

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

Application of Pacific Gas and Electric Company (U 39 E) for a certificate of public convenience and necessity to provide: (i) full facilities-based and resold competitive local exchange service throughout the service territories of AT&T California, Frontier California Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California; and (ii) full facilities-based and resold non-dominant interexchange services on a statewide basis.

Application No. 17-04-010
(filed April 6, 2017)

**REPLY OF PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
TO PROTESTS**

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Under Rule 44.6 of the Rules of Practice and Procedure of the California Public Utilities Commission (“CPUC” or “Commission”), Pacific Gas and Electric Company (“PG&E”) files this reply to the protests to PG&E’s Application for a Certificate of Public Convenience and Necessity (“CPCN”) in order to provide full facilities-based and resold competitive local exchange access and non-dominant interexchange services (“Application”). PG&E seeks authority to operate as a competitive local exchange carrier (“CLEC” or “CLC”) in the territories served by incumbent LECs, AT&T California (“AT&T”), Frontier California, Inc. (“Frontier”), Consolidated Communications of California Company (“Consolidated”), and Citizens Telecommunications Company of California (“Citizens”), and as a non-dominant interexchange carrier in the entire State of California.

This reply addresses protests submitted by the Office of Ratepayer Advocates (“ORA”), The Utility Reform Network (“TURN”), The California Association of Competitive Telecommunications Companies (“CALTEL”), The California Cable & Telecommunications Association (“CCTA”), Crown Castle NG West LLC (“Crown Castle”), the Greenlining Institute (“Greenlining”), and the City and County of San Francisco (“San Francisco”) (collectively “Intervenors”).

I. ISSUES TO BE ADDRESSED IN THIS PROCEEDING

Intervenors raise several concerns ranging from nondiscriminatory treatment for other telecom operators to appropriate compensation for PG&E's gas and electric customers to obligations to provide telecom services.

PG&E feels that these concerns fall into two buckets: (1) issues that may warrant additional dialogue through hearings or workshops; and (2) issues that PG&E attempts to resolve through the below response.

A. PG&E will not discriminate in processing attachment requests.

PG&E agrees that nondiscriminatory access by CLECs, Cable TV providers ("CATV"), and commercial mobile radio service carriers ("CMRS") to PG&E poles and conduits pertains to PG&E's request to operate as a CLEC and is appropriately considered in evaluating PG&E's Application. But other concerns about PG&E's processing of attachment requests apply to the industry as a whole, are irrelevant to PG&E's request to operate as a CLEC, and should be addressed in separate proceedings, some of which are already ongoing.

1. PG&E's procedures will ensure nondiscriminatory treatment of attachment requests.

Intervenors have raised concerns that PG&E would provide its CLEC with preferential access to poles and conduits. PG&E appreciates these concerns and proposes that the Commission allow for additional briefing on those issues through workshops and written submissions, as discussed below in the proposed schedule. To assist the Commission and intervenors, PG&E nonetheless provides the following information about PG&E's pole and conduit attachment procedures.

PG&E will ensure nondiscriminatory access to PG&E poles and conduits by third parties and its own CLEC through PG&E's separation of functions and through nondiscriminatory, first-come, first-served treatment of pole and conduit applications. PG&E's Joint Utilities Group processes pole and conduit attachment requests from third parties, while PG&E's New Revenue

Development (“NRD”) will operate PG&E’s CLEC. The Joint Utilities Group processes pole and conduit applications on a first-come, first-served basis and will not unfairly delay or hinder processing pole or conduit applications. Projects of PG&E’s CLEC to install facilities on poles or in conduits will receive the same timing priorities as the pole or conduit applications processed by the Joint Utilities Group. This may be further demonstrated through a description of the Joint Utilities Group procedures to process pole and conduit attachment applications.

