

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Joint Application of Webpass
Telecommunications, LLC (U-7278-C) and
Google Fiber Inc. for Approval of a
Transfer of Control of Webpass
Telecommunications, LLC.

Application 16-08-009
(Filed August 15, 2016)

**PROPOSED DECISION APPROVING TRANSFER OF CONTROL
OF WEBPASS TELECOMMUNICATIONS, LLC**

Summary

This decision grants the application of Webpass Telecommunications, LLC, and Google Fiber Inc. for the approval of transfer of control of Webpass Telecommunications, LLC to Google Fiber Inc. pursuant to Section 854 of the California Public Utilities Code.

This proceeding is closed.

1. Procedural Background

Webpass Telecommunications, LLC, (Webpass) is a California limited liability company, which is in good standing and authorized to transact business in the state of California.¹

¹ See Exhibit A to the Application, which is a Certificate of Status issued by the California Secretary of State regarding Webpass' status/standing in California.

In Decision (D.) 15-04-011, the Commission granted Webpass a Certificate of Public Convenience and Necessity (CPCN) to provide full facilities-based and resold local exchange telecommunications services, and interexchange service in California as a non-dominant interexchange carrier (NDIEC). With the CPCN, the Commission issued Webpass Utility Identification Number U-7278-C.

Webpass is wholly-owned by Charles Barr,² and based on its CPCN, Webpass is authorized to provide full facilities-based and resold competitive local exchange service throughout the service territories of Pacific Bell Telephone Company d/b/a AT&T California (AT&T), Citizens Telecommunications Company of California, Inc. d/b/a Frontier Communications of California (Citizens),³ and Consolidated Communications of California Company (Consolidated)⁴, and full facilities-based and resold interexchange service in California. Webpass' principal place of business is located at 267 8th Street, San Francisco, CA 94103.

2. The Application and Proposed Transaction

Google Fiber, Inc. Google Fiber, Inc. (Google Fiber) is a Delaware corporation that is in good standing in California, and is authorized to transact business in the state of California.⁵ Google Fiber is a wholly-owned subsidiary

² See Attachment 1 to this decision.

³ This includes the former Verizon California Inc.'s territory.

⁴ Webpass was authorized in the former territory of SureWest Telephone, formerly known as Roseville Telephone Company. In 2012, pursuant to D.12-06-004, SureWest Telephone was acquired by Consolidated Communications Inc. On January 1, 2016, SureWest Telephone changed its name to Consolidated Communications of California Company.

⁵ See Exhibit B to the Application, which contains documents issued by the California Secretary of State regarding Google Fiber's qualification and status/standing in California.

of Google Inc., which itself is a wholly-owned subsidiary of Alphabet Inc., a publicly-traded company.⁶ Based on the Application, Google Fiber provides an array of services to its customers including high-speed Internet, television, and interconnected VoIP services. Google Fiber's principal offices are at 1600 Amphitheatre Parkway, Mountain View, California 94043.

On June 22, 2016, Webpass and Google Fiber (collectively, "Joint Applicants") executed an "Original Equity Interest Purchase Agreement," under which Google Fiber will acquire Webpass, and Webpass will become a wholly-owned subsidiary of Google Fiber.

On August 15, 2016, the Joint Applicants filed Application (A.) 16-08-009 (Application) with the Commission, and submitted the June 22, 2016 Original Equity Interest Purchase Agreement (Original Purchase Agreement) with the Application in order to obtain Commission Approval for the proposed transfer of control of Webpass to Google Fiber.

On August 22, 2016, the Joint Applicants submitted an Amended and Restated Equity Interest Purchase Agreement (Amended Purchase Agreement) dated August 16, 2016, requesting that the June 22, 2016 Original Purchase Agreement be substituted/replaced with the Amended Purchase Agreement. According to the Joint Applicants, the Amended Purchase Agreement supersedes the Original Purchase Agreement in entirety.⁷

⁶ See Attachment 2 to this decision.

