

Troy Helming, Founder
1 W. Barrett Ave
Richmond, CA 94801
833-327-8441
troy@earthgrid.io

Applicant for EarthGrid PBC

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of the Application of EARTHGRID PBC for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Public Telecommunications Services within the State of Utah	Docket No. 21-2631-01 APPLICATION
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APPLICATION

EarthGrid PBC (“EG PBC” or “Applicant”), by its undersigned counsel and pursuant to Chapter 8b of Title 54 of the Utah Code; the Commission’s Rules of Practice and Procedure, Utah Admin. Code §§ 746-349-1 et seq.; and the federal Telecommunications Act of 1996, 47 U.S.C. §§ 151 et seq., hereby applies to the Utah Public Service Commission for a

certificate of public convenience and necessity (“CPCN”) authorizing Applicant to operate as a provider of a) carrier-grade VoIP, sometimes referred to as “VoIP in the middle” in the competitive territories of the state of Utah, b) “over the top VoIP” and resold and facilities-based public telecommunications services, if requested by communities, in the non-competitive portions of the State of Utah. EG PBC will primarily provide all-underground services and networks, including plans to develop, sell, and construct new distributed networks and providing “lit” broadband services, dark fiber, both “middle mile” and ultra-high-bandwidth “backbone” interstate and intrastate dark and lit fiber services, quantum Internet services, along with power lines as needed to power

equipment and devices needed to serve our customers, with such services listed herein to be targeted to **communities and municipalities**, commercial users including new and existing data centers in the state of Utah, renewable energy projects (e.g. solar and wind farms), and wireless service providers (“WSPs”). EG PBC may, in some cases, over-size its underground infrastructure to allow other utility and/or telecommunications providers (cable, fiber, etc.) to lease space from EG PBC in its conduits and/or tunnels underground. This additional underground infrastructure has the potential to increase the capacity of available telecommunications services with room for large quantities of additional dark and lit fiber, improve the aesthetics of utility infrastructure by moving bandwidth capacity underground rather than relying on overhead power poles, and improve both the resilience and reliability of telecommunications services by enabling large bandwidth increases via underground, easily serviceable facilities (tunnels and/or conduits with access panels) to reduce outages during weather events, natural disasters (earthquakes, volcanic eruptions, etc.) and other events, including possible electromagnetic pulse (EMP) events, whether natural such as coronal mass ejections (CME) and/or other solar storms, or man-made by parties with nefarious intent. EG PBC intends to bury its conduits deep enough underground (e.g., 30 meters below grade) along public rights of way to be hardened against these types of events. Consequently, EarthGrid PBC intends to offer its secure and resilient communications services to federal and/or state governments to protect critical infrastructure, including strategic facilities that may be vital to national security. Confidential discussions between EG PBC and one or more of these parties have already commenced. Providing such services in the state of Utah is paramount to completing this much-needed infrastructure on a national scale.

In support of its Application, EG PBC provides the following information pursuant to Utah Admin. Code R746-349:

I. GENERAL INFORMATION

A. Corporate Information

Applicant's legal name is "EarthGrid PBC." Applicant may be reached at its principal place of business:

EarthGrid PBC
1 W Barrett Avenue, Suite 5
Richmond, CA 94801
Telephone: (833) 327-8441
www.EarthGrid.io

EG PBC was formed as a Delaware public benefit corporation on September 23, 2016. EG PBC's formation documents and its Utah Certificate of Existence are attached as **Exhibit A** and **Exhibit B**, respectively.

EG PBC is a privately owned company with no majority owner, but rather is owned by a combination of its management team, multiple private professional investors, venture capital, family investment office(s) and/or high net worth individual investors.

B. Contact Information

Correspondence or communications pertaining to this Application should be directed to:

Scott Lane, COO
2625 Alcatraz Ave, Suite 111
Berkeley, CA 94705
833-327-8441
scott@EarthGrid.io

With a copy to:

Troy Helming, CEO
2625 Alcatraz Ave, Suite 111
Berkeley, CA 94705
833-327-8441
scott@EarthGrid.io

Questions concerning the ongoing operations of Applicant following certification should be directed to:

Scott Lane, COO
2625 Alcatraz Ave, Suite 111
Berkeley, CA 94705
833-327-8441
scott@EarthGrid.io

Applicant's registered agent in the State of Utah is:

All-Search & Inspection, Inc.
1108 E. South Union Avenue
Midvale, UT 84047

C. Customer Service Information

EG PBC's toll-free number for customer inquiries is 1-(833)-327-8441.