PG&E’s Joint Utilities Group evaluates pole and conduit attachment applications from qualified CLECs, CATVs, and CMRS on a nondiscriminatory, first-come, first-served basis, under Commission Decision 98-10-058, known as the Right-of-Way Decision (“ROW Decision”), and its progeny. According to the policies set forth in the ROW decision, PG&E negotiates master license agreements with qualified CLECs, CATVs, and CMRS carriers, which enable these entities to submit pole or conduit attachment applications for right-of-way access. Under the ROW Decision, the Joint Utilities Group assesses whether there is available capacity for a requester’s proposed attachments by considering the impact of firm plans for PG&E’s core gas and electric businesses to attach within 12 months and pre-existing approved applications from other requesters. PG&E has developed procedures to ensure the fair and non-discriminatory processing of those applications.

The PG&E procedure implemented by PG&E’s Joint Utilities Group for reviewing pole access requests is as follows:

- Qualifying CLEC, CATV, or CMRS (“Requester”) submits pole access applications with pole loading calculations, make-ready forms,^{1/} current intrusive inspection data (for poles more than fifteen years old), maps, and PG&E’s official access request form to a designated PG&E email address.
- PG&E records the receipt of the applications and verifies that applications are complete and that poles requested are consistent between the forms named above. Incomplete or erroneous application(s) are returned to Requester for correction. Complete applications

^{1/} A make-ready form is an industry-recognized form that notes the height of existing and proposed attachments and notes any necessary work to make the pole ready for the new attachment, such as installing a crossarm or lowering or raising an attachment.

are forwarded to PG&E's Joint Utilities Group representatives (according to PG&E service region) for review.

- The applications are then reviewed for accuracy and to determine if the request satisfies safety factors, including but not limited to a pole-by-pole review of the information used in the pole loading calculations. For any identified errors or discrepancies, the Requester may be asked to revise the calculations before approval, or, in the case of multiple errors, the application may be denied. For application denials, specific reasons for denial are provided in writing. A forty-five day period is the internal target for the review timeframe.
- Approvals are provided on a pole-specific basis and include a PG&E contact permit number. The Requester is billed for the time required by PG&E to review the application and the approved attachments are submitted to PG&E's Mapping department.
- Approved applications are selected randomly for a post-audit, to ensure that the Requester has constructed the pole attachments as designed in the approved application job package.

The PG&E procedure implemented by PG&E's Joint Utilities Group for reviewing conduit access requests is as follows:

- Requester submits applications with route map and PG&E's official access request form (publicly available on PG&E's official website) to a designated PG&E email address.
- The designated PG&E Joint Utilities Group representative reviews the proposed route and obtains input from various PG&E departments to determine whether existing plans for PG&E gas and electric business or other existing third-party requests to be constructed within the following twelve months conflict with the requested route.
- If no conflicts exist, PG&E performs a feasibility study (i.e., rod and rope test) to test the available capacity within the manholes contained in the route. If sufficient capacity exists, the Requester will be asked to submit construction drawings for approval.
- If construction drawings are approved according to PG&E standards, PG&E will coordinate with the Requester for a construction start date.
- After construction, the Requester submits as-built drawings, which upon approval are submitted to PG&E's Mapping department.
- Requester build-outs are subject to PG&E inspection during and after construction.

The Joint Utilities Group will continue to follow these procedures and apply them on a nondiscriminatory, first-come, first-served basis to ensure PG&E's CLEC does not receive preferential access to PG&E's facilities. When processing pole attachment requests, the Joint Utilities Group logs the identification numbers of every pole in the application with the application's date stamp. The PG&E CLEC will likewise submit projects to the Joint Utilities

Group for logging of the pole identification numbers and date stamps. In this way pole loading calculations will account for existing pole attachments and any logged projects with earlier date stamps, whether proposed by a third party Requester or the PG&E CLEC. When processing pole-top requests, the Joint Utilities Group consults with and notifies PG&E's Service Planning department, which maintains a log of existing notifications of pole-top usage. The PG&E CLEC will submit their projects to the same queue. When processing conduit requests, the Joint Utilities Group will evaluate conduit capacity considering PG&E CLEC's preexisting projects as they would any other CLEC approved application. By using this separation between the PG&E CLEC's and the Joint Utilities Group's functions and the first-come, first-served processes, PG&E will ensure nondiscriminatory access.