⁷ The request to replace the Original Purchase Agreement with the Amended Purchase Agreement has been evaluated, and the request is granted as further discussed below. Accordingly, any references to "Purchase Agreement" in this decision are to the Amended and Restated Equity Interest Purchase Agreement dated August 16, 2016.

Based on their Application, the Joint Applicants seek Commission authorization for a transfer of ownership and control of Webpass to Google Fiber pursuant to the Purchase Agreement dated August 16, 2016. Upon approval by the Commission, Webpass will become a wholly-owned subsidiary of Google Fiber, and Google Fiber will exercise managerial, technical, and financial control over Webpass and its authorized CPCN operations.⁸

Regarding the CPCN operations, the Application provides that Google Fiber is well-qualified managerially, technically, and financially to obtain and exercise control over Webpass. In addition, after the transaction is consummated Google Fiber will retain “the well-qualified management and operations teams of Webpass,” according to the Application. Thus, the Joint Applicants argue that the transfer of control of Webpass to Google Fiber will not result in immediate changes to the day-to-day operations of Webpass, and will not adversely affect any current Webpass’ operations in California.

The Application was initially protested by the National Diversity Coalition (NDC).⁹ However, on January 6, 2017, NDC withdrew its protest and requested that it be permitted to withdraw as a party in this proceeding. The Administrative Law Judge (ALJ) granted NDC’s request on January 9, 2017, and accordingly this Application became uncontested.

2.1. Requested Authority

This Application was submitted pursuant to Public Utilities Code Section 854. According to California Public Utilities Code Section 854(a), a company

⁸ See Attachments 3 to this Decision.

⁹ NDC’s filed its protest on September 19, 2016.

must seek authorization from the Commission before such company can “merge, acquire, or control either directly or indirectly any public utility organized and doing business in this state . . .” The purpose of Section 854(a) and related sections is to enable the Commission to review proposed transactions and to take action in the public interest, as a condition of the merger, acquisition or transfer of control, before any transfer of public utility authority is consummated.¹⁰ Absent prior Commission approval, Section 854(a) provides the transaction is “void and of no effect.”

In addition, the Commission has established that an applicant seeking approval to take control of a holder of a CPCN must, itself, meet the requirements for a CPCN under Public Utilities Code Section 1001. That is, as confirmed in D.15-07-015:

Where a company that does not possess a CPCN desires to acquire control of a company or companies that do possess a CPCN, the Commission will apply the same requirements to the acquiring company as would be applied to an initial applicant seeking a CPCN.¹¹

Accordingly, in this Application, Google Fiber must demonstrate that it independently meets the requirements for obtaining a CPCN under Public Utilities Code Section 1001, as if it were a CPCN applicant.

2.2. Compliance with Rule 3.6

The California Public Utilities Commission’s Rules of Practice and Procedure, Rule 3.6¹² sets forth requirements for approving an application to

¹⁰ See San Jose Water Co. (1916) 10 CRC 56.

¹¹ See D.15-07-015 at 4.

¹² Title 20, California Code of Regulations; hereinafter, Rule or Rules.

acquire or control a utility. As further discussed below, this Application complies with those requirements.

The most recent financial statements from the Annual Report on Form 10-K for the fiscal year ended December 31, 2015, for Alphabet Inc. (parent to Google Fiber, through Google Inc.) was submitted with the Application as Exhibit E. The financial information submitted demonstrated that Google Fiber meets the Commission's financial requirements for a CPCN.

In addition (as noted above), the Joint Applicants submitted a copy of the Purchase Agreement with their Application. The full terms and conditions of the proposed transfer of control, including the purchase price, are contained in the confidential Purchase Agreement submitted with the Application as Amended Exhibit C.¹³

Pursuant to Rule 3.6, the Purchase Agreement was duly executed by the Joint Applicants, who are parties to the proposed transfer of control of Webpass, and the Purchase Agreement contains all information required to be provided under Rule 3.6. More specifically, the Purchase Agreement describes the nature of the transaction, and other relevant terms, and provides that subsequent to obtaining all applicable regulatory approvals, Google Fiber will take control of Webpass and its CPCN operations. Accordingly, we conclude that this Application complies with the requirements of Rule 3.6.

