



Consumer Protection and Enforcement Division



Monthly Activity Report December 2019

TABLE OF CONTENTS

TABLE OF CONTENTS..... 1

OVERVIEW..... 2

PASSENGER TRANSPORTATION..... 2

Key Activities3

Citations/Fines/Refunds5

Compliance with Ordering Paragraphs6

Docket Activity7

Outreach/Training/Other Activities.....8

UTILITIES ENFORCEMENT.....9

Monthly Highlights.....9

Key Activities10

Citations/Fines/Refunds11

Compliance with Ordering Paragraphs12

Docket Activity13

Outreach/Training/Other Activities13

OVERVIEW

The Consumer Protection and Enforcement Division (CPED) serves as the first line of defense for California utility and transportation customers. CPED implements Commission regulations, policies and licensing for transportation carriers, investigates and enforces against passenger carrier misconduct, and investigates allegations of utility waste, fraud, and abuse. CPED is comprised of two separate programs: Passenger Transportation and Utilities Enforcement.

This report contains information reflecting the month's performance within each CPED program. Information about each program is collected in seven different sections: (1) Key Activities, (2) Citations/Fines/Refunds, (3) Compliance with Ordering Paragraphs, (4) Docket Activity, (5) Outreach/Training/Other Events, and (6) Legislation of Interest.

PASSENGER TRANSPORTATION

The Commission's Transportation Program oversees for-hire passenger carriers (limousines, airport shuttles, chartered and scheduled bus operators, transportation network companies and ferries). The Program consists of three branches: The Transportation Enforcement Branch-North (TEB-N), TEB-South (TEB-S) and the Transportation Licensing and Analysis Branch (TLAB).

TEB investigates alleged violations, conducts joint inspections, issues warning notices and citations, prosecutes enforcement cases before the Commission and supports civil and criminal cases brought by local prosecutors, such as a district or city attorney. TEB also staffs a consumer complaint 800 phone line and conducts outreach activities to educate consumers, carriers, and state and local law enforcement and prosecutors on consumer protection statutes, regulations and policies that affect passenger transportation.

TLAB's Licensing Section analyzes applications from carriers, writes proposed decisions to approve or deny a carrier's CPCN application, issues permits and certificates, and tracks carrier compliance with permit requirements while TLAB's Analysis Section functions as the Commission's subject matter expert and advises decision makers regarding for-hire carriers.

KEY ACTIVITIES

In December 2019, TEB carried over from prior month 146 investigation cases. TEB closed 23 investigation cases and initiated seven new ones. The Consumer Intake Unit (CIU) received eight complaints and referred those complaints to the Enforcement Unit for further investigation.

Enforcement Actions	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
Open Investigations at Beginning of Month	144	139	146	158	179	175	174	157	155	135	148	146	N/A
New Investigations	22	35	21	53	20	17	16	19	8	40	17	7	275
Investigations Completed	27	28	19	32	24	18	33	21	28	27	19	23	299
Cease and Desist Notices	27	20	23	17	25	16	14	16	8	18	9	7	200
Official Notices	1	3	2	1	3	7	2	4	1	0	3	2	29
Citations	4	18	8	12	9	10	9	8	12	15	4	5	114
Citations Appealed	2	0	3	0	1	0	1	0	2	1	1	2	13

Complaints	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
Open complaints at Beginning of Period	6	5	5	3	3	1	7	5	3	3	2	1	N/A
New complaints, by complainant type:	25	15	27	17	17	13	9	7	10	23	10	8	171
Consumer	20	9	21	16	10	11	8	6	9	9	10	3	122
Competitor	5	5	6	1	7	2	2	1	0	7	0	5	41
Government Agency	0	0	0	0	0	0	0	0	1	0	0	0	1
Complaints referred to Enforcement	19	8	22	12	15	4	5	3	3	13	7	8	112
Complaints Closed by CIU	6	12	25	19	19	7	12	8	7	7	10	8	130
Open complaints, End of Period	6	5	1	1	1	7	5	3	3	6	1	0	N/A

California Public Utilities Commission | Consumer Protection and Enforcement Division

0-30 days	25	12	25	14	16	10	7	5	7	22	10	0	N/A
31-60 days	0	2	1	3	1	3	2	0	3	1	0	0	N/A
61-90 days	0	1	1	0	0	0	0	2	0	0	0	0	N/A
Over 90 days	0	0	0	0	0	0	0	0	0	0	0	0	N/A

Carrier Application and Permit Activity

As of December 2019, TLAB’s Licensing Section has staff received 2,687 applications (New, Renewals, Refiles, and Transfer) and issued 2,813 permits. Currently, TLAB has completed 360 additional applications but cannot approve them until the California Highway Patrol (CHP) completes bus terminal inspections (CHP requires 60 days.) and/or the carrier provides proof of insurance or enrollment in a drug testing program (up to 7 days). Two new TNC applications are currently under review.

