



Consumer Protection and Enforcement Division



Monthly Activity Report January 2020

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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 January 2020, TEB carried over 111 investigations from the prior month. TEB closed 18 investigation cases and initiated 46 new ones. The Consumer Intake Unit (CIU) received 17 complaints and referred six complaints to the Enforcement Unit for further investigation.

Enforcement Actions	Jan 2020
Open Investigations at Beginning of Month	111
New Investigations	46
Investigations Completed	18
Cease and Desist Notices	28
Official Notices	3
Telephone Disconnects	2
Citations	6
Citations Appealed	0

Complaints		Jan 2020
Open complaints as of 1/1/2020		3
New complaints, by complainant type:		17
Consumer		13
Competitor		4
Complaints referred to Enforcement		6
Complaints Closed by CIU		14
Open as of 1/31/2020		
Duration	CIU Complaints	Referred to Enforcement Units
0-30 days	3	6
31-60 days	0	
61-90 days	0	
Over 90 days	0	

Carrier Application and Permit Activity

As of January 2020, TLAB’s Licensing Section has staff received 254 applications (New, Renewals, Refiles, and Transfer) and issued 195 permits. Currently, TLAB has completed 410 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	56
Renewal Applications Docketed	175
Refile Applications Docketed	20
Transfer Applications Docketed	3
Authorities Issued	195
Authorities Suspended	637
Authorities Revoked	73
Authorities Reinstated (Suspended/Revoked)	326
New Applications waiting for CHP inspection or carrier action (drug test results, insurance).	195
Renewal Applications waiting CHP inspection or carrier action (drug test results, insurance, or other renewal documents).	215
Pending Reinstatement from Suspension and Revocation	30
Total Active/Suspended TCP and PSC Authorities as of 12/31/2019	6124
Total Active/Suspended TNC Authorities as of 12/31/2019	12
Voluntary Suspensions	50
Voluntary Revocations	20
Vehicles added to Passenger Carrier Equipment Statements	512
Address and DBA Changes	316
Vehicle inspection requests sent to CHP	383
Returned Applications (incomplete package)	44

CITATIONS/FINES/REFUNDS

TEB Activity	January 2020
Fines Assessed	\$34,500
Fines Paid	\$13,590
Overcharge Refunds/Claims Settlements by TEB Consumer Unit	\$1,496.36

- F-5630. 1st Classic Transportation Inc. dba 4 Seasons Limousine Service, Tracy, TCP 21095. Case: PSG-5023. Fine: \$2,500. Violations: carrier 1) operated without a valid authority; 2) failed to accurately report revenue and under-reported fees; and 3) failed to complete waybills.
- F-5632. Limo 5 Star Dot Com, LLC, Daly City, TCP 29076. Case PSG-4994. Fine: \$4,000. Violations: carrier 1) operated without Workers' Compensation (WKCP) insurance; and 2) failed to produce records.
- F-5633. Arif & Fahad Investments LLC dba FA Limo Services, Hawthorne, TCP 32583. Case: PSG-5017. Fine: \$5,000. Violations: carrier 1) failed to obtain workers' compensation insurance; 2) failed to enroll drivers in DMV EPN program; 3) failed to drug test drivers; and 4) failed to provide access to records.
- F-5635. The Parking Space of Companies LLC dba The Parking Space at LAX, Airport Valet, Sam's Park et al., Los Angeles, TCP 35068. Case: PSG-5026. Fine: \$20,000. Violations: carrier 1) operated after expiration and subsequent denial; and 2) failed to obtain worker's compensation.
- F-5637. Airport Commute LLC dba Airport Commute LLC, Temecula, TCP 38514. Case: PSG-4789. Fine: \$1,000. Violations: carrier 1) advertised without authority.
- F-5638. Watermark Carlotta LLC dba The Fountains at The Carlota, Palm Desert, TCP 39052. Case: PSG-5088. Fine: \$2,000. Violations: Operated without authority.