2. Additional provisions for Overhead Agreements

CALTEL argues that PG&E's standard overhead agreement does not require PG&E to provide nondiscriminatory access for third party requesters. Such a provision is unnecessary, as nondiscriminatory access is guaranteed by the ROW Decision. PG&E does not object to modifying PG&E's standard overhead agreements to include these provisions, provided that any "re-opener" proceedings are strictly limited to those terms. PG&E does not agree to renegotiate its standard overhead agreement to modify other, unrelated provisions.

3. Imposing ILEC time obligations on PG&E would harm PG&E's gas and electric customers.

CCTA suggests that the Commission require PG&E to respond to attachment requests under the ROW Decision within the same timeframes as required of Incumbent Local Exchange Carriers ("ILECs"). This would be unfair and result in PG&E's gas and electric customers subsidizing CLEC, CATV, and CMRS customers. ILECs must respond to third party attachment requests within specific time frames because ILECs have dominant control within their service territories, and the Commission decided in the ROW Decision that ILECs should process applications within prescribed time frames. The ROW Decision acknowledged that electric

utilities are devoted to their core business and “should not compromise their primary obligations to serve their own customers in the process of complying with telecommunications carriers’ requests for information or for ROW access.” (ROW Decision, at p. 64.) That will not change for PG&E when it operates as a CLEC. PG&E will provide only limited telecom services and will not have extensive resources to operate the telecom services. PG&E’s primary focus will remain on providing safe, reliable, and affordable gas and electric services; it will not become an ILEC in any part of its gas and electric service territory.

Requiring PG&E to respond to telecom attachment requests in the same time frames as ILECs would require PG&E to maintain staff to respond to requests at a heightened level at all times, whether or not there are sufficient applications to pay for that level of staffing. Under the ROW Decision, PG&E is only paid for the actual costs in processing attachment requests. Therefore the cost of the increased level of staffing must be borne by PG&E’s CLEC (where profits are shared with PG&E’s gas and electric customers) or directly by PG&E’s gas and electric business. This would cause PG&E’s gas and electric customers to bear elevated costs to respond more quickly to CLEC, CATV, and CMRS customers.

Imposing shortened time frames to review attachment applications would also risk the safety and reliability of PG&E’s electric system. When PG&E receives a request for a pole attachment, PG&E carefully and thoroughly analyzes the applications, including proposed pole loading calculations. Shortening the time frame would not allow sufficient review, potentially decreasing the reliability of PG&E’s electric system and increasing public safety risks.

4. Issues that should be resolved in general proceedings, not in PG&E’s CLEC Application proceeding.

Other issues that relate to processing attachment requests apply to the entire electric utility industry and are not affected by or related to PG&E’s Application. These issues should be addressed in separate rulemaking proceedings.

This is not the appropriate proceeding to raise concerns about attachment requests under the Northern California Joint Pole Agreement (“NCJPA”). Crown Castle argues that PG&E

conditioned access to poles under ownership terms that exceed those necessary to ensure safety and engineering reliability. (Crown Castle, pp. 1-3). Ownership of joint poles is governed by the voluntary NCJPA, which was signed by numerous parties. These terms are irrelevant to PG&E's Application and far exceed the scope of this proceeding. Moreover, if Crown Castle objects to the terms of the NCJPA, Crown Castle may seek to attach to PG&E's poles under the ROW Decision by entering into a master overhead license agreement with PG&E. To date, Crown Castle has not requested such an agreement.

Likewise CALTEL raise concerns about AT&T's refusal to obtain additional space for new telecom tenants on joint poles under the NCJPA. (CALTEL, at p. 2). Resolution of CALTEL's concerns about the NCJPA, which necessarily involve AT&T, are inappropriate in this CPUC proceeding about PG&E's CLEC Application.