1. R746-349-3(A)(1). Technical, Financial, and Managerial Abilities

Applicant will provide all employees' services required to manage and operate EG PBC's assets and business in Utah. Applicant's financial, technical, and managerial qualifications are stated in the body of this Application, specifically in paragraph 11, and in the Exhibits hereto.

2. R746-349-3(A)(2). Proof of Bond

Applicant provides proof of a bond in the amount of \$100,000 for customer deposits or other customer and state fund liabilities as **Exhibit E**.

3. R746-349-3(A)(3). Facilities to Be Used

The telecommunications services EG PBC expects to provide initially will include point-to-point telecommunications services. These services will be offered to WSPs, other telecommunications carriers and communications providers, municipalities, and commercial customers. Applicant seeks authority to provide service via resale arrangements. EG PBC does not intend to furnish switched voice services or dial tone and has no immediate plans to provide service to residential customers or to business customers other than WSPs, data centers, other utilities and/or IPPs, and telecommunications carriers.

(a) Description of network

EG PBC will not furnish switched voice services or dial tone in competitive territories. Instead, in competitive territories EG PBC intends to provide service only to other carriers, and/or municipalities on a wholesale basis. EG PBC's services are subject to availability of equipment and technical/economic feasibility of constructing or leasing necessary facilities. EG PBC intends to install its equipment primarily in new underground conduits and/or tunnels along public roadways, but in some cases may elect to install its equipment on or in existing infrastructure such as utility poles and conduit if required. In non-competitive territories, EG PBC intends to offer switched voice services and/or dial tone, wherever requested by communities, in addition to carrier-grade VoIP (aka "VoIP in the middle") and "over the top" VoIP.

4. R746-349-3(A)(4). Services to Be Offered

(a) R746-349-3(A)(4)(a). Classes of customers

The Applicant's customer base will include underserved communities, other municipalities, other carriers, commercial users (e.g., commercial, industrial, utility and government facilities), ISPs and to WSPs that will be able to improve their network coverage by filling in "dead spots," or increase their network capacity to provide services in certain geographic areas. Through such arrangements, EG PBC's wholesale customers will be empowered to provide telephony to their retail end user subscribers without expensive and time-consuming installation of telecommunications equipment. These wholesale customers will be responsible for determining the actual configuration and combination of services for their retail end user customers.

(b) R746-349-3(A)(4)(b). Location of service

EG PBC seeks authority to provide service to and from all points in Utah where demand for its services arises. It is unlikely that EG PBC shall provide service within any local exchange that has fewer than 5,000 lines and that is owned or controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state. EG PBC does not intend to offer "over

the top VoIP,” switched voice services, and/or dial tone within any of the competitive territories in the state of Utah.

(c) R746-349-3(A)(4)(c). Types of services to be offered

EG PBC proposes to operate in Utah offering non-switched point-to-point telecommunications services on a competitive basis. EG PBC’s communications services will be available on a full-time basis, twenty-four (24) hours a day, seven (7) days a week. EG PBC does not presently plan to offer local exchange service in Utah. If in the future it desires to offer local exchange service, it will seek the appropriate authority from the Commission.

5. R746-349-3(A)(5). Access to Standard Services

It will be the responsibility of EG PBC’s wholesale customers to provide end user services such as directory assistance, directory listings, operator services and 911 either through their own operations or by making arrangements for those services from underlying carriers.

If EG PBC desires to provide local exchange service to end users in the future, it will seek to amend its CPCN to provide local exchange service and, at that time, explain how it proposes to provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services.

6. R746-349-3(A)(6). Implementation Schedule

EG PBC anticipates offering services as soon as reasonably practical after receiving approval of its Application for a CPCN.

7. R746-349-3(A)(7). Professional Experience and Education of Managerial Personnel

Applicant will be managed and operated by capable, experienced executives and employees, which individuals possess extensive managerial, financial and technical experience in the telecommunications industry. ESI’s technical and managerial personnel are well qualified to direct the provisioning, delivery, billing and customer service for EG PBC’s proposed services.