Los Angeles Airport Citation Program – January 2020

Citations issued by LAX police	Citations issued by CPUC	Vehicles impounded	C&D letters issued by CPUC	Total fines collected
16 (unlicensed)	8	15	16	\$8,000

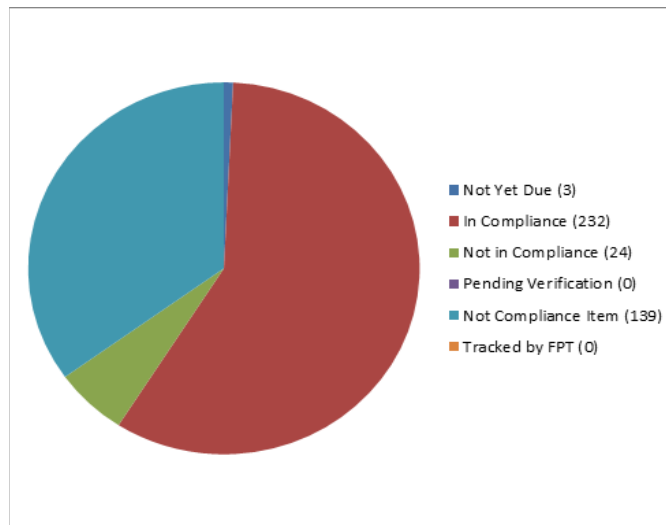
Telephone Disconnections

- **PSG-4499. Gloria Jordan dba Need A Lift, San Marcos (Unlicensed).** On January 13, 2020, TEB-S obtained a Finding of Probable Cause signed by a San Diego County

Superior Court Judge. The Finding orders disconnection of telephone service to the number advertised and used by carrier to violate criminal laws in the State of California.

- **PSG-5107. 805 All Inclusive Tours LLC and Michael Washington, Lompoc (Unlicensed).** On January 7, 2020, TEB-S obtained a Finding of Probable Cause signed by a Santa Barbara County Superior Court Judge. The Finding orders disconnection of telephone service to the number advertised and used by carrier to violate criminal laws in the State of California.

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**
 - No new activities.
- **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.19-03-015 / GoGo Technologies, Inc. Appeal / ALJ Yacknin**
Alternate Commissioner Randolph Draft Resolution issued on January 3, 2020 denies the citation and fine. Both Resolutions are on the agenda for the February 6, 2020 Voting Meeting.
- **K.19-08-017 / Khouri Amir Faiz, dba Classic Limousine and Sedan Service (TCP 21472) Appeal / ALJ McGary.** On February 7, 2020, the ALJ issued Draft Resolution ALJ-376, which affirms forty (40) counts and fine amount of \$2500.00 of the original \$5000.00 fine, \$2,500.00 is suspended on the condition that carrier does not receive citations for any future violations in the next twenty-four (24) months.
- **K.19-09-002 / Ibrahim Raed Khalil, dba Comedy Limo (TCP 17704) Appeal / ALJ Wang.** On February 6, 2020, the ALJ issued Draft Resolution ALJ-375 to affirm the TEB-N citation and sustain the \$5,000 fine.
- **K.19-09-15 / Jordan & Associates Investments, dba Sun Buggie Fun Rentals (TCP 38563-Z) Appeal / ALJ Kim.**
No hearing date scheduled by the ALJ.
- **K.19-10-009 / Migan C. Murray, dba Rite Time Transport (TCP 37559-A) Appeal / ALJ Yacknin**
ALJ scheduled hearing date of February 13, 2020.
- **K.19-11-012 / Executive Network Enterprises Inc (TCP 23109-B) Appeal / ALJ Kelley**
Settlement agreement pending ALJ approval.
- **K.19-12-004/ Superior Enterprises, LLC (TCP 35089) Appeal / ALJ Goldberg**

ALJ scheduled hearing date of February 18, 2020.