Year-to-Date Passenger Carrier Activity	Total
New Applications Docketed	658
Renewal Applications Docketed	1831
Refile Applications Docketed	143
Transfer Applications Docketed	55
Authorities Issued	2813
Authorities Suspended	4446
Authorities Revoked	1155
Authorities Reinstated (Suspended/Revoked)	3407
New Applications waiting for CHP inspection or carrier action (drug test results, insurance).	157
Renewal Applications waiting CHP inspection or carrier action (drug test results, insurance, or other renewal documents).	184
Pending Reinstatement from Suspension and Revocation	19
Total Active/Suspended TCP and PSC Authorities as of 12/31/2019	6171
Total Active/Suspended TNC Authorities as of 12/31/2019	11
Voluntary Suspensions	207
Voluntary Revocations	167
Vehicles added to Passenger Carrier Equipment Statements	6175

Address and DBA Changes	2541
Vehicle inspection requests sent to CHP	3960
Returned Applications (incomplete package)	742

CITATIONS/FINES/REFUNDS

TEB Activity	December 2019	YTD
Fines Assessed	\$28,000	\$438,500
Fines Paid	\$24,650	\$325,885
Overcharge Refunds/Claims Settlements by TEB Consumer Unit	\$30	\$10,296

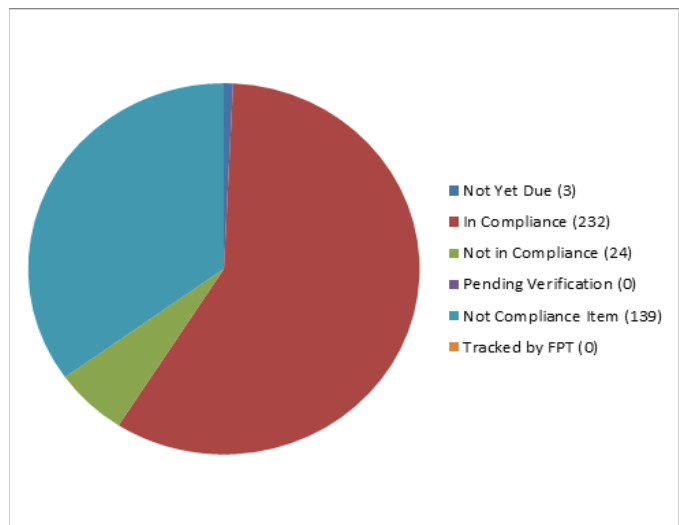
- F-5625. L.R. San Diego Parking Operator, LLC. Db a WallyPark, San Diego, TCP 38503. Case: PSG-4923. Fine: \$8,000. Violations: carrier operated as a charter-party carrier without valid authority.
- FC-5626. Angeleno Charter LLC db a Angeleno Charter LLC, Los Angeles (TCP-Unlicensed). Case #5102. Fine: \$2,000. Violations: carrier operated as a charter-party carrier without valid operating authority.
- F-5628. Corpex Chauffeured Services LLC, Daly City, TCP 31699. Case: PSG-5049. Fine: \$5,000. Violations: carrier (1) failed to maintain Workers Compensation insurance; (2) failed to enroll drivers in the DMV Employer Pull Notice program; 3) failed to maintain a Controlled Substance and Alcohol Testing Certification program; 4) underreported gross revenue and underpaid PUCTRA fees.
- F-5629. Mason Mallory db a Cardinal Transportation, San Rafael, TCP 29409. Case PSG-5075. Fine: \$7,000. Violations: carrier 1) operated after revocation of authority; 2) failed to maintain Workers Compensation insurance; 3) failed to enroll driver in a Controlled Substance and Alcohol Testing Certification program; 4) failed to enroll drivers in the DMV Employer Pull Notice program; 5) under-reported gross revenue and underpaid fees in 2016 and 2017; 6) misclassified drivers as independent contractors; 7) failed to maintain records; 8) failed to complete waybills; 9) utilized sub-carriers without written agreement.