CALTEL's request that PG&E provide pole data and conduit capacity data is a broad question that should be addressed with the participation of the entire industry, not as a part of PG&E's CLEC Application. The Commission is already considering the possibility of developing a universal database of available pole capacity: The CPUC issued data requests regarding pole ownership, leasing, capacity, loading, and databases on January 27, 2017, and held a workshop on this topic on March 17, 2017.

Conduit capacity likewise should be addressed by the entire industry. The only way to determine conduit capacity is through a feasibility or "rod and rope" test. This requires qualified engineers to physically test each conduit to determine the available space. Requiring PG&E to evaluate all conduits – whether or not anyone has any present intention of seeking to use those conduits – would be inefficient, costly, and a waste of resources.

B. PG&E's telecom business will benefit PG&E's core gas and electric business.

PG&E appreciates concerns about the impact of granting PG&E CLEC status on PG&E's core gas and electric business. PG&E proposes that the Commission allow for additional briefing on those issues through workshops and written submissions as discussed below in the

proposed schedule. To assist the Commission and interveners, PG&E nonetheless provides the following clarifications about PG&E's intentions in offering telecom services.

1. Operating as a CLEC will not be detrimental to PG&E's core gas and electric business.

PG&E's CLEC will not increase risks to its core gas and electric operations. Certain interveners expressed concern that the business might divert management attention away from providing gas and electric service, or that the CLEC operations might increase network security issues for PG&E's gas and electric operations. PG&E believes that it has addressed these concerns. First, through its New Revenue Development Department within its Customer Care organization, PG&E has safely and reliably operated a telecommunications business for nearly twenty years, offering licensing of PG&E's electric assets to wireless carriers to attach antennas and base stations and licensing of PG&E's poles, towers, conduit, and fee property to telecom providers for fiber optic cable (i.e., "dark fiber"). The full operations of the New Revenue Development department are run by a director who requires minimal time from PG&E executives. The CLEC will be included in the New Revenue Development department operations, and as a CLEC, PG&E would add to its existing services to offer a more complete menu of telecommunications services to its customers. With twenty years of experience offering its existing telecommunications services^{2/} and an existing telecommunications team, PG&E can add services to its existing offerings without diverting management attention.

Second, PG&E's significant experience in deploying and operating telecommunications infrastructure, for both its core gas and electric systems and telecommunications customers, enables it to add these services in a reliable, safe, and secure manner. PG&E has the managerial and technical qualifications to provide the proposed new services; its knowledgeable and effective team will ensure that PG&E continues to follow best practices to ensure consistency

^{2/} As stated in its Application (at page 5), PG&E will continue to maintain existing contracts it has executed with third-party telecommunications carriers for use of Applicant's dark fiber and access to Applicant's support structures. After becoming a CLEC, PG&E will continue to offer a dark fiber product.

with utility standards and accompanying safety and security procedures. Specifically with respect to security, PG&E will dedicate separate strands of fiber for CLEC customer traffic and use separate end-point equipment that will have no data, control, or communication connection to PG&E's utility telecommunications gear and secure spaces. Therefore, PG&E will not co-mingle CLEC fiber, equipment, or traffic with the gas and electric operations communications traffic.^{3/} And as outlined in the application, incremental costs to operate the CLEC, including any incremental costs to ensure safety and security, will be borne by investors.

2. PG&E's proposed 50/50 after tax net revenue sharing with gas and electric customers is fair and appropriate.

PG&E's proposed 50/50 after-tax net revenue sharing mechanism provides appropriate incentives to undertake economic opportunities to provide service to qualified customers, regardless of whether an opportunity is "high margin" or "low margin."^{4/} In proposing its extreme gross revenue sharing mechanism, TURN presumes that all opportunities to provide service to customers will be high margin opportunities where incremental expenses are a small percentage of revenue. However, this is not predictable, and TURN's proposal would preclude PG&E from undertaking lower margin – yet still profitable – opportunities that would benefit ratepayers. Further, TURN claims that "under the gross revenue sharing mechanism, the ratepayers' share of the revenues is indifferent to the amount of incremental costs PG&E records to its CLEC activities." (TURN, at p.5.) While mathematically correct, this simplistic claim ignores the reality that – regardless of the sharing mechanism – PG&E must include expected costs in its economic evaluations of whether to provide service to potential customers. As demonstrated in the example in PG&E's application, under a gross revenue sharing mechanism PG&E may have to forego otherwise economic opportunities that would benefit both ratepayers