¹³ Pursuant to the motion of the Joint Applicants, confidential Exhibit C has been withdrawn, and replaced with confidential Amended Exhibit C.

3. Discussion

3.1. Standard of Review under Section 854(a)

Public Utilities Code Section 854 is applicable to this transaction, and Section 854, subsection (a) is the applicable subdivision. Subdivisions (b) and (c) of Section 854 do not apply, as both subdivisions are applicable only to transactions where a utility (that is a party to the transaction) has a gross annual California revenue exceeding \$500 million. Neither Google Fiber nor Webpass has gross annual California revenues exceeding \$500 million.

The standard generally applied by the Commission to determine if a transaction should be approved under Public Utilities Code Section 854(a) is whether the transaction will be “adverse to the public interest.”¹⁴

In addition, the Commission has applied two major criteria for determining whether a CPCN should be granted or transferred under Public Utilities Code Section 1001. An applicant who desires to provide facilities-based interexchange services must demonstrate that it has a minimum of \$100,000 in cash or cash equivalent for operations of the company plus the costs of deposits to be paid to other carriers.¹⁵ An applicant is also required to make a reasonable showing of managerial and technical expertise in telecommunications or a related business.¹⁶

¹⁴ See, for example, Quest Communications Corp., D.00-06-079, 2000 Cal. PUC LEXIS 645, *18. This is also the standard applied by D.03-06-069 (2002 CalPUC LEXIS 975), in which the Commission authorized the transfer of control to EnCana, and by D.05-12-007 (2005 CalPUC LEXIS 527), which authorized the transfer of a 50% interest in the parent of Lodi Gas Storage, L.L.C.

¹⁵ The financial requirement for Competitive Local Exchange Carriers is contained in D.95-12-056, Appendix C. The financial requirement for NDIECs is contained in D.91-10-041.

¹⁶ D.95-12-056 at Appendix C, Rule 4.A.

3.2. The Proposed Transaction is Not Adverse to the Public Interest

The proposed transaction will result in a change in ownership of Webpass and a transfer of control of Webpass to Google Fiber. As a result of the transaction, Webpass will have access to the financial, operational, and managerial resources of Google Fiber, and Webpass will be relieved of administrative burdens including human resources, finance, and legal work, thus allowing the Webpass team to focus on developing its technology and services. Such strengthened support will enhance the competitive position of Webpass and benefit the California telecommunications marketplace consistent with the Commission's interests in fostering competition and diversity of services. Accordingly, the proposed transfer of control will serve the public interest.

The transaction will not result in the discontinuance, reduction, or impairment of any service to any customer in California, and the Joint Applicants will continue to comply with the terms and conditions of the CPCN. Following consummation of the proposed transaction, Webpass will continue its current operations without changes in its plans for applicable rates, terms, or conditions. The only change apparent to the customer should be that Google Fiber will be the owner of Webpass.

The requested transaction may be completed provided that it is not adverse to the public interest. As noted above, because the proposed transfer of control will serve the public interest, it cannot be said that this transaction is adverse to the public interest. Accordingly, the proposed transfer of control will be authorized by the Commission under Public Utilities Code Section 854.

3.3. Google Fiber Meets the Requirements for a CPCN

Google Fiber has provided financial documentation demonstrating that it has more than sufficient funds to meet the Commission's minimum financial requirements for a CPCN. The availability of sufficient funds will be subject to verification and review by the Commission for one year.

We also find that Google Fiber possesses the level of technical expertise necessary to qualify for a CPCN in California. In addition, the management team for Webpass will continue the CPCN operations following the transfer of control. This record demonstrates that Google Fiber has the technical and managerial qualifications to acquire and continue to operate Webpass' existing telecommunications operations in California and comply with CPCN requirements.