- F-5631. CLS Global Transportation Inc. dba MA Limousine & Transportation, Union City, TCP 34377. Fine: \$6,000. Violations: carrier 1) failed to enroll drivers in the Controlled Substance and Alcohol Testing program; 2) failed to maintain an active Controlled Substance and Alcohol testing program; 3) failed to enroll drivers in the DMV EPN program; 4) failed to update equipment statement; 5) failed to provide access to records; 6) operated on airport property without authorization; and 7) failed to display TCP number on vehicle.

Los Angeles Airport Citation Program – December 2019

Citations issued by LAX police	Citations issued by CPUC	Vehicles impounded	C&D letters issued by CPUC	Total fines collected
6 (unlicensed)	4	6	6	\$4,000

COMPLIANCE WITH ORDERING PARAGRAPHS



The Transportation Program is currently responsible for 414 separate Ordering Paragraphs. Many Ordering Paragraphs result from decisions to approve CPCNs for passenger stage corporations, and include permit requirements such as obtaining appropriate insurances, enrolling in drug testing and DMV pull-notice programs, receiving bus terminal inspections by CHP and others. Other OPs uphold TEB enforcement actions and impose fines for carrier violations of law and wrongdoing against consumers. And, finally, OPs introduce new reporting requirements and transportation policies.

DOCKET ACTIVITY

Policy Proceedings

- **R.12-12-011 / TNC Rulemaking / Mason & Chiv / Shiroma**
 - On December 19, 2019, Administrative Law Judge Robert Mason III issued a [Ruling Ordering Uber to File and Serve Its US Safety Report and Answer Questions](#).
 - On December 19, 2019, Administrative Law Judge Robert Mason III issued a [Ruling Ordering Parties to Comment on Questions Regarding the Commission's Regulation of Autonomous Vehicles](#).
 - On December 19, 2019, Administrative Law Judge Robert Mason III issued a [Ruling Ordering Parties to File and Serve Comments Regarding the Applicability of Assembly Bill 5 and Labor Code Section 2750.3 to Transportation Network Companies and their Drivers](#).
- **R.19-02-012 / TNC Access for Persons with Disabilities / Mason & Chiv / Shiroma**
 - No new activities.

Enforcement Proceedings

- No OIIs or OSCs.

Citation Appeal Proceedings

- **K.19-12-006/On Time Coach Executive, LLC. (TCP 38149) Appeal / ALJ Goldberg**

Appeal was received on December 7, 2019 and filed by ALJ Docket Office on December 9, 2019. No hearing date scheduled by the ALJ.
- **K.19-12-005/ D and D Limo, Inc. (TCP 36542) Appeal / ALJ Goldberg**

Appeal was received on December 7, 2019 and filed by ALJ Docket Office on December 9, 2019. No hearing date scheduled by the ALJ.
- **K.19-11-012 / Executive Network Enterprises Inc (TCP 23109-B) Appeal / ALJ Kelley**

On November 8, 2019, appeal was received and filed by ALJ Docket Office. No hearing date scheduled by the ALJ.
- **K.19-10-009 / Migan C. Murray, dba Rite Time Transport (TCP 37559-A) Appeal / ALJ Yacknin**

On October 18, 2019, appeal was received and filed by ALJ Docket Office. No hearing date scheduled by the ALJ.

- **K.19-09-15 / Jordan & Associates Investments, dba Sun Buggie Fun Rentals (TCP 38563-Z) Appeal / ALJ Kim**
On September 26, 2019, appeal was received and filed by ALJ Docket Office. No hearing date scheduled by the ALJ.
- **K.19-09-002 / Ibrahim Raed Khalil, dba Comedy Limo (TCP 17704) Appeal / ALJ Wang.** Hearing conducted on October 30, 2019. Carrier paid \$5,000 fine in full.
- **K.19-08-017 / Khouri Amir Faiz, dba Classic Limousine and Sedan Service (TCP 21472) Appeal / ALJ McGary.**
Hearing conducted on October 31, 2019. Awaits ALJ's draft Resolution.
- **K.19-05-001 / West Lake Village, LLC dba West Lake Limo (TCP 29548) Appeal / ALJ Kelley**
A hearing was held on August 5, 2019. On December 12, 2019, ALJ ordered the violations are affirmed and fine \$8,000 is sustained. On December 23, 2019, the defendant signed an agreement to pay \$8,000 in four payments.

