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Decision 97-05-049 May 21, 1997

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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Telemanagement Advantage Corp. authority to operate as a resale provider of interexchange, cellular and local exchange service within the State of California.

Application 97-01-017
(Filed January 9, 1997)

O P I N I O N

Telemanagement Advantage Corp. (applicant), a California corporation duly authorized to transact intrastate business in California, seeks a certificate of public convenience and necessity (CPCN) under Public Utilities (PU) Code § 1001 to permit it to resell interLATA and intraLATA telephone services in California.¹ Applicant also seeks to register as a cellular service provider, and requests authority to operate as a competitive local exchange resale carrier to the full extent allowed by the Commission in Decision (D.) 95-07-054. Applicant submits that it does not intend to construct any facilities.

By D.84-01-037 (14 CPUC2d 317 (1984)) and later decisions, we authorized interLATA entry generally. However, we limited the authority conferred to interLATA service; and we subjected the applicants to the condition that they not hold themselves out to the public to provide intraLATA service. Subsequently, by D.94-09-065, we authorized competitive intraLATA services effective January 1, 1995, for carriers meeting specified criteria.

¹ California is divided into ten Local Access and Transport Areas (LATAs) of various sizes, each containing numerous local telephone exchanges. "InterLATA" describes services, revenues, and functions that relate to telecommunications originating in one LATA and terminating in another. "IntraLATA" describes services, revenues, and functions that relate to telecommunications originating and terminating within a single LATA.

By D.95-07-051,² we established initial procedures for the filing for CPCN authority to offer competitive local exchange service within the service territories of Pacific Bell (Pacific) and GTE California Incorporated (GTEC). Prospective competitive local carriers (CLCs) who filed petitions by September 1, 1995, for CPCN authority to enter the local exchange market and otherwise met eligibility requirements were authorized to offer local exchange service under the following schedule. Competitive local exchange service for facilities-based carriers was authorized effective January 1, 1996. Competitive resale of the bundled local exchange service of Pacific and GTEC was authorized effective March 31, 1996. Any filings for CLC CPCN authority made after September 1, 1995, were to be treated as applications and processed in the normal course of the Commission's business.

The Commission has established two major criteria for determining whether a CPCN should be granted. An applicant who is a switchless reseller³ must demonstrate that it has a minimum of \$25,000 of cash or cash equivalent (as described in D.91-10-041, 41 CPUC2d 505 at 520 (1991)), reasonably liquid and readily available to meet the firm's start-up expenses.⁴ Such applicants shall also document any deposits required by local exchange companies (LECs) or interexchange carriers (IECs) and demonstrate that they have additional resources to cover all such deposits. (D.93-05-010, 49 CPUC2d 197 at 208 (1993).) CLCs must also conform to the following financial requirement adopted in

² Rulemaking (R.) 95-04-043/Investigation (I.) 95-04-044.

³ D.93-05-010 defines a switchless reseller as a nondominant interexchange carrier (NDIEC) with the following characteristics: it uses the switch of another carrier; it usually, but not always, uses access circuits that the underlying carrier purchases from a local exchange company; it provides service in its own name, and its customers view it as their telephone company for interLATA and interstate calls. D.92-06-069 noted that it is possible to control, operate, or manage telephone lines without owning them. The decision also notes that resellers which do not own or directly operate their own telephone wires may still have plant which is owned, controlled, operated, and/or managed in order to facilitate communication by telephone.

⁴ For a CLC reseller, this showing is set forth in Rule 4.B(2) of D.95-07-054.

D.95-12-056: customer deposits collected by a CLC must be deposited in a protected, segregated interest-bearing escrow account subject to Commission oversight. Further, an applicant is required to make a reasonable showing of technical expertise in telecommunications or a related business.

As part of its application, applicant provided a balance sheet and income statement demonstrating that it had cash on hand of \$37,003 as of March 31, 1996. This indicates that applicant has more than \$25,000 consisting of cash. It satisfies our criteria for being reasonably liquid and readily available to meet the applicant's needs. Applicant has provided information on its key managers/employees indicating their education and experience. It can be summarized as follows:

- a. Applicant's president, Tom Achilles, has more than 8 years' experience in the telecommunications industry. He has significant experience in network selection, traffic engineering, resale and platform design. He holds several graduate and undergraduate degrees from Damascus University, the Academy of Dramatic Arts in Syria and UCLA.
- b. Applicant's vice president, Chris Culty has many years' experience in the telecommunications industry and related fields. He has worked on price-design, and implementation of accounting systems and billing and collection systems. His previous experience includes top accounting positions at San Bernardino Hilton and Radisson Santa Barbara. He holds a Bachelor of Science degree in finance and accounting from Chico State University's business school.