- **K.19-12-005/ D and D Limo, Inc. (TCP 36542) Appeal / ALJ Goldberg**
ALJ scheduled hearing date of on February 19, 2020.
- **K.19-12-006/On Time Coach Executive, LLC. (TCP 38149) Appeal / ALJ Goldberg**
ALJ scheduled hearing date of February 19, 2020.

Carrier Application Proceedings

- **A.20-01-004 / Application of Vineyard Infrastructure – Los Olivos, LLC, doing business as Santa Ynez Trolley, for authority to operate as a scheduled Passenger Stage Corporation between the cities of Los Olivos, Santa Ynez, Los Alamos, Ballard, Buellton and Solvang; and to establish a Zone of Rate Freedom (ZORF) / 01/13/2020 Application filed**
- **A.20-01-009 / Application of Leisure Sightseeing Shuttle, a California Corporation, for a Certificate of Public Convenience and Necessity to operate as an on call Passenger Stage Corporation between Points in the Counties of Alameda, Santa Clara, San Mateo, Contra Costa, Marin and the City and County of San Francisco and the San Francisco International Airport, Oakland International Airport and the Norman Y. Mineta San Jose International Airport; and to establish a Zone of Rate Freedom / 01/16/2020 Application filed**

OUTREACH/TRAINING/OTHER FIELD ACTIVITIES

Outreach

- TEB-S contacted 34 Southern California carriers who were suspended and revoked for inadequate insurance via telephone and sent them cease and desist notices informing them of their permit status. Provided carriers with information to contact the license section and/or go online for licensing information and forms (Voluntary Suspension/Revocation/Reinstatement).

Joint Agencies Work

- **Presentation at California Air Resources Board Meeting** – On January 23, 2020, TLAB management presented information at a public meeting of the California Air Resources Board (CARB) on the Commission’s roles in implementing Senate Bill 1014 (Skinner, 2018), the California Clean Miles Standard and Incentive Program, related to TNCs and greenhouse gas emissions reductions.

- **Meeting with Secretary of State's (SOS) Operations Manager-Business Entities** – On January 29, 2020, TLAB management and staff met with the Operations Manager-Business Entities at the California Secretary of State's Office (CA SOS) to discuss issues related to legal entities' (corporations, limited liability companies, limited partnerships, general partnerships, and limited liability partnerships, etc. .business filings and the process to form, dissolve, and convert legal entities. TLAB Licensing Section is working on updating its current policies and drafting new policies to be consistent with the CA SOS's procedures.
- **San Francisco International Airport (SFO) Ground Transportation Unit and San Francisco Airport Police.** Staff and management from TEB-N, SFO Ground Transportation Unit, and San Francisco Airport Police meet monthly to jointly address complaints of unlicensed passenger carriers that operate at SFO. In January 2020, joint staff observed/inspected 817 vehicles. Among the 817 vehicles, TEB staff found that 17 carriers operated with a suspended, revoked, or expired permit; while three carriers failed to register their vehicles with the CPUC.
- **San Diego International Airport.** CPED management and select staff met with the San Diego Airport Authority on 1/29/2020 to discuss a future enforcement partnership with the airport. TEB-S expects to commence enforcement at the facility beginning in March 2020.

Training

- TEB-N staff attended two training courses in January 2020:
 - Editing for Maximum Effectiveness, January 13, 2020.
 - Building High Performance Teams, January 30, 2020.

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.

