, the Carriers will make the first of six equal monthly payments. Based on the Carriers' current financial resources, a penalty in the amount of $67,000 paid over six equal monthly payments to the General Fund is reasonable and appropriate to achieve the objective of deterrence, without being excessive.

D. Totality of Circumstances in Furtherance of Public Interest

The Commission has described this criterion as follows:

> Setting a penalty at a level that effectively deters further unlawful conduct by the regulated entity and others requires that staff specifically tailor the package of sanctions, including any penalty, to the unique facts of the case. Staff will review facts that tend to mitigate the degree of wrongdoing as well as any facts that exacerbate the wrongdoing. In all cases, the harm will be evaluated from the perspective of the public interest.
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> An economic benefit amount shall be estimated for every violation. Economic benefit includes any savings or monetary gain derived from the act or omission that constitutes the violation.[14]

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[13] *Id.* at 19.

[14] *Id.*

The Commission must evaluate penalties in the totality of the circumstances, with an emphasis on protecting the public interest. The Carriers' corrective actions and penalties for the alleged violations should be tailored to the limited harm and mitigating factors of this case.

In addition to the mitigating factors described above, as a show of good faith and to avoid any future alleged violations, the Carriers have initiated the corrective actions identified in the ACO before the ACO was filed.

E. Consistency with Precedent

The Commission has described the role of precedent as follows:

> Penalties are assessed in a wide range of cases. The penalties assessed in cases are not usually directly comparable. Nevertheless, when a case involves reasonably comparable factual circumstances to another case where penalties were assessed, the similarities and differences between the two cases should be considered in setting the penalty amount.[15]

In determining whether the settlement penalty is reasonable, penalties imposed in comparable charter-party carrier enforcement matters may be considered, including the subject carriers' own prior enforcement history. In Citation T.24-04-004 (Tutor Time), TEB assessed a $5,000 penalty for one count of operating a bus without proper vehicle registration.[16] In T.2025-11-002 (Safe Rides Limo LLC), TEB assessed a $10,000 penalty for twenty violations involving driver enrollment in required DMV and drug-and-alcohol testing programs.

Of particular relevance here, Carey Limo was previously cited in T.2025-09-005 and assessed an aggregate $20,000 penalty for multiple violations involving unauthorized subcarriers, driver enrollment requirements, vehicle inspection requirements, and waybill deficiencies. Although that citation did not involve the same vehicle-registration violation presented here, it placed Carey on notice of its obligation to ensure that the vehicles and operations it utilizes comply with Commission and other applicable regulatory requirements.

These enforcement actions provide useful benchmarks rather than rigid formulas in evaluating a settlement involving the use of unregistered vehicles. A settlement amount that reasonably reflects unique considerations, while remaining proportionate to penalties

[15] *Id.* at 21.

[16] T.24-04-004 is currently under appeal.

imposed in comparable matters, furthers the Commission's enforcement and deterrence objectives.

CPED considered the facts of this matter as compared to other enforcement actions taken against other similarly situated carriers, and believes the settlement amount and corrective actions are the appropriate resolution. As such, CPED believes the penalty imposed in this case is reasonable and is in proportion to the harm caused by the Carriers' actions.

COMMENTS

Public Utilities Code section 311(g)(1) requires that this draft Resolution be served on the parties and be subject to at least 30 days of public review and comment before the Commission may vote on the Resolution. Pursuant to Rule 14.5 of the Commission's Rules of Practice and Procedure, any person may comment on a draft resolution by serving comments on the Commission within 20 days of the date of its mailing and publication on the Commission's website, and in accordance with the instructions accompanying the notice.

The 30-day public review period and 20-day comment period for this draft Resolution were neither waived nor reduced. Accordingly, this draft Resolution was mailed and published for public review and comment and will be placed on the Commission's agenda no earlier than 30 days after its mailing and publication.

The Draft Resolution of the Commission's Legal Division in this matter was mailed to the parties in interest on August 14, 2026, in accordance with Cal. Pub. Util. Code § 311(g).

No comments were received.

FINDINGS AND CONCLUSIONS

1. Resolution M-4846 authorized Commission staff to negotiate and propose an ACO to resolve an enforcement matter, subject to review and consideration by the Commission.
2. CPED, Carey Limo and Squire have engaged in settlement negotiations and, consistent with Resolution M-4846 and the Enforcement Policy, have memorialized their proposed settlement in the attached ACO.
3. CPED, Carey Limo and Squire have agreed that the attached ACO resolves all issues related to CPED's investigations of and any enforcement action CPED might have brought related to or arising from the Carriers' Super Bowl LX operations compliance with GO 157-E requirements.

4. The agreed-upon fines and remedial actions have appropriately resolved all issues related to CPED's investigation and any enforcement action CPED may have brought, are reasonable in light of the circumstances, consistent with the law, and in the public interest.

5. Based on the analysis under the Penalty Assessment Methodology, the agreed-upon fines are reasonable in light of the circumstances.

THEREFORE, IT IS ORDERED that:

1. The ACO between CPED, Carey Limo and Squire relating to the Carriers compliance with Pub. Util. Code, Veh. Code, Commission Rules and General Order 157-E, requirements is adopted.

2. The Carriers' shall pay a monetary penalty of $67,000 over six equal payments starting within thirty calendar days after the date that this Resolution is final and no longer subject to appeal. Payments must be with a certified check made or wire transfer payable to the ***California Public Utilities Commission*** to:

California Public Utilities Commission
Attn: Fiscal Office
505 Van Ness Avenue
San Francisco, CA 94102-3298

The Carriers shall state on the face of the check or on the wire transfer: "For deposit to the General Fund per Resolution TEB-003."