Carrier Application Proceedings

- **A.18-09-008 / Application of AFISHINADO INC., dba Afishinado Charters for authority to operate as an "on-call" passenger Vessel Common Carrier operating from Avalon Harbor to various points on Catalina Island, including: Campus by the Sea, All C.I.M.I. facilities, White's Landing, Two Harbors, Howland's Landing, Emerald Bay / 12/5/19 ALJ Ruling Seeking Party Comment on Proposed Withdrawal of Application**

OUTREACH/TRAINING/OTHER FIELD ACTIVITIES

Joint Agencies Work

- **San Francisco International Airport (SFO) Ground Transportation Unit and San Francisco Airport Police.** Staff and management from TEB-Northern California, SFO Ground Transportation Unit, and San Francisco Airport Police meet monthly to jointly address complaints of unlicensed passenger carriers that operate at SFO. In December 2019, joint staff observed/inspected 650 vehicles. Among the 650 vehicles, TEB staff found that 12 carriers operated with a suspended, revoked, or expired permit; while eight carriers failed to register their vehicles with the CPUC.

UTILITIES ENFORCEMENT BRANCH

UEB protects California utility consumers from fraud and abuse by developing enforcement mechanisms and ensuring service providers comply with consumer protection laws and regulations. UEB investigates alleged violations by utilities, including communications (both wireline and wireless), energy (both electric and gas), and water companies. When sufficient evidence of violation is uncovered, UEB brings cases before the CPUC to seek appropriate penalties and remedies for consumers.