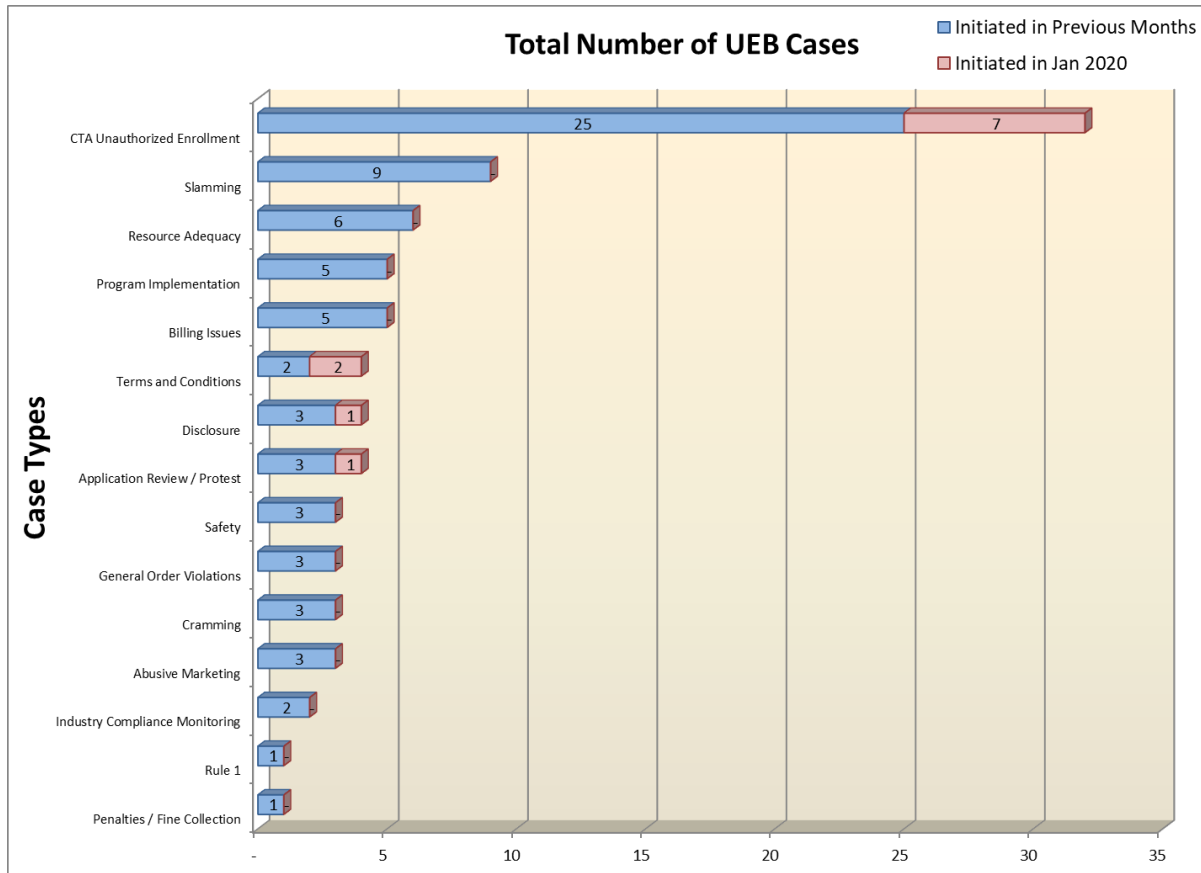
MONTHLY HIGHLIGHTS

- **One Million New Internet User Coalition (NIU) (I.18-07-009) (Commissioner Rechtschaffen/ALJ KIM):** UEB staff, Legal Counsel and NIU attended a follow-up Alternate Dispute Resolution to conduct settlement negotiations. The ALJ Neutral facilitated settlement discussions to resolve issues regarding allegations of NIU's misuse of CASF funds.
- **Frontier Communications (I.19-12-009) (Commissioner Randolph/ALJ Zhang):** As ordered by the ALJ, UEB staff and legal counsel met with Frontier to discuss issues regarding confidentiality of certain sections of the staff report and the OII. The OII was issued to determine whether Frontier violated any applicable laws by subjecting customers to widespread outages, and orders Frontier to show cause why it should not be ordered to pay \$2.5 million in penalties for publishing non-disclosed customer addresses.
- **Budget Prepay (Resolution T-17596):** The Commission, pursuant to the Complaint it filed at the California Superior Court is pursuing damages against Budget Prepay for breach of contract under Resolution T-17596.