^{3/} In addition to addressing cyber security concerns, this separation addresses Greenlining's concern that federal monitoring of the electric grid not expand to telecommunications customers.

^{4/} A "high margin" opportunity has incremental expenses that are a small percentage of revenue, while a "low margin" opportunity has incremental expenses that are a large percentage of revenue.

and shareholders. This would especially be the case under TURN's extreme gross sharing proposal.

PG&E's proposed 50/50 after-tax net revenue sharing mechanism is fair to ratepayers. TURN claims that "...its gas and electric utility customers bear the far greater share of the costs as 'non-incremental' and A&G costs."^{5/} (TURN, at p. 5.) This claim appears to be based on the false presumption that ratepayers have some sort of a property right to PG&E's facilities; the reality is that ratepayers pay for electric and gas service, not the property used to provide the service. Ratepayers do not bear the risks of ownership as do holders of PG&E Corporation common stock and do not have right to the benefits of ownership. As demonstrated in PG&E's application, the proposed sharing mechanism is a reasonable approach to compensating ratepayers for the use of utility assets and, since only positive net revenue will be shared, it ensures ratepayers will not be exposed to any "downside" risk from the CLEC. PG&E's investors will fund all incremental costs of the business, including the costs of work to extend the network to provide the new telecommunications services. The proposed tracking and allocation of costs and revenues ensures ratepayers will not fund any incremental operations associated with the offering of the CLEC (and will continue to fund only the same non-incremental costs as they would without the CLEC).

PG&E's proposed 50/50 after-tax net revenue sharing mechanism is simple and easy to administer. While the calculation for a gross sharing mechanism – multiplying gross revenue by a percentage – is simple, PG&E believes that the calculation for its net revenue sharing mechanism – subtracting expense from revenue and then splitting the after-tax net of that result – is simple as well. Moreover, PG&E's proposal has the administrative benefit of being identical to an existing sharing mechanism that PG&E and the Commission already administer, while a gross sharing mechanism would add yet another, different mechanism to the existing mechanisms that PG&E and the Commission must track and administer.

^{5/} TURN also claims that somehow PG&E concedes this point – which PG&E does not.

C. PG&E's telecom services will benefit telecom competition.

The key public interest benefit resulting from PG&E adding services to its existing offerings is that it increases the supply of those services at competitive prices, which means there will be more competition in both the wholesale and retail markets, which will in turn result in more innovation and lower prices. Therefore, PG&E's CLEC will benefit competition and is in the public interest. Certain interveners may have misinterpreted PG&E's low estimate of the initial number of customers as a limit or cap. But this was a conservative estimate, as PG&E does not want to over-promise and then under-deliver on the benefits of adding new services to its existing offerings. However, PG&E does not intend to limit itself to this estimated number of customers. PG&E will evaluate the economics of serving any non-residential, qualified customers and will provide service to those for whom it is economical to do so. As a financially and operationally qualified provider that would leverage existing assets to offer additional telecommunications at an incremental cost that will benefit its telecommunications customers, PG&E's expansion of services will benefit competition. PG&E does not claim these benefits will appear overnight, but expects that the competitive benefits will materialize over a few years.