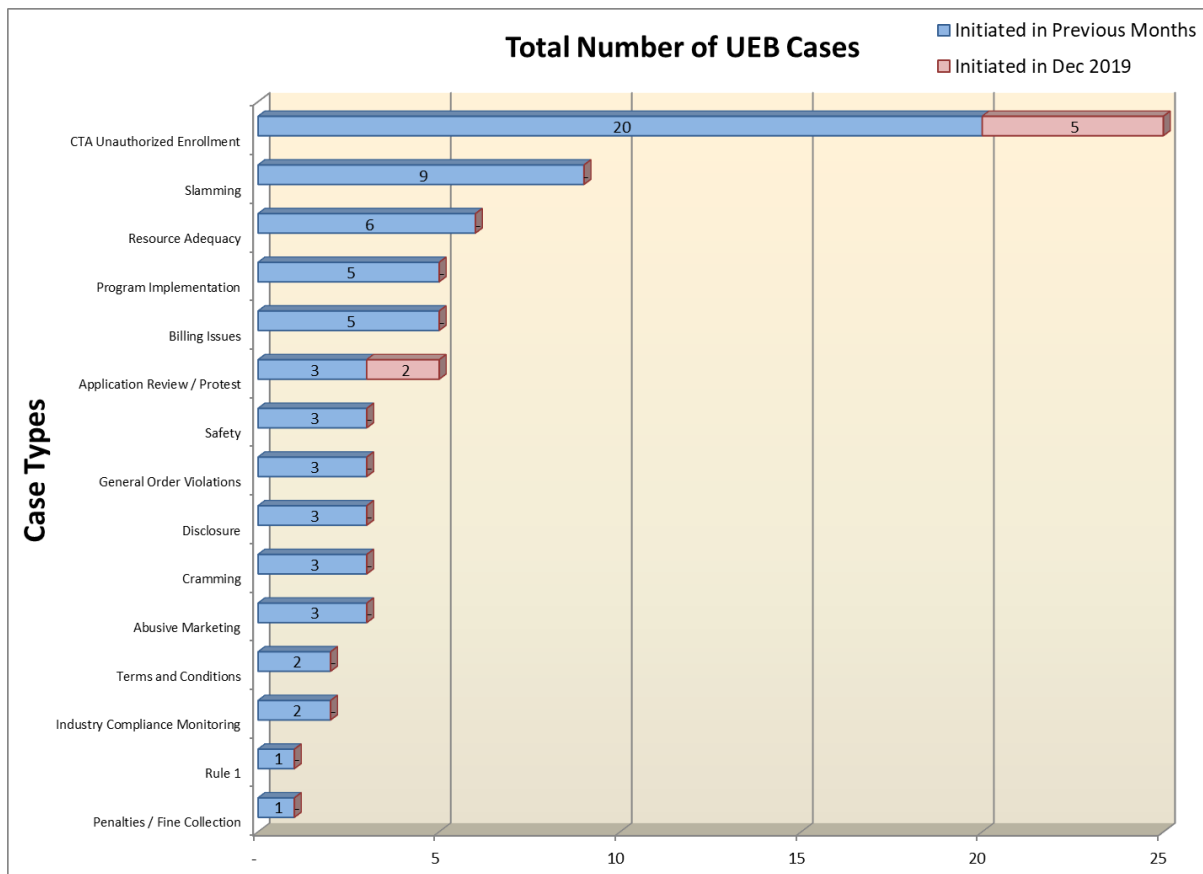
MONTHLY HIGHLIGHTS

- **TC Telephone (K.18-10-001) (ALJ Zhang):** The Commission adopted Resolution ALJ-373 approving the amended settlement agreement between CPED and TC Telephone. It orders TC Telephone to pay a penalty of \$76,000 and meet specified requirements to resolve issues relating to past non-compliance with Third-Party Verification requirements.
- **Frontier Communications (I.19-12-009) (Commissioner Randolph/ALJ Zhang):** The Commission voted to institute a formal investigation to determine whether Frontier violated any provisions of Public Utility (PU) Code or other applicable laws, rules and regulations by subjecting customers to widespread outages and service interruptions, and orders Frontier to show cause why it should not be ordered to pay \$2.5 million in penalty for disclosing and publishing addresses of residential customers who elected to have their address suppressed.
- **PG&E Public Safety Power Shutoff (PSPS) (R.18-12-005):** UEB staff and Legal attended a prehearing conference to determine the position of the parties, issues, and other procedural matters related to the October and November PSPS event. The ruling directs PG&E to show cause why it should not be sanctioned by the Commission for failing to properly communicate with its customers and coordinate with local governments and Public Safety Partners, resulting in a risk to public safety.

KEY ACTIVITIES

UEB is working on a total of 76 cases. Investigations center primarily on CTA Unauthorized Enrollment, Slamming, and Resource Adequacy. UEB’s cases come from a variety of sources, with CPCN application reviews, Inter-Division referrals, and UEB’s own scanning activities playing key roles.

Cases by Type as of December 31, 2019



CITATIONS/FINES/REPARATION

The Commission adopted a settlement agreement between TC Telephone and CPED requiring TC Telephone to pay a penalty of \$76,000. In addition, UEB issued three citations during the month of December 2019. Commercial Energy of Montana and Just Energy Solutions was cited \$31,368.60 and \$5,994, respectively for resource adequacy

deficiency. SFE Energy California was cited \$1,000, for failure to provide valid proof of customer enrollment authorization for its customers.

Date	Citations/Fines/Reparation
December 2019	\$114,363
Cumulative 2019	\$19,771,582

- Resource Adequacy (RA) Citation Program:** UEB issues citations and levy fines to enforce all Load Serving Entities’ (LSE) compliance with system, local, and flexible resource adequacy requirements pursuant to Resolution E-4195, as modified by Decisions 10-06-036, 11-06-022 and 14-06-050.

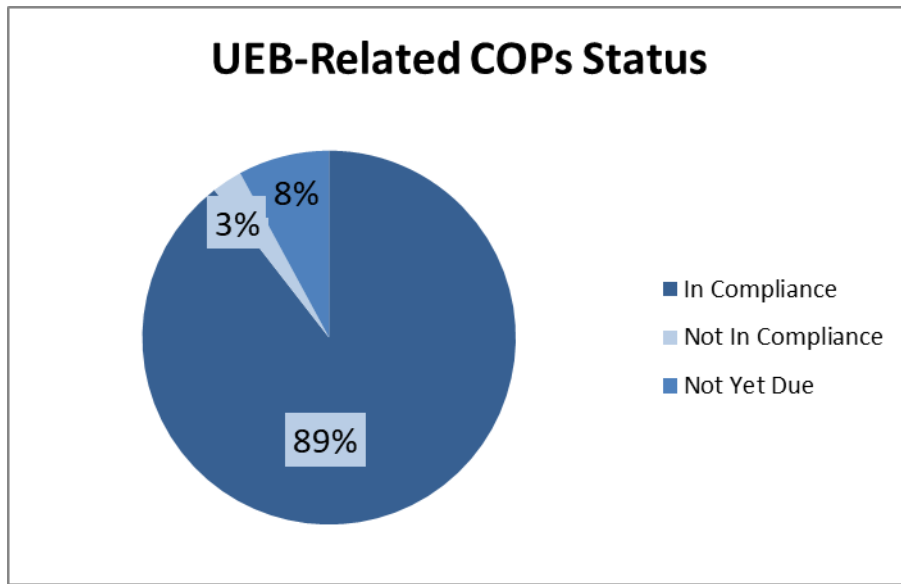
RESOURCE ADEQUACY CITATIONS ISSUED IN DECEMBER 2019					
Energy Citation #	Date Issued	Company	Citation Amount	Date Due	Status
E-4195-0071	12/10/2019	Commercial Energy	\$31,368.60	1/10/2020	Payment received 12/24/2019
E-4195-0072	12/10/2019	Just Energy Solutions	\$5,994.00	1/13/2020	Payment received 12/24/2019