Pursuant to D.13-05-035, Ordering Paragraph 14, applicants for CPCN authority must disclose any regulatory fines, penalties, or sanctions they have received and any past bankruptcies as part of establishing the qualifications of management staff. The Joint Applicants have verified under penalty of perjury, to the best of their knowledge that no Applicant, and none of their affiliates, officers, directors, partners, agents, or owners (directly or indirectly) of more than ten percent of Applicant, or anyone acting in a management capacity for an Applicant: (a) held one of these positions with a company that filed for bankruptcy; (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (c) been convicted of a felony; (d) been the subject of a criminal referral by judge or public agency; (e) had a telecommunications license or operating authority denied, suspended, revoked,

or limited in any jurisdiction; (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of sections 17000 *et seq.*, 17200 *et seq.*, or 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; or (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general.

The Joint Applicants have verified under penalty of perjury that, to the best of Joint Applicants' knowledge, neither Applicant, any affiliate, officer, director, partner, nor owner of more than ten percent of Joint Applicants, nor any person acting in such capacity whether or not formally appointed, is being or has been investigated by the Federal Communications Commission (FCC) or any law enforcement or regulatory agency for failure to comply with any law, rule or order. There is nothing in this record that contradicts these assertions.

In addition, while providing the above verification, the Joint Applicants explained that it is impracticable and unduly burdensome for the Joint Applicants to make the above verification for Google Inc. (parent of Google Fiber), and Alphabet Inc. (Google Fiber's ultimate parent), given the size of Alphabet Inc. and Google Inc., and their numerous affiliates, scale and diversity of operations around the world, and the large number of employees who might be deemed to be acting in a "management capacity." We agree that the verification required in D.13-05-035, Ordering Paragraph 14, is not required for

Google Inc. and Alphabet Inc., as both, either jointly or severally, would not be involved in the direct control of Webpass or its CPCN operations in California.

Accordingly, we find that the Joint Applicants satisfied the requirements of D.13-05-035, and demonstrated sufficient financial strength, and managerial and technical expertise to satisfy Commission requirements for a CPCN.

In addition, we find that the transaction is in the public interest as it is not adverse to the public interest. The proposed transaction fulfills the requirements of Public Utilities Code Section 854, and the proposed transfer of control of Webpass to Google Fiber is in the public interest. Therefore, it is reasonable for the Commission to approve the transaction.

4. California Environmental Quality Act Compliance

Pursuant to the California Environmental Quality Act (CEQA)¹⁷ and Rule 2.4, the Commission is required to consider the environmental impacts and consequences of projects that are subject to Commission approval.

While, in some cases, a change of ownership and/or control may alter approved projects, result in new projects, or change facility operations in ways that may have an environmental impact, the Joint Applicants state that the proposed transaction is not a “project” and thus appears to be unqualified for under CEQA. In addition, the Joint Applicants indicate that the proposed transaction does not have the potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment pursuant to CEQA.

¹⁷ Public Resources Code § 21000 *et seq.*

Under these circumstances, we conclude with certainty that granting this Application will not have a significant adverse impact upon the environment. The proposed transaction qualifies for an exemption from CEQA pursuant to § 15061(b)(3) of the CEQA guidelines,¹⁸ and the Commission does not need to perform any further environmental review before approving this proposed transfer of control to Webpass to Google Fiber. In the future, before Google Fiber and/or Webpass could embark on new projects or construct facilities under the CPCN (other than installing equipment in existing buildings or structures) each or both must file for additional authority and submit to any necessary CEQA review.

5. Safety Considerations

With the adoption of the *Safety Policy Statement of the California Public Utilities Commission* on July 10, 2014, the Commission has, among other things, considered the potential safety implications of this proceeding. We are satisfied that Webpass and Google Fiber will meet the Commission's minimum safety goals and expectations of CLECs because: (1) Webpass and/or Google Fiber have taken steps to meet the financial requirements as set forth in this decision for a facilities-based CLEC, and (2) Webpass will remain a public utility that is required pursuant to Public Utilities Code Section 451 to "... furnish and maintain such adequate, efficient, just and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities ... as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public."