Descriptions of the extensive telecommunications and managerial experience of ESI's key management personnel and officers are attached as Exhibit C.

Corporate Officer and Directors

Troy Helming – Founder & Chief Executive Officer

Scott Lane – Chief Operating Officer

Edward Cornejo – Chief Technical Officer, Fiber

Chris Gerlach – Advisory Board

Rachelle Chong, J.D. – Advisory Board & legal team leader (former FCC commissioner)

8. R746-349-3(A)(8). Employee Organization Chart

In lieu of an employee organizational chart, EG PBC offers the biographies of its key personnel set forth in Exhibit C to satisfy R746-349-3(A)(8). Although EG PBC's management team will be based in California, it will utilize local labor and other local services and equipment to construct and maintain networks in Utah.

9. R746-349-3(A)(9). Chart of Accounts

The financial information contained in Confidential Exhibit D was compiled in accordance with Generally Accepted Accounting Principles ("GAAP"). The requirement for a chart of accounts is typically necessary with an entity using regulated rate base or rate of return methodology so that authorities can be confident of the proper classification of revenue and expenses for end user price calculations in a monopoly environment. This is not the financial environment surrounding the services offered by EG PBC. Therefore, Applicant asks that the requirement for a chart of accounts be waived.

10. R746-349-3(A)(10). Financial Statements

EG PBC is financially qualified to provide facilities-based and resold public telecommunications services in Utah. In particular, EG PBC has access to the financing and capital necessary to conduct its telecommunications operations as specified in this application. Financial

information for Applicant and one or more of its affiliates, is provided as **Confidential Exhibit D**.

EG PBC is a privately held company, and its financial information is not publicly available. EG PBC takes all reasonable steps to protect the privacy of its financial information. In situations where EG PBC must provide its financial information to other public utilities commissions or governmental entities, it does so under seal and requests confidential treatment. Therefore, the information provided in **Confidential Exhibit D** is proprietary and has been attached in a sealed envelope marked “**Confidential – Subject to Utah Public Service Commission Rules R746-1-602 and 603.**” As it contains sensitive information regarding EG PBC’s business operations, EG PBC respectfully requests that this information be treated confidentially and not be released to any member of the public absent EG PBC’s prior written permission.

(a) R746-349-3(A)(10)(a). Balance sheet, income statement and cash flow statement

The Company’s Balance Sheet and Income Statement are attached hereto as **Confidential Exhibit D**. EG PBC respectfully requests that this exhibit be treated as Confidential Information subject to R746-1-602 and 603.

(b) R746-349-3(A)(10)(b). Letter from management

Confidential Exhibit D includes a verification attesting to the accuracy of the financial statements and that the statements were prepared according to GAAP.

(c) R746-349-3(A)(10)(c). Start-up company balance sheet

EG PBC, although five years old, may be considered by some to be a start-up company. Its balance sheet is included in Confidential Exhibit D.

(d) R746-349-3(A)(10)(d). Financial statements of parent corporation

A financial statement for one or more of EG PBC’s corporate investors or affiliates is attached as **Confidential Exhibit D**.

11. R746-349-3(A)(11). Financial Statements to Demonstrate Sufficient

Financial Ability on the Part of the Applicant's Statements

(a) R746-349-3(A)(11)(a). Positive net worth

See **Confidential Exhibit D**.

(b) R746-349-3(A)(11)(b). Sufficient projected and verifiable cash flow to meet cash needs as shown in a five-year projection of expected operations.

As discussed above, EG PBC has access to the financing and capital necessary to conduct its telecommunications operations. A financial statement for EG PBC is attached as **Confidential Exhibit D**.

(c) R746-349-3(A)(11)(c). Proof of bond

Applicant provides proof of a bond in the amount of \$100,000 for customer deposits or other customer and state fund liabilities as **Exhibit E**.

12. R746-349-3(A)(12). Five Year Projection of Expected Operations

(a) R746-349-3(A)(12)(a). Pro-forma income and cash flow statements.

See **Confidential Exhibit D** for financial status.

(b) R746-349-3(A)(12)(b). Types of technology to be deployed.

EG PBC will deploy the technology specified above in Section 3 of this Application.

(c) R746-349-3(A)(12)(c). Maps of facilities locations.

EG PBC does not have any existing facilities in Utah.