Applicant submits that it is not required to post a deposit with its underlying carriers. Applicant also represents that no one associated with or employed by applicant was previously associated with an NDIEC that filed for bankruptcy or went out of business.

Since applicant will not be constructing any facilities for the purpose of providing local exchange services, it can be seen with certainty that there is no possibility that the grant of this application will have an adverse impact upon the environment. For this reason, applicant submits that its proposed services are exempt from the California Environmental Quality Act. In accordance with Rule 17.1, applicant attached its Proponent's Environment Assessment as Exhibit E to the application.

The information provided in this application satisfies the requirement of the Wireless Identification Registration for cellular service providers.

We have reviewed applicant's proposed CLC filing and conclude that it conforms to the adopted Commission rules including the Consumer Protection Rules set forth in Appendix B of D.95-07-054, except for the deficiencies noted in Appendix 1, Attachment B of this decision. In its compliance tariff filing, applicant is directed to correct the identified deficiencies as a condition of our granting approval of the tariffs.

We will authorize the interLATA and intraLATA, cellular and competitive local exchange services that applicant seeks to provide.

In accordance with D.96-12-071, we will authorize the resale of cellular service that the applicant seeks to provide.

Findings of Fact

1. Applicant served a copy of the application upon telephone corporations with which it is likely to compete.
2. A notice of the filing of the application appeared in the Daily Calendar on January 17, 1997.
3. No protests have been filed.
4. A hearing is not required.
5. By prior Commission decisions, we authorized competition in providing interLATA telecommunications service but generally barred those offering such service from holding out to the public the provision of intraLATA service.
6. By D.94-09-065, we authorized competitive intraLATA services effective January 1, 1995, for carriers meeting specified criteria.
7. The Budget Act generally preempted states from regulation of entry and rates for commercial mobile radio service (CMRS) telecommunications company as of August 10, 1994, including those providing intrastate service within California.
8. Absent the need for a CPCN, it is still essential that the Commission have certain basic information about the entities providing intrastate commercial mobile radio service within California.

9. By prior Commission decisions, we authorized competition in providing local exchange telecommunications service within the service territories of Pacific and GTEC.

10. By D.95-07-054, D.95-12-056, D.96-02-072, and D.96-03-020, we authorized facilities-based CLC services effective January 1, 1996, and CLC resale services effective March 31, 1996, for carriers meeting specified criteria.

11. Applicant has demonstrated that it has a minimum of \$25,000 of cash, reasonably liquid and readily available to meet its start-up expenses.

12. Applicant has also represented that there will be no deposits required by the LECs or IECs for the services which applicant proposes to offer.

13. Applicant's technical experience consists of 2 employees with a combined experience of over 10 years in telecommunications and related fields.

14. Applicant has submitted with its application a complete draft of applicant's initial CLC tariff which complies with the requirements established by the Commission including prohibitions on unreasonable deposit requirements except for the deficiencies identified in Appendix 1, Attachment B.

15. Applicant has represented that no one associated with or employed by applicant was previously associated with an NDIEC that filed for bankruptcy or went out of business.

16. Since no facilities are to be constructed, it can be seen with certainty that the proposed operation will not have a significant effect upon the environment.

17. The Commission has routinely granted nondominant telecommunications carriers, such as applicant, an exemption from Rule 18(b) where no construction is involved to the extent that the rule requires applicant to serve a copy of its application on cities and counties in the proposed service area and to the extent that it requires applicant to provide a conformed copy of all exhibits attached to applicant's filed application to potential competitors.

18. Exemption from the provisions of PU Code §§ 816-830 has been granted to other resellers. (See, e.g., D.86-10-007 and D.88-12-076.)

19. The transfer or encumbrance of property of nondominant carriers has been exempted from the requirements of PU Code § 851 whenever such transfer or encumbrance serves to secure debt. (See D.85-11-044.)