Besides misinterpreting PG&E's initial estimate of the number of customers as a limit, Greenlining Institute appears to interpret page 5 of the application as meaning that PG&E would provide service to only a very few, large telecommunications incumbents and exclude smaller competitive providers as customers. This is not PG&E's intent. Existing telecommunications providers, small or large, could be early customers of the expanded services. But, again, PG&E will evaluate the economics of serving any non-residential, qualified customers who are interested and will provide service to those for whom it is economical to do so. Of note, PG&E has historically done business with small companies who were later acquired by larger CLECs. PG&E has a dark fiber license agreement with a local, medium-sized internet service provider in San Francisco and is negotiating two new agreements with others. Greenlining Institute is correct that PG&E does not intend to directly serve the residential market; however, it may serve other entities that do serve the residential market. Like any competitive business, PG&E cannot

serve all who want services; PG&E must assess the qualifications of potential non-residential customers and the economic viability of servicing them. To approach this otherwise would be to act as a “provider of last resort” for these telecommunications services.

Certain interveners hypothesize that PG&E’s CLEC could have negative competitive implications because PG&E will leverage existing assets to provide services. PG&E is transparent in its application that it intends to use its existing facilities to connect new telecommunications customers at an incremental cost that will benefit those telecommunications customers. However, every telecommunications provider has certain advantages and disadvantages relative to its competitors. It is not evident that simply having unused fiber is a net advantage, as PG&E will also have disadvantages relative to its competitors. PG&E will have to compete with established ILECs and CLECs who may be more adept than PG&E at offering these services in this market. The ability to leverage existing assets is not an unfair advantage that would reduce telecommunications competition in the service area. As explained above and in its application, and PG&E believes the opposite to be true: PG&E’s expansion of services will benefit competition.

D. Addressing irrelevant issues would distract and not be an efficient use of Commission resources.

1. A detailed business plan is unnecessary to evaluate PG&E’s Application.

It is premature to commit to or attempt to lay out a detailed business plan for PG&E’s CLEC. Certain interveners have speculated that the small number of initial customers estimated by PG&E implies there is a large, incumbent, already-identified customer waiting to sign an agreement. There is no such customer or agreement. PG&E made a conservative estimate of initial customers because it does not want to over-promise and then under-deliver on the benefits of adding new services to its existing offerings.

Certain interveners have also asserted that PG&E’s application can only be assessed with a detailed cost estimate, which would require a detailed business plan to develop. PG&E is

taking a “gated,” one-step-at-a-time approach to developing the CLEC. Regulatory approval of this Application is the first step, and having a complete, or even partial, business plan is not a requirement to obtain a CPCN. A detailed business plan is unnecessary to assess the straightforward facts showing the public convenience and necessity, and to evaluate the reasonableness of the clear and understandable proposed sharing mechanism and cost allocation methodology. As PG&E shareholders will bear all the risk of the CLEC, additional information on PG&E’s business plan is unnecessary to evaluate the risks for PG&E’s existing gas and electric customers. Further, in the rapidly moving telecommunications market, any such detailed business plan developed prior to regulatory approval will be outdated by the time it will be implemented, and therefore would not be useful, and probably distracting, in assessing PG&E’s Application.

2. Evaluating PG&E’s franchise agreements would waste the Commission’s resources.

San Francisco argues that the Commission should consider whether PG&E’s use of existing communications facilities might breach any of PG&E’s franchises granted by local governments, including specifically its San Francisco franchises. (San Francisco, at pp. 2-3). This issue is inappropriate and an inefficient use of the Commission’s resources. PG&E shall operate legally and within its scope of authority. Any arguments about potential breach of these franchise agreements are not properly within the scope of the Commission’s jurisdiction, and it would squander the Commission’s time to evaluate whether PG&E’s potential use of CLEC authority would violate each of PG&E’s numerous franchise agreements. If PG&E receives CLEC authority and in the future offer telecom services in a particular city, that city may raise concerns about the agreement to PG&E and seek appropriate judicial resolution.

II. CATEGORIZATION AND PROCEDURAL SCHEDULE

PG&E, ORA, and interveners agree that the proceeding should be categorized as ratesetting.