¹⁸ Title 14, California Code of Regulations, § 15000 *et seq.*

6. Conclusion

This Application should be approved. This approval should not modify the terms and conditions associated with the CPCN granted to Webpass in D.15-04-011 in any way. Webpass should continue to be bound by the terms and conditions imposed on it as part of the CPCN granted in D.15-04-011.

7. Motion to Substitute Exhibit C with Amended Exhibit C

On August 22, 2016, Joint Applicants filed a motion in this proceeding for leave to withdraw confidential Exhibit C and substitute it with a confidential “Amended and Restated Equity Interest Purchase Agreement” (Amended Exhibit C). According to the Joint Applicants, Amended Exhibit C is a revised/updated copy of Exhibit C, and Amended Exhibit C replaces and supersedes Exhibit C in entirety.

The Joint Applicants’ motion to substitute the original confidential Equity Interest Purchase Agreement (Exhibit C) with the confidential Amended and Restated Equity Interest Purchase Agreement (Amended Exhibit C) is granted. Exhibit C shall be replaced and substituted Amended Exhibit C, and Exhibit C will be confidentially destroyed by the Commission and not retained.

8. Request to File Under Seal

Pursuant to Commission Rules of Practice and Procedure Rule 11.4, the Joint Applicants filed motions for leave to file both Exhibit C and the Amended Exhibit C as confidential materials under seal. According to the Applicants, the exhibits contain commercially-sensitive information the public release of which could result in an unfair business disadvantage and competitive harm to the Applicants. We have granted similar requests in the past, and do so here as well.

The confidential Amended and Restated Equity Interest Purchase Agreement (Amended Exhibit C) shall be placed under seal for a period of

three-year from the effective date of this Decision. During this three year period, this information shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling. If the Applicants believe that it is necessary for this information to remain under seal for longer than three years, the Applicants may file a new motion showing good cause for extending this order by no later than 30 days before the expiration of this order.

In addition, as indicated above, the confidential original Equity Interest Purchase Agreement (Exhibit C) shall be confidentially destroyed by the Commission immediately and will not be retained.

9. Categorization and Need for Hearing

In Resolution ALJ 176-3384, the Commission preliminarily determined the category of this proceeding to be ratemaking, and found that a hearing was not required. While this Application was initially protested by the NDC, NDC withdrew its protest on January 6, 2017, and requested that it be permitted to withdraw as a party in this proceeding. With NDC's request granted, the Application is no longer contested and there are no reasons to disturb the preliminary determination finding that no hearing is required. A public hearing is not necessary in this proceeding and no issue has been raised why this Application should not be granted.

10. Assignment of Proceeding

Liane M. Randolph is the assigned Commissioner and Adeniyi Ayoade is the assigned Administrative Law Judge in this proceeding.

11. Waiver of Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code

and Rule 14.6(c)(2), the otherwise applicable 30-day period for public review and comment is waived.

Findings of Fact

1. Webpass is a California limited liability company, which is in good standing and authorized to transact business in the State of California. Webpass' principal place of business is located at 267 8th Street, San Francisco, CA 94103.

2. The Commission granted Webpass a CPCN to provide full facilities-based and resold local exchange telecommunications services, and interexchange service in California as a NDIEC in D.15-04-011. The Commission issued Webpass Utility Identification Number U-7278-C.

3. Google Fiber is a Delaware company, and a wholly-owned subsidiary of Google Inc., which itself is a wholly-owned subsidiary of Alphabet Inc. (a publicly-traded company).

4. Google Fiber is in good standing in California, and is authorized to transact business in the State of California. Google Fiber's principal offices are at 1600 Amphitheatre Parkway, Mountain View, California 94043.

