

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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 Previously Demanded by the Commission's Division.

Investigation 18-07-009

ORDER EXTENDING STATUTORY DEADLINE**Summary**

This decision extends the statutory deadline in this proceeding until March 12, 2021.

1. Background

Pub. Util. Code § 1701.2(i) provides that adjudicatory cases, such as this one, shall be resolved within 12 months of initiation unless the California Public Utilities Commission (Commission) makes findings as to why that deadline cannot be met and issues an order extending that deadline. The 12-month statutory deadline for this proceeding was July 12, 2019. Decision (D.) 20-02-028 issued on February 6, 2020, extended the statutory deadline to August 12, 2020. This proceeding cannot be completed by August 12, 2020.

On July 12, 2018, the Commission initiated this Order Instituting Investigation (OII) into the California's One Million New Internet Users Coalition's

Misuse of California Advanced Services Fund Grant Funds. Responses to the Order to Show Cause were filed by Asian Pacific Community Fund and Korean Churches for Community Development/Faith and Community Empowerment. A Prehearing Conference (PHC) was held on November 14, 2018, to discuss the issues of law and fact, determine the need for hearing, and discuss the schedule for resolving the matter.

On December 18, 2018, the Assigned Commissioner's Scoping Memo and Ruling was issued setting the issues to be determined and setting the proceeding for evidentiary hearings. Parties agreed to participate in the Alternative Dispute Resolution (ADR) and the proceeding schedule was modified accordingly to allow parties enough time to focus on the ADR negotiations. Parties made progress in settlement and the assigned Administrative Law Judge (ALJ) issued a Ruling on May 9, 2019, suspending the proceeding schedule and requesting parties to submit a joint settlement status update by June 7, 2019. On June 27, 2019, D. 19-06-037 extended the statutory deadline to February 12, 2020.

There are five individual organizations that are respondents in this investigation and alternative dispute resolution discussions were more complex and time consuming. Because the parties reported that they were close to submitting a comprehensive settlement agreement, D.20-02-028 extended the statutory deadline to August 12, 2020.

At the conclusion of alternative dispute resolution in February 2020, the Consumer Protection and Enforcement Division reported that it had entered into informal agreements with four out of the five organizations. One respondent, Community Union, Inc., intends to proceed to the evidentiary hearing. Therefore, an extension of the statutory deadline to March 12, 2021 is necessary to continue the proceeding through its formal process. Additionally, the extension will give the Commission time to deliberate and issue a decision related to the other respondents whose issues were resolved through alternative dispute resolution.

2. Waiver of Comment Period

Under Rule 14.6(c)(4) of the Commission's Rules of Practice and Procedure, the Commission may waive the otherwise applicable 30-day period for public review and comment on a decision that extends the 12-month deadline set forth in Pub. Util. Code § 1701.2(i). Under the circumstances of this proceeding, it is appropriate to waive the 30-day period for public review and comment.

3. Assignment of Proceeding

Clifford Rechtschaffen is the assigned Commissioner and Zhen Zhang is the assigned Administrative Law Judge and Presiding Officer in this proceeding.

Findings of Fact

1. On July 12, 2018, the Commission initiated this OII into the California's One Million New Internet Users Coalition's Misuse of California Advanced Services Fund Grant Funds.
2. On August 20, 2018, Asian Pacific Community Fund filed its Response to the Order to Show Cause.
3. On September 21, 2018, Korean Churches for Community Development/Faith and Community Empowerment filed its Response to the Order to Show Cause.
4. A PHC was held on November 14, 2018.
5. On December 18, 2018, the Assigned Commissioner's Scoping Memo and Ruling was issued.
6. Parties were engaged in alternative dispute resolution from February 2019 to February 2020.
7. All respondents, except Community Union, Inc., choose to resolve their issues through alternative dispute resolution process.

8. Community Union, Inc. will proceed through the formal process, including an evidentiary hearing.

9. Decision 20-02-028 issued on February 6, 2020, extended the statutory deadline to August 12, 2020.

10. This OII cannot be completed by August 12, 2020.

11. An extension is necessary to allow Community Union, Inc. to proceed through the formal process including an evidentiary hearing.

12. An extension is necessary to give the Commission time to deliberate and issue a decision related to the other respondents whose issues were resolved through alternative dispute resolution.

Conclusion of Law

Pursuant to the authority granted to the Commission under Pub. Util. Code § 1701.2(i), the statutory deadline should be extended to March 12, 2021.

IT IS ORDERED that the statutory deadline for completion of this proceeding is extended until March 12, 2021.

This order is effective today.

Dated _____, at San Francisco, California.