

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In The Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY (U338E) for Authority to Lease Certain Fiber Optic Cables to CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS under the Master Dark Fiber Lease Agreement Pursuant to Public Utilities Code Section 851

A.17-02-001  
(Filed February 03, 2017)

**THE UTILITY REFORM NETWORK'S NOTICE OF *EX PARTE*  
COMMUNICATION**

**DAVID CHENG**

Attorney for  
The Utility Reform Network  
1620 Fifth Avenue, Suite 810  
San Diego, CA 92101  
(619) 398-3680 x103  
[dcheng@turn.org](mailto:dcheng@turn.org)

**CHRISTINE MAILLOUX**

Attorney for  
The Utility Reform Network  
1620 Fifth Avenue, Suite 810  
San Diego, CA 92101  
(619) 398-3680 x101  
[cmailloux@turn.org](mailto:cmailloux@turn.org)

Dated: February 27, 2018

## **THE UTILITY REFORM NETWORK'S NOTICE OF *EX PARTE* COMMUNICATION**

Pursuant to Rule 8.4 of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), The Utility Reform Network (“TURN”) hereby gives notice of the following notice of ex parte communication in the above-referenced proceeding.

On February 22, 2018, at approximately 11:00 a.m., representatives from TURN met with Sean Simon, Chief of Staff to Commissioner Rechtschaffen, and Travis Foss, Advisor to Commissioner Rechtschaffen. David Cheng, Staff Attorney, and Christine Mailloux, Managing Attorney, were present on behalf of TURN. All participants attended the meeting by phone. The meeting lasted approximately 30 minutes.

TURN representatives discussed their support for the Proposed Decision, including the proposed revenue sharing mechanism and the requirement that Southern California Edison (“SCE”) submit contracts entered into under the adopted Master Lease Agreement (“MLA”) to Commission Staff. TURN noted that the requirement to submit individual lease orders between SCE and Verizon Wireless will mitigate many of the potential risks to safety and non-discriminatory access raised by TURN in its previous comments. TURN discussed the record support for the Proposed Decision’s conclusion that the services offered under the MLA do not meet the definition of NTP&S and require a different sharing ratio, including data regarding the amount of fiber paid for by ratepayers and shareholders and SCE’s practices regarding the deployment of excess capacity in its fiber network. TURN emphasized that the findings and conclusions in this Proposed Decision only apply to the instant application and do not have an impact on previous or current SCE fiber lease arrangements.

TURN also addressed issues raised by SCE in its opening comments on the Proposed Decision. TURN noted that, contrary to assertions by SCE in its comments, the record does not support a finding that the proposed revenue sharing requirement will discourage future ratepayer investment or that the Commission’s intent when adopting the revenue sharing formula was specifically to encourage additional shareholder investment. TURN also noted that SCE’s showing in this proceeding did not support the claim in its comments that most of the fiber facilities that will be used to satisfy these leases with Verizon Wireless will be supported by shareholder investment. Instead, SCE provided little to no detail about the business case or demand forecasting for services under this MLA. TURN also discussed the procedural