5. Google Fiber and Webpass are the Joint Applicants that filed A.16-08-009, the subject of this decision.

6. Neither Google Fiber nor Webpass is a utility that has a gross annual California revenue exceeding \$500 million.

7. On June 22, 2016, Google Fiber and Webpass executed a purchase agreement which provides that Google Fiber will acquire Webpass. Upon the approval by the Commission and the completion of the proposed transaction, Webpass will become a wholly-owned subsidiary of Google Fiber.

8. On August 22, 2016, the Joint Applicants requested to substitute the June 22, 2016 purchase agreement with an Amended and Restated Equity Interest Purchase Agreement dated August 16, 2016.

9. In this Application filed on August 15, 2016, Google Fiber and Webpass (Joint Applicants) seeks Commission approval for the proposed transfer of control of Webpass to Google Fiber.

10. The proposed transaction will transfer control and/or ownership of Webpass to Google Fiber, and Google Fiber will acquire all equity interests in Webpass.

11. The proposed transaction will not result in the transfer of the CPCN granted by the Commission to Webpass or its customers, and when consummated, the transaction will not result in immediate changes to the day-to-day operations of Webpass, and will not adversely affect any of Webpass' current operations in California.

12. Following consummation of the proposed transaction, Webpass will continue its current operations without changes in its applicable rates, terms, or conditions of service. The transaction will not result in the discontinuance, reduction, or impairment of any service to any customer in California.

13. The proposed transaction will have no significant impact on competition or the marketplace.

14. The proposed transaction will not have an adverse effect on the public interest.

15. The proposed transaction will not have an adverse impact on safety.

16. Webpass will continue to be bound by the terms and conditions prescribed by the Commission in D.15-04-011 for its CPCN operations.

17. This change of ownership and control will have no significant effect on the environment.

18. The Joint Applicants demonstrated sufficient financial strength, and managerial and technical expertise, to satisfy Commission requirements for granting of a CPCN.

19. No one associated with or employed by Webpass or Google Fiber as an affiliate, officer, director, partner, agent, or owner of more than ten percent of them, except as noted by the Application: (a) held one of these positions with a company that filed for bankruptcy; (b) been personally found liable, or held one of these positions with a company that has been found liable, for fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; (c) been convicted of a felony; (d) been the subject of a criminal referral by judge or public agency; (e) had a telecommunications license or operating authority denied, suspended, revoked, or limited in any jurisdiction; (f) personally entered into a settlement, or held one of these positions with a company that has entered into settlement of criminal or civil claims involving violations of sections 17000 *et seq.*, 17200 *et seq.*, or 17500 *et seq.* of the California Business & Professions Code, or of any other statute, regulation, or decisional law relating to fraud, dishonesty, failure to disclose, or misrepresentations to consumers or others; or (g) been found to have violated any statute, law, or rule pertaining to public utilities or other regulated industries; (h) entered into any settlement agreements or made any voluntary payments or agreed to any other type of monetary forfeitures in resolution of any action by any regulatory body, agency, or attorney general; or (i) is being, or has been investigated by the FCC or any law enforcement or regulatory agency for failure to comply with any law, rule or order.

20. Pursuant to the Commission's Rules of Practice and Procedure Rule 11.4, Webpass and Google Fiber filed motions for leave to file Exhibit C to the Application, and Amended Exhibit C as confidential materials under seal.

21. The Joint Applicants have requested to withdraw Exhibit C and substitute it with Amended Exhibit C.

Conclusions of Law

1. Webpass should continue to be subject to the Commission jurisdiction in the same manner as it is was prior to the transfer of control.

2. The proposed transaction constitutes a change of control, within the meaning of Public Utilities Code Section 854.

3. Public Utilities Code Section 854, subsections (b) and (c) do not apply to this transaction.

4. Public Utilities Code Section 854(a) provides that no person or corporation shall merge, acquire, or directly or indirectly control a public utility organized and doing business in California without first securing authorization from the Commission.