- Core Transport Agent (CTA):** UEB reviews CTA-related complaints received by the Commission to enforce compliance with the standards for verification of change in provider requirements in D. 18-02-002, and to identify acts constituting grounds for suspension or revocation of registration pursuant to PU Code Section 983.5.
 - In December, UEB reviewed 57 CTA-related complaints received by CAB in November 2019 and identified 18 needing investigation. UEB issued 5 data requests for proof of enrollment authorization for 16 customers and received 14 TPVs and 2 signed contracts as proof of customer authorization. Staff will be sending a citation to 1 CTA (SFE) on January 21, 2020.

Month Received	CTA-Related Complaints		Data Requests Issued	Proof of Authorization Obtained	Citations Issued	Cease and Desist Letters Issued
	Total	Unauthorized Enrollment				
November	57	18	5	16	Pending	0

Citation #	Date Issued	Company	Citation Amount	Date Due	Payment Status
UEB-003-006	12/2/2019	SFE Energy	\$1,000.00	1/2/2020	Pending

COMPLIANCE WITH ORDERING PARAGRAPHS



There were no new Ordering Paragraphs added to UEB’s COPS tracker for the month of December. UEB was responsible for 38 separate Ordering Paragraphs. As of December 31, 2019, 34 (representing 89%) have been complied with, three are not yet due (representing 8%) and one is not in compliance (representing 3%).

Ordering Paragraphs related to UEB’s work are attributable to the imposition of fines, adoption of settlements, ordering of consumer refunds or reparation and other remedies and corrective actions, including reporting requirements, resulting from UEB’s investigations of violations of law and wrongdoing against consumers.

The numbers reported above tracks compliance with ordering paragraphs assigned to UEB and do not include tracking for compliance with payment of fines, penalties, surcharges or the like, which are assigned to Fiscal Office under the COPs system.

California Public Utilities Commission | Consumer Protection and Enforcement Division

However, UEB staff also tracks such payments separately in our case management system.

UEB-RELATED PROCEEDINGS

Docket No.	Title	ALJ	Commissioner
A.19-04-014	Application of Cox California Telecom, LLC (U5684-C) Requesting the Commission Not Require Cox to Pay Disputed Surcharge Amounts Identified in Audit Report.	Kline	Shiroma
I.17-04-021	Order Instituting Investigation on the Commission’s Own Motion into the Billing Practices of Southern California Gas Company (U904G); and Order to Show Cause Why the Commission Should not Revise Rule No. 14, Impose Penalties and/or Other Remedies for Extending Billing Periods and Issuing Untimely Monthly Bills.	Ayoade	Rechtschaffen
I.18-07-009	Order Instituting Investigation on the Commission’s Own Motion into the California’s One Million New Internet Users Coalition’s Misuse of California Advanced Services Fund Grant Funds; and Order to Show Cause Why the Commission Should Not Impose Penalties and/or Other Remedies for Violating Terms of Their Grant and for Refusing to Return Funds.	Zhang	Aceves
I.18-09-003	Order Instituting Investigation on the Commission's Own Motion into the Operations, Practices and Conduct of the San Jose Water Company (U168W) Regarding Overbilling Practices.	Bemesderfer	Aceves
I.19-12-009	Order Instituting Investigation on the Commission's Own Motion into the Operations, Practices, and Conduct of Frontier Communications to Determine Whether Frontier Violated Laws, Rules and Regulations through Service Outages and Interruptions and Disclosing and Publishing Customer Addresses.	Zhang	Randolph
K.18-10-001	Appeal of TC Telephone from Citation No.1308 - 1426 issued on August 8, 2018 by the Consumer Protection and Enforcement Division.	Zhang	N/A
K.19-03-024	Appeal of San Jose Clean Energy to Citation E-4195-0052 issued on February 27, 2019 by the Consumer Protection and Enforcement Division.	Kim	N/A

OUTREACH/TRAINING/OTHER ACTIVITIES

SNAP: The FCC’s Deputy Director of Rural Broadband discussed the FCC’s \$9 billion 5G fund to build broadband infrastructure throughout rural locations. The fund will support both the installation of fixed and mobile broadband networks to unserved parts of the United States.