Conclusions of Law

1. Applicant has the financial ability to provide the proposed service.
2. Applicant has made a reasonable showing of technical expertise in telecommunications.
3. It is reasonable to require CMRS providers to file essential identifying information with the Commission in order to effectively undertake activities pursuant to retained jurisdiction.
4. Public convenience and necessity require the interLATA, intraLATA and competitive local exchange services to be offered by applicant, subject to the terms and conditions set forth below.
5. Applicant is subject to:
 - a. The current 3.2% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the Universal Lifeline Telephone Service (PU Code § 879; Resolution T-15799, November 21, 1995);
 - b. The current 0.36% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Relay Service and Communications Devices Fund (PU Code § 2881; Resolution T-15801, October 5, 1995);
 - c. The user fee provided in PU Code §§ 431-435, which is 0.11% of gross intrastate revenue for the 1996-1997 fiscal year (Resolution M-4782);
 - d. The current surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-A (PU Code § 739.30; D.96-10-066, pp. 3-4, App. B, Rule 1.C; set by Resolution T-15987 at 0.0% for 1997, effective February 1, 1997.);
 - e. The current 2.87% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California High Cost Fund-B (D.96-10-066, p. 191, App. B, Rule 6.F.); and

- f. The current 0.41% surcharge applicable to all intrastate services except for those excluded by D.94-09-065, as modified by D.95-02-050, to fund the California Teleconnect Fund (D.96-10-066, p. 88, App. B, Rule 8.G).

6. Applicant should be exempted from Rule 18(b)'s requirement of service of the application on cities and counties in the proposed service area and service of all exhibits attached to this application on potential competitors.

7. Applicant should be exempted from PU Code §§ 816-830.

8. Applicant should be exempted from PU Code § 851 when the transfer or encumbrance serves to secure debt.

9. The application should be granted to the extent set forth below.

10. Any CLC which does not comply with our rules for local exchange competition adopted in R.95-04-043 shall be subject to sanctions including, but not limited to, revocation of its CLC certificate.

11. It is reasonable to require CMRS providers to maintain a permanent record in their own offices of all rate schedules, other terms, and conditions, but which they need not file with the Commission, pursuant to Ordering Paragraph 3 of D.96-12-071.

12. Because of the public interest in competitive interLATA, intraLATA and local exchange services, the following order should be effective immediately.

O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity is granted to Telemangement Advantage Corp.(applicant) to operate as a reseller of interLocal Access and Transport Area (interLATA) and, to the extent authorized by Decision (D.) 94-09-065, intraLocal Access and Transport Area (intraLATA)and competitive local exchange telecommunication services offered by communication common carriers in California, subject to the terms and conditions set forth below.

2. By this filing, applicant shall be considered to be a commercial mobile radio service provider who has complied with Ordering Paragraph 1 of D.94-10-031.

3. Applicant shall file a written acceptance of the certificates granted in this proceeding.

4. Applicant is authorized to file with this Commission tariff schedules for the provision of interLATA and intraLATA service and competitive local exchange services. Applicant may not offer interLATA, intraLATA and/or competitive local exchange service until tariffs are on file. Applicant's initial filing shall be made in accordance with General Order (GO) 96-A, excluding Sections IV, V, and VI, and shall be effective not less than 1 day after filing, or after tariff approval by the Telecommunications Division. Applicant shall comply with the provisions in its tariffs.

5. a. Applicant is a nondominant interexchange carrier (NDIEC). The effectiveness of its future tariffs is subject to the schedules set forth in Ordering Paragraph 5 of D.90-08-032 (37 CPUC2d 130 at 158), as modified by D.91-12-013 (42 CPUC2d 220 at 231) and D.92-06-034 (44 CPUC2d 617 at 618):

"5. All NDIECs are hereby placed on notice that their California tariff filings will be processed in accordance with the following effectiveness schedule:

- "a. Inclusion of FCC-approved rates for interstate services in California public utilities tariff schedules shall become effective on one (1) day's notice.
- "b. Uniform rate reductions for existing services shall become effective on five (5) days' notice.
- "c. Uniform rate increases, except for minor rate increases, for existing services shall become effective on thirty (30) days' notice, and shall require bill inserts, a message on the bill itself, or first class mail notice to customers of the pending increased rates.
- "d. Uniform minor rate increases, as defined in D.90-11-029, for existing services shall become effective on not less than 5 working days' notice. Customer notifications is not required for such minor rate increases.
- "e. Advice letter filings for new services and for all other types of tariff revisions, except changes in text not affecting rates or relocations of text in the tariff schedules, shall become effective on forty (40) days' notice.
- "f. Advice letter filings merely revising the text or location of text material which do not cause an increase in any rate or charge shall become effective on not less than five (5) days' notice."

b. Applicant is a competitive local carrier (CLC). The effectiveness of its future tariffs is subject to the schedules set forth in Appendix A, Section 4.E of D.95-07-054:

"E. CLCs shall be subject to the following tariff and contract filing, revision and service pricing standards [Contracts shall be subject to G.O. 96-A rules for NDIÉCs, except those for interconnection]:

"(1) Uniform rate reductions for existing tariff services shall become effective on five (5) working days' notice to the Commission. Customer notification is not required for rate decreases.

"(2) Uniform major rate increases for existing tariff services shall become effective on thirty (30) days' notice to the Commission, and shall require bill inserts, or a message on the bill itself, or first class mail notice to customers at least 30 days in advance of the pending rate increase.

"(3) Uniform minor rate increases, as which defined in D.95-07-054, shall become effective on not less than five (5) working days' notice to the Commission. Customer notification is not required for such minor rate increases.

"(4) Advice letter filings for new services and for all other types of tariff revisions, except changes in text not affecting rates or relocations of text in the tariff schedules, shall become effective on forty (40) days' notice to the Commission.

"(5) Advice letter filings revising the text or location of text material which do not result in an increase in any rate or charge shall become effective on not less than five (5) days' notice to the Commission."

6. Applicant may deviate from the following provisions of GO 96-A: (a) paragraph II.C.(1)(b), which requires consecutive sheet numbering and prohibits the reuse of sheet numbers, and (b) paragraph II.C.(4), which requires that "a separate sheet or series of sheets should be used for each rule." Tariff filings incorporating these deviations shall be subject to the approval of the Commission's Telecommunications Division. Tariff filings shall reflect all fees and surcharges to which applicant is subject, as reflected in Conclusion of Law 5.

7. Applicant shall file as part of its initial tariff, after the effective date of this order and consistent with Ordering Paragraph 3, a service area map.

8. Prior to initiating service, applicant shall provide the Commission's Consumer Services Division with the applicant's designated contact person(s) for purposes of resolving consumer complaints and the corresponding telephone number. This

information shall be updated if the name or telephone number changes or at least annually.

9. Applicant shall notify this Commission in writing of the date interLATA service is first rendered to the public within 5 days after service begins and again within 5 days of when intraLATA service and local exchange service begins.

10. Applicant shall keep its books and records in accordance with the Uniform System of Accounts specified in Title 47, Code of Federal Regulations, Part 32.

11. In the event the books and records of the applicant are required for inspection by the Commission or its staff, applicant shall either produce such records at the Commission's offices or reimburse the Commission for the reasonable costs incurred in having Commission staff travel to applicant's office.

12. Applicant shall file an annual report, in compliance with GO 104-A, on a calendar-year basis using the information request form developed by the Commission staff and contained in Appendix 1 for interexchange telephone companies and Appendix 2 for cellular resellers.

13. Applicant shall ensure that its employees comply with the provisions of Public Utilities (PU) Code § 2889.5 regarding solicitation of customers.

14. The certificate granted and the authority to render service under the rates, charges, and rules authorized will expire if not exercised within 12 months after the effective date of this order.

15. The corporate identification number assigned to applicant for interLATA, intraLATA, and competitive local exchange is U-5771-C, which shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

16. The corporate identification number assigned to applicant for cellular resale is U-4220-T, which shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.

17. Within 60 days of the effective date of this order, applicant shall comply with PU Code § 708, Employee Identification Cards, and notify the Director of the Telecommunications Division in writing of its compliance.

18. Applicant is exempted from the provisions of PU Code §§ 816-830.

19. Applicant is exempted from PU Code § 851 for the transfer or encumbrance of property, whenever such transfer or encumbrance serves to secure debt.