13. R746-349-3(A)(13). Implementation Schedule

EG PBC intends to begin offering its services as soon as reasonably practical after it receives certification.

14. R746-349-3(14). Technical and Managerial Abilities

EG PBC's technical and managerial personnel are well qualified to direct the provisioning, delivery, billing and customer service for EG PBC's proposed services. The senior management

of EG PBC has great depth of experience in the telecommunications industry, and offers extensive telecommunications business, technical, and managerial expertise to EG PBC. Descriptions of the extensive telecommunications and managerial experience of EG PBC's key management personnel and officers are attached as **Exhibit C**.

(a) R746-3493(14)(a). Proof of certification in other jurisdictions

Applicant is currently authorized to provide intrastate telecommunications service in California, Nevada, and Idaho. In addition to Utah, Applicant is in the process of seeking authorization to provide intrastate telecommunications services in the following jurisdictions: Wyoming, Nebraska, Texas, Arizona, and New Mexico. Applicant has not been denied requested certification in any jurisdiction, nor has any certification been permanently revoked by any authority.

To avoid duplication of documents submitted to the Commission, Applicant submits as **Exhibit F** certifications from California and Nevada.

(b) R746-349-3(14)(b). 2 years of recent experience providing telecom service

EG PBC has provided distributed network services (*e.g.*, DAS, dark fiber, lit fiber, and/or small cell) on a wholesale basis for approximately 18 months in California, which is less than two years. However, EG PBC holds authorizations to provide intrastate telecommunications services in California, Nevada, and Idaho.

15. R746-349-3(A)(15). Public Interest

Granting this Application will promote the public interest by increasing competition, resiliency, reliability, security, capacity, and aesthetics (the "Benefits") in the provision of telecommunications services in Utah. The entry of Applicant into the Utah telecommunications market will similarly enhance the Benefits in the provision of telecommunications services within the State of Utah. As a recipient of a Certificate of Public Convenience and Necessity, Applicant

will bring significant benefits to telecommunications users within the State of Utah by providing: (a) lower-priced and better-quality service; (b) innovative telecommunications services including serviceable underground conduits and a roadmap to deploy quantum Internet in the state of Utah; (c) efficient use of existing communications resources by adding redundancy and increasing throughput and bandwidth at existing nodes; (d) increased diversification, resilience and reliability in the supply of communications services; (e) increased capacity for telecommunications services in underground conduit and/or tunnels, which are inherently more reliable and more aesthetically pleasing than wires and cables on overhead power poles; and (f) other Benefits as defined herein. EG PBC's customers will benefit from its management team's knowledge and experience in the telecommunications market. EG PBC will operate its networks and offer services designed to meet the individual needs of its customers in providing high-quality services to their end user customers in an efficient and cost-effective manner.

16. R746-349-3(A)(16). Authority to Conduct Business in Utah

Please see **Exhibit B**.

17. R746-349-3(A)(17). Unauthorized Switching, Solicitation of New Customers, and Prevention of Unauthorized Switching

No complaints have been made nor has any investigation been undertaken against Applicant or any of its affiliates for unauthorized switching ("slamming") or any other illegal activities. Applicant will not provide dial tone.

18. R746-349-3(A)(18). Applicant's Written Solicitation Policies

Since Applicant does not provide switched voice services to end users currently, Applicant does not have a written solicitation policy. To the extent that EG PBC provides local exchange services to end users in the future, Applicant will comply with all applicable laws and regulations to prevent the unauthorized switching of local service customers by the Applicant, its employees or agents.

WHEREFORE, EG PBC respectfully requests that the Utah Public Service Commission issue a Certificate of Public Convenience and Necessity authorizing EG PBC to provide resold and facilities-based public telecommunications services throughout the State of Utah except in local exchanges that have fewer than 5,000 lines and that are controlled by an incumbent telephone corporation with fewer than 30,000 access lines in the state.

Respectfully submitted this 16th day of August 2021.

/s/ Troy Helming

Founder & CEO
EarthGrid PBC
Applicant

LIST OF EXHIBITS

- EXHIBIT A Formation Documents
 - EXHIBIT B Certificate of Authority to Transact Business in Utah
 - EXHIBIT C Management Biographies
 - EXHIBIT D Financial Information – **Confidential**
 - EXHIBIT E Proof of Bond
 - EXHIBIT F Certifications in Other States
- VERIFICATION