3. The Carriers shall maintain policies and procedures in place to ensure vehicles are properly included in the Carrier's authorized vehicle list, regardless of the limited duration of each vehicle's use. Such measures shall include internal compliance procedures requiring verification, prior to dispatch or passenger service, that each vehicle utilized in operations complies with all applicable Commission rules and regulations and appears on the Carrier's current and approved vehicle list maintained by TLAB.

4. The Carriers shall ensure all vehicles used for paid passenger transportation are commercially registered with the Department of Motor Vehicles in advance of the event. To the extent the Carrier believes that a vehicle proposed for TCP operations is exempt from California DMV commercial-registration requirements, or may be operated under a waiver, exemption, temporary authority, out-of-state registration, manufacturer/dealer registration, or similar exception, the Carrier shall not operate that vehicle in TCP service unless and until the Carrier has obtained written confirmation from DMV and/or CPUC, as applicable, that the proposed operation is lawful. The Carrier shall provide CPED with a copy of that written confirmation before the vehicle is used in TCP service. If subcarriers are required, utilize active

CPUC-licensed TCPs or ensure subcarriers apply and become licensed prior to initiating operations. CPED's TLAB maintains a current list of active TCP carriers publicly available. If the Carriers or their subcarriers plan to use out-of-state vehicles or drivers, the Carrier shall ensure that all active drivers used in TCP operations, including temporary, special-event, and out-of-state drivers, are (i) promptly listed in the CPUC Transportation Carrier Portal or otherwise disclosed to Licensing as required when added, removed or become inactive, and (ii) enrolled in or covered by required DMV EPN processes, properly licensed, and documented as employees or lawful subcarrier drivers before performing any California TCP transportation.

5. The Carriers shall maintain internal records documenting the date vehicle approval requests were submitted to TLAB, the date approval was received, and the period during which each vehicle was authorized for operation.

6. The Carriers shall proactively communicate with TLAB for special events regarding any proposed additions, substitutions, temporary use, lease, rental, manufacturer courtesy vehicle, or out-of-state vehicle intended for use in charter-party carrier operations. Such communications shall include complete lists of "courtesy" vehicles provided by a manufacturer, the names and drivers license numbers for all drivers to be utilized, and evidence of valid inspections for all vehicles intended to be utilized in charter-party carrier operations.

7. 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 September 17, 2026; the following Commissioners voting favorably thereon:

____

Shao Pat Tsen
Deputy Executive Director
Consumer Policy, Transportation, and Enforcement

Executed on ____________________, at San Marcos, California

ATTACHMENT A

Administrative Consent Order

From: Perez-Green, Joanna
To: SMortazavi@SoCalGas.com; DHutton@SRHolguin.com; NPedersen@HanMor.com; Theodore@CBEcal.org; Edward@ucan.org; Seth.Hilton@stoel.com; NSheriff@Buchalter.com; Beth@emk-law.com; mhawiger01@gmail.com; katherine.ramsey@sierraclub.org; TMcRae@CaliforniaHydrogen.org; Parker, Wayne; blaising@braunlegal.com; centralfiles@sdge.com; jcovarrubias@buchalter.com; Tyson@CleanStrat.com; AMcKean@SoCalGas.com; apatel@socalgas.com; bsh@cpuc.ca.gov; DQuesenb@SoCalGas.com; JLSalazar@SoCalGas.com; JMock@SoCalGas.com; mlorenz@socalgas.com; MHovsepian@SoCalGas.com; MGava@socalgas.com; Merza, Ritta; RCruz9@socalgas.com; Condensa, Ryan; SArazi@socalgas.com; ARamirez@Srholguin.com; BDimapasoc@SRHolguin.com; MHolguin@SRHolguin.com; SGersen@Earthjustice.org; UWUA483Secretary-Treasurer@outlook.com; Ernie.Shaw@Yahoo.com; Klatt@EnergyAttorney.com; JMass@RSGlabor.com; BillGilbertson@uwua132.org; Ryan.Jerman@sce.com; Meghan.OBrien@Stoel.com; Jennifer.Roy@LW.com; Fred@Yanney.law; pkam@buchalter.com; Fisher, Arthur "Iain"; Myers, Christopher; Fermino, David; Petrofsky, Erica; Perez-Green, Joanna; Taul, Matthew; elisa.rivas@stoel.com; Lilly.McKenna@Stoel.com; acarrejo@buchalter.com; MColvin@edf.org; SHafez@Buchalter.com; Deborah.Behles@gmail.com; RLazenby@turn.org; Thomas.Phillips@SierraClub.org; Lemei, Galen; Melms@BraunLegal.com; LHaug@b2energylaw.com; Regulatory@Stoel.com; mdegasperi@earthjustice.org
Subject: A.25-06-011: Ruling granting Cal Advocates" request to reply to SoCalGas Response from August 24, 2026
Date: Friday, August 28, 2026 5:22:33 PM

To the service list of A.25-06-011,

This email ruling grants Cal Advocates' request, from August 25, 2026, to file a reply to the *Response of Southern California Gas Company to Public Advocates Office Motion to Find Southern California Gas Company in Violation of Rule 1.1 for Misleading Statements and Disrespect to the Commission* in accordance with Rule 11.1 (f) of the Commission's Rules of Practice and Procedure. Cal Advocates may file a response by September 8, 2026.

The Docket Office shall formally file this ruling.

Thank you,

Joanna Perez-Green (she/her)
Administrative Law Judge

California Public Utilities Commission
505 Van Ness Avenue, San Francisco, CA 94102
joanna.perez-green@cpuc.ca.gov