20. In response to the applicant's request for waiver, applicant is exempted from Rule 18(b) of the Commission's Rules of Practice and Procedure to the extent that the rule requires applicant to serve a copy of its application on the cities and counties it proposes to operate in and to the extent that the rule requires applicant to serve a copy of all exhibits attached to its application on potential competitors.

21. If applicant is 90 days or more late in filing an annual report or in remitting the fees listed in Conclusion of Law 5, the Telecommunications Division shall prepare for Commission consideration a resolution that revokes the applicant's certificate of public convenience and necessity, unless applicant has received the written permission of the Telecommunications Division to file or remit late.

22. Applicant shall comply with the customer notification and education rules adopted in D.96-04-049 regarding passage of calling party number.

23. The application is granted, as set forth above.

24. Application 97-01-017 is closed.

This order is effective today.

Dated May 21, 1997, at Sacramento, California.

P. GREGORY CONLON
President

JESSIE J. KNIGHT, JR.

HENRY M. DUQUE

JOSIAH L. NEEPER

RICHARD A. BILAS

Commissioners

Appendix 1
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TO: ALL INTEREXCHANGE TELEPHONE UTILITIES

Article 5 of the Public Utilities Code grants authority to the California Public Utilities Commission to require all public utilities doing business in California to file reports as specified by the Commission on the utilities' California operations.

A specific annual report form has not yet been prescribed for the California interexchange telephone utilities. However, you are hereby directed to submit an original and two copies of the information requested in Attachment A no later than March 31st of the year following the calendar year for which the annual report is submitted.

Address your report to:

California Public Utilities Commission
Auditing and Compliance Branch, Room 3251
505 Van Ness Avenue
San Francisco, CA 94102-3298

Failure to file this information on time may result in a penalty as provided for in §§ 2107 and 2108 of the Public Utilities Code.

If you have any question concerning this matter, please call (415) 703-1961.

ATTACHMENT A

Information Requested of California Interexchange Telephone Utilities.

To be filed with the California Public Utilities Commission, 505 Van Ness Avenue, Room 3251, San Francisco, CA 94102-3298, no later than March 31st of the year following the calendar year for which the annual report is submitted.

1. Exact legal name and U # of reporting utility.
2. Address.
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. Commission decision number granting operating authority and the date of that decision.
7. Date operations were begun.
8. Description of other business activities in which the utility is engaged.
9. A 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.

APPENDIX 1

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ATTACHMENT B

List of Deficiencies in Tariffs filed by Telemanagement Advantage Corp. in A. 97-01-017 to be corrected in Tariff Compliance Filing.

1. Sample forms must be included with tariffs.
2. 1-T, Original Title Sheet: indicate that the company intends to provide resale service.
3. 1-T, Sheet 7, Preliminary Statement should indicate the intent to provide local exchange service in Pacific Bell and GTEC's service areas. Other areas of California are not yet open to competition and delete reference to provision of cellular service. Also Application of Tariff needs to be more specific as to services provided.
4. 1-T, Sheet 9: A Service Area Map was omitted.
5. 1-T, Sheet 25, Rate Schedule 3 provides rates for residential customers. However, Application of Tariff in Sheet 7 indicates service to business customers only. Need to clarify if the company intends to offer business or residential service or both and eliminate any contradictions. Also need to specify if the proposed rates apply in both Pacific Bell and GTEC's territories.
6. 1-T, Sheet 31: Per D. 96-12-071, the rate schedules for Cellular Service must be deleted, since the cellular service providers no longer required to file tariffs.
7. 1-T, Sheet 40: 900 services cannot be offered when blocking is unavailable from a particular switch.
8. 1-T, Sheet 49, Universal Lifeline Services; delete this tariff and add only when Telemanagement Advantage Corp. offers service to residential customers.
9. 1-T, Sheet 50, ULTS Income Limitations: Need to update the limits to reflect those adopted by Resolution T-15829, on February 23, 1996.
10. 1-T, Sheet 53, ULTS Service: D. 94-09-065 established statewide ULTS rates of \$5.62 for 1FR and \$3.00 for 1MR. You may not charge more than those rates.
11. 1-T, Sheet 59; indicates rates vary based on Pacific Bell and GTEC's service areas. Those rates need to be tariffed. Also

APPENDIX 1

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delete the last paragraph on facilities which is not applicable to resellers.