TURN, CALTEL, and Greenlining ask the Commission to schedule hearings for this proceeding, while ORA agrees with PG&E's recommendation in the Application that hearings are unnecessary. PG&E does not oppose hearings in principle, but suggests that the concerns raised in this proceeding would benefit more from a collaborative approach. Interveners have generally indicated a desire for additional information about PG&E's procedures and business plans or suggested particular conditions on PG&E's authority. Workshops and written submissions have allowed parties to cooperate in exploring such concerns and led to positive results in similar proceedings.

If the Commission proceeds with hearings or workshops, PG&E requests that the Commission limit the scope to the specific issues that might benefit from a protracted process, as discussed above. Hearings would be inefficient and unnecessary on the issue of whether PG&E should be granted a CPCN and authority to operate as a CLEC. In D.95-07-054, the Commission indicated that it intended to grant applications for competitive local exchange carrier CPCNs on a streamlined basis so that CLECs may commence offering services without undue delay. Like Southern California Edison, which received authority and has been operating as a CLEC for decades, PG&E satisfies the requirements set forth by the Commission for CLEC authority.

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PG&E proposes the following schedule if the Commission proceeds with workshops:^{6/}

Activity	Proposed Schedule
Application Filed	April 6, 2017
Protests and Comments Filed	May 15, 2017
Reply Comments Filed	May 25, 2017
Prehearing Conference	TBD
Scoping Memo Issued	~ June 26, 2017
Workshops	July 19-20, 2017
Concurrent Opening Comments	August 18, 2017
Concurrent Reply Comments	September 8, 2017
Proposed Decision Issued	No later than October 9, 2017
Final Decision Issued	November Commission Meeting

III. CONCLUSION

PG&E seeks to offer telecommunications services over its existing telecommunications network, which it uses to support its core gas and electric services in California. By using existing facilities to offer telecommunications services, PG&E can connect new telecommunications customers at an incremental cost, benefitting competition, while protecting PG&E's core gas and electric utility customers.

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^{6/} If the Commission proceeds directly with hearings, PG&E would appreciate the opportunity to propose alternate dates that accommodate a hearing schedule.

PG&E looks forward to working with ORA and interveners to answer questions about PG&E's practices and business plans and providing additional information necessary for the Commission to grant PG&E a CPCN authorizing PG&E to operate as a CLEC.

Respectfully submitted,

By: */s/ Alyssa T. Koo*

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Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: May 25, 2017

VERIFICATION

I, undersigned, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification for that reason.

I have read the foregoing “Reply of Pacific Gas and Electric Company (U 39 E) to Protests” to PG&E’s Application for a Certificate of Public Convenience and Necessity to provide: (i) full facilities-based and resold competitive local exchange service throughout the service territories of AT&T California, Frontier California Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California; and (ii) full facilities-based and resold non-dominant interexchange services on a statewide basis, and I am informed and believe the matters therein regarding PG&E’s procedures for processing pole and conduit attachment requests are true and on that ground I allege that those matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at San Francisco, California this 25th day of May, 2017.

/s/ Kevin Dasso
KEVIN DASSO
Vice President, Electric Asset Management

VERIFICATION

I, undersigned, say:

I am an officer of PACIFIC GAS AND ELECTRIC COMPANY, a corporation, and am authorized to make this verification for that reason.

I have read the foregoing “Reply of Pacific Gas and Electric Company (U 39 E) to Protests” to PG&E’s Application for a Certificate of Public Convenience and Necessity to provide: (i) full facilities-based and resold competitive local exchange service throughout the service territories of AT&T California, Frontier California Inc., Consolidated Communications of California Company, and Citizens Telecommunications Company of California; and (ii) full facilities-based and resold non-dominant interexchange services on a statewide basis, and I am informed and believe the matters therein regarding PG&E’s telecom services and proposed Competitive Local Exchange Carrier business are true and on that ground I allege that those matters stated therein are true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Ocean City, NJ this 25th day of May, 2017.

/s/ Deborah Affonsa

DEBORAH AFFONSA
Vice President, Customer Service