5. The standard generally applied by the Commission to determine if a transaction should be approved under Section 854(a) is whether the transaction will be "adverse to the public interest."

6. The Application should be granted under Public Utilities Code Section 854(a).

7. This transfer of control qualifies for an exemption from CEQA under CEQA guidelines § 15061(b)(3) and therefore, additional environmental review is not required.

8. Joint Applicants satisfied the requirements of D.13-05-035, and demonstrated sufficient financial strength, and managerial and technical expertise to satisfy Commission requirements for a CPCN.

9. Webpass should continue to be bound by the terms and conditions of Webpass' CPCN granted in D.15-04-011.

10. The Joint Applicants' motion to withdraw Exhibit C and replace it with Amended Exhibit C should be granted, and Exhibit C should be confidentially destroyed by the Commission.

11. The Joint Applicants' motion to file Amended Exhibit C to the Application under seal should be granted for three years.

12. Evidentiary hearings are not necessary. The preliminary determinations in Resolution ALJ 176-3384 need not be disturbed.

13. A.16-08-009 should be closed.

O R D E R

IT IS ORDERED that:

1. The Application of Webpass Telecommunications, LLC, and Google Fiber Inc. for the approval of the transfer of control of Webpass Telecommunications, LLC, to Google Fiber Inc. is approved pursuant to Section 854 of the California Public Utilities Code.

2. Webpass Telecommunications, LLC, shall continue to be bound by all terms and conditions of Webpass Telecommunications, LLC's Certificate of Public Convenience and Necessity, as granted by Decision 15-04-011.

3. The authority granted by this decision shall expire if not exercised within 12 months from the effective date of this decision.

4. The motion of Webpass Telecommunications, LLC, and Google Fiber Inc. to withdraw Exhibit C to the Application and replace it with Amended Exhibit C is granted. Exhibit C shall be confidentially destroyed by the Commission.

5. The motion of Webpass Telecommunications, LLC, and Google Fiber Inc., to file under seal Amended Exhibit C is granted for a period of three years from the effective date of this Decision. During this three-year period, the information contained in Amended Exhibit C shall not be publicly disclosed except on further Commission order or Administrative Law Judge ruling. If the Joint Applicants believe that it is necessary for this information to remain under seal for longer than three years, the Applicants may file a new motion showing good cause for extending this order by no later than 30 days before the expiration of this order.

6. Application 16-08-009 is closed.

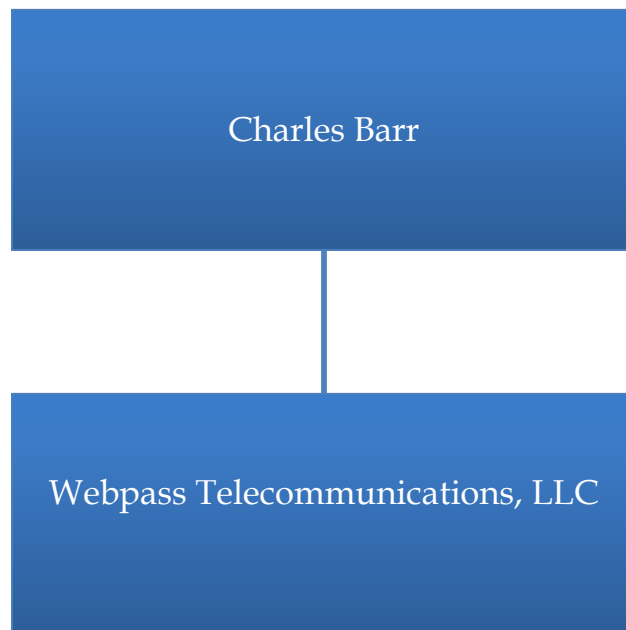
This order is effective today.

Dated _____, at San Francisco, California.

ATTACHMENT 1

Webpass Telecommunications, LLC
(Pre-Acquisition by Google Fiber, Inc.)

*Webpass Telecommunications, LLC is wholly owned by Charles Barr.