12. 1-T, Sheet 63, Contracts are subject to G.O. 96-A rules and must be approved by advice letter filing. There is no blanket authority for contract arrangements.

13. 1-T, Sheet 67, Rule 6(B) item 4 must be changed to reflect that deposit balance must be returned within 30 days after discontinuance of service not 30 days following rendition of the final bill.

14. 1-T, Sheet 74: Need to amend the tariff to add the following surcharges: CHCF-A: 0.0% ; CHCF-B: 2.87%; and Teleconnect Fund: 0.41% .

15. 1-T, Sheet 93, No. 19(A): Delete the rule to serve all locations within 300 feet of its facilities, since it does not apply to resellers.

16. 1-T, Sheet 101, Individual Case Basis (ICB) Arrangements: ICB arrangements are subject to G.O. 96-A rules. There is no blanket authority for ICB arrangements.

17. 1-T, Sheet 102: Per D.95-12-057, the tariff must be revised to state which provider to company will use to administer the Deaf and Disabled Equipment Distribution Program. Also it is MCI that provides the California Relay Service not Pacific Bell or GTEC.

PUBLIC UTILITIES COMMISSION

550 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



February 9, 1995

TO: ALL CELLULAR RESELLER TELEPHONE UTILITIES

Article 5 of the Public Utilities Code grants authority to the California Public Utilities Commission to require all public utilities doing business in California to file reports as specified by the Commission on the utilities' California operations.

A specific annual report form for the calendar year 1994 has not yet been prescribed for the Cellular Reseller Telephone Utilities. However, you are hereby directed to submit an original and a duplicate copy of the information requested in Attachment A, no later than March 31, 1995 and Attachment B, no later than May 1, 1995. In addition to the hard copies of the information requested in Attachment B, an electronic copy shall also be submitted.

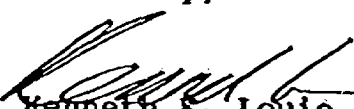
Address your reports to:

California Public Utilities Commission
Accounting and Auditing Branch, Rm. 3251
505 Van Ness Avenue
San Francisco, CA 94102-3298

Failure to file this information on time may result to a penalty as provide for in sections 2107 and 2108 of The Public Utilities Code.

If you have any questions concerning the information required in Attachment A, please call (415) 703-1961. Or, if you have any questions regarding the information required in Attachment B, please call (415) 703-3175.

Sincerely,


Kenneth K. Louie, Chief
Accounting and Auditing Branch
Commission Advisory and Compliance Division

APPENDIX 2

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Attachment A

INFORMATION REQUESTED OF THE
CALIFORNIA CELLULAR RESELLER TELEPHONE UTILITIES

1. Exact legal name and U # of reporting utility.
2. Address.
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. Commission Decision number granting operating authority and the date of that decision.
7. Date operations were begun.
8. Description of other business activities in which the utility is engaged.
9. A list of all affiliated companies and their relationship to the utility. State if the affiliate is a:
 - (a) Regulated Public Utility
 - (b) Publicly Held Corporation
10. Balance sheet as of December 31, 1994.
11. Income statement for California operations for the calendar year 1994.

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Attachment B

1994 CALENDAR YEAR AFFILIATE TRANSACTION REPORT

1. Each utility shall 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:

- o Name;
- o Form of organization (e.g. corporation, partnership, joint venture, strategic alliance, etc.);
- o Brief description of business activities engaged in;
- o Relationship to the utility (e.g. controlling corporation, subsidiary, regulated subsidiary, affiliate);
- o Ownership by the utility (including type and percent ownership);
- o Voting rights held by the utility and percent;
- o Corporate officers;
- o Any other company besides the utility that owns 5% or more of the affiliated entity (unless legally precluded from providing the information);

2. The utility shall prepare and submit a corporate organization chart showing any and all corporate relationships between the utility and its affiliated entities and regulated subsidiaries listed in #1 above. The chart should 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 or and/or affiliate) in the lower levels. Any regulated subsidiary should be clearly noted.

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 #1 and #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 tariffed 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.

APPENDIX 2

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5. Any required material that a utility is unable to provide must be reasonably described and the reasons the data cannot be obtained, as well as the efforts expended to obtain the information, 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.

5. Utilities that do not have affiliated entities must file, 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.