KEY ACTIVITIES

UEB is working on a total of 85 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 January 31, 2020



CITATIONS/FINES/REPARATION

UEB did not issue any citations during the month of January 2020. Cumulative 2019 fines, reparations and penalties imposed are shown below.

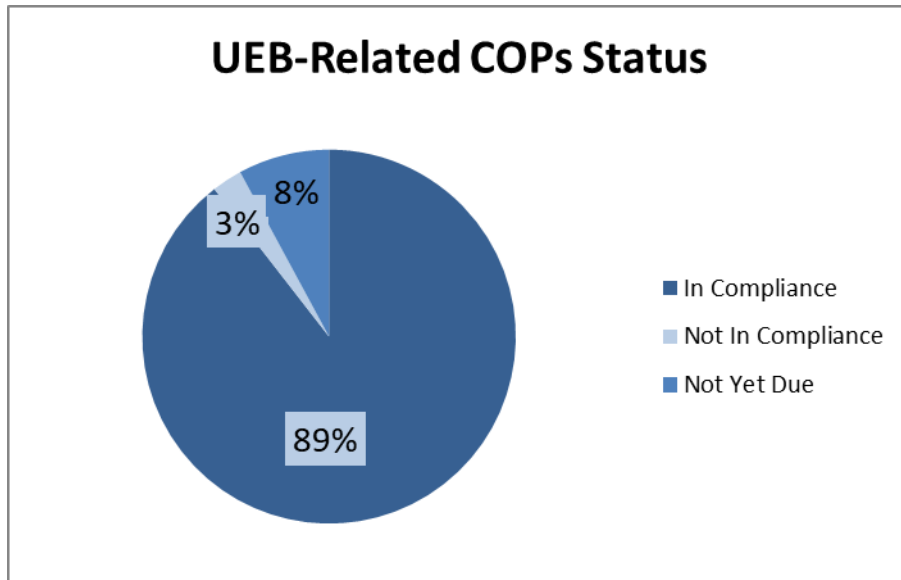
Date	Citations/Fines/ Reparation
January 2020	\$0
Cumulative 2019	\$19,771,582

- **Resource Adequacy (RA) Citation Program:** UEB issues citations and levy fines to enforce 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. There were no RA citations issued in January 2020.
- **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 January, UEB reviewed 70 CTA-related complaints received by CAB in December 2019 and identified 19 needing investigation. UEB issued 7 data requests for proof of enrollment authorization for 13 customers and received 12 TPVs as proof of customer authorization.

Month Received	CTA-Related Complaints		Data Requests Issued	Proof of Authorization Obtained	Citations Issued	Cease and Desist Letters Issued
	Total	Unauthorized Enrollment				
December	70	19	7	12	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	Paid on 1/1/2020

COMPLIANCE WITH ORDERING PARAGRAPHS



There were no new Ordering Paragraphs added to UEB’s COPS tracker for the month of January. UEB was responsible for 38 separate Ordering Paragraphs. As of January 31, 2020, 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. However, UEB staff also tracks such payments separately in our case management system.

DOCKET ACTIVITY

UEB-related Proceedings

Docket No.	Title	ALJ	Commissioner
A.19-04-014	Application of Cox California Telcom, 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.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 FIELD ACTIVITIES

SNAP: The FCC presented a summary of its Staff Report on the effectiveness of call-blocking tools limiting robocalls. The report clarified that carriers can: 1) offer call blocking based on analytics on an opt-out basis 2) offer programs that block calls from

numbers not in consumer's contact list on an opt-on basis and 3) provide a safe harbor for service providers offering call blocking. The report also asks carriers to comment on: 1) the availability of call-blocking tools 2) effectiveness of call-blocking tools 3) impact of FCC Actions and 4) impact on 911 and public safety.