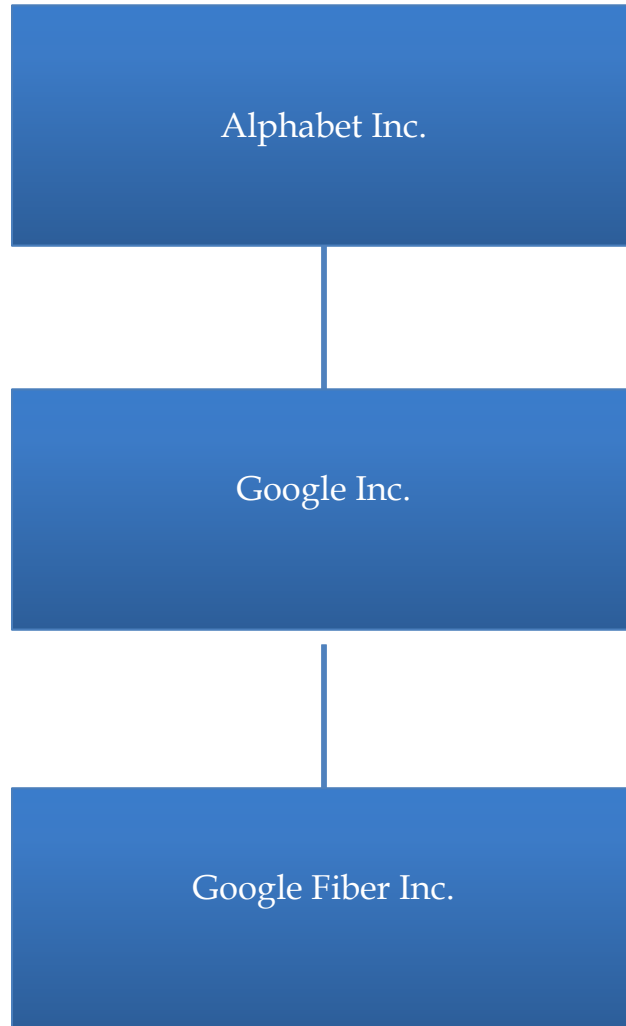


(END OF ATTACHMENT A)

ATTACHMENT 2

Alphabet Organization Chart

*All companies below are wholly owned subsidiaries of their parent company.

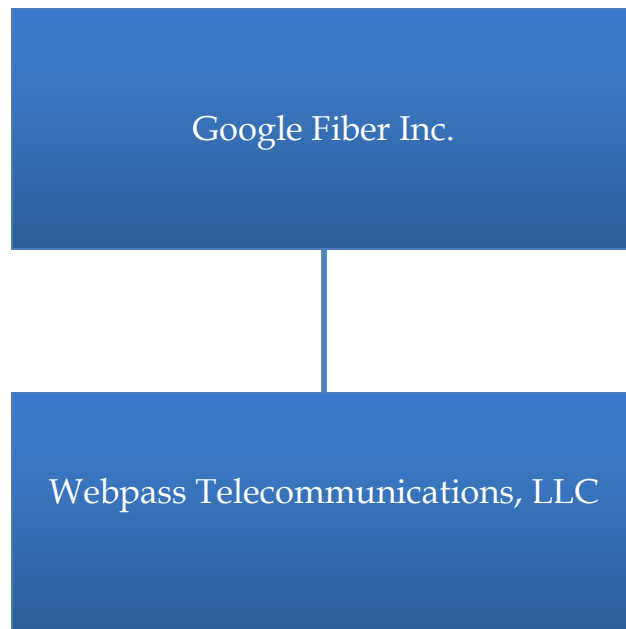


(END OF ATTACHMENT 2)

ATTACHMENT 3

Webpass Telecommunications, LLC *
(Post-Acquisition by Google Fiber, Inc.)

*Webpass Telecommunications, LLC is 100% owned by Google Fiber Inc.



(END OF ATTACHMENT 3)