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## State of Utah

## Department of Commerce Division of Public Utilities

MARGARET W. BUSSE Executive Director

CHRIS PARKER Director, Division of Public Utilities

# **Supplemental Action Request Response**

- **To:** Public Service Commission of Utah
- From: Utah Division of Public Utilities
  Chris Parker, Director
  Artie Powell, Manager
  Brenda Salter, Utility Technical Consultant Supervisor
  Ron Slusher, Utility Technical Consultant
- Date: November 1, 2021
- Re: Docket No. 21-2631-01, In the Matter of the Amended Application of EarthGrid PBC, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Public Telecommunications Services within the State of Utah.

### **Recommendation (Approval)**

The Division of Public Utilities ("Division") has reviewed the technical, managerial, and financial abilities of the EarthGrid PBC, Inc. ("EarthGrid" or "Applicant") and has found that it has provided the necessary information to fulfill the requirements as stated in the existing Public Service Commission ("Commission") rules. The public interest will be promoted by the Commission granting EarthGrid a Certificate of Public Convenience and Necessity ("CPCN") as requested under the same terms and conditions allowed in other CPCNs.

EarthGrid submitted proof of a bond in the amount of \$100,000 for customer deposits or other customer and state fund liabilities.



The Division expects that based on history, a filing of this type and with the information submitted by the company will generate no objections or opposition to this recommendation. Therefore, the Division requests that this docket be adjudicated informally in accordance with R746-110-1.

#### Discussion

On or about October 13, 2021, EarthGrid filed an amended application for a CPCN. The Division reviewed the application and found the following:

EarthGrid is a registered foreign corporation within the State of Utah; with its corporate headquarters located at 1 W Barrett Avenue, Suite 5, Richmond, CA 98001.

The Applicant seeks statewide authority except within exchange areas with less than 5,000 access lines that are owned or controlled by an ILEC with fewer than 30,000 total access lines in accordance with Utah Code Ann. §54-8b-2.1 (3) and (4). Specifically, the Applicant seeks authority as a reseller local exchange services in the service areas of CenturyLink Communications, Inc. and any other existing or future LECs providing service in Utah.

EarthGrid does not initially intend to offer standard local exchange services. Instead, it will initially offer lit and dark fiber transmission facilities to business subscribers who may utilize the fiber for various communications needs, including internet transport and wireless backhaul services. If in the future EarthGrid offers a standard local exchange service offering, it would provide access to ordinary intraLATA and interLATA message toll calling, operator services, directory assistance, directory listings, and emergency services through interconnection and contractual arrangements with the underlying local exchange carrier.

The Applicant intends to acquire, lease and construct conduit, handholes, fiber optic cable and supporting equipment and facilities in the State of Utah to provide services to the public. EarthGrid plans to install new conduits and may, in some cases, over-size its underground infrastructure to allow other utility and/or telecommunications providers to lease space from in its conduits and/or tunnels underground.

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

Summaries of professional experience and education of its managerial personnel demonstrate that the Applicant has considerable experience in the telecommunications industry.

According to financial statements attested to be accurate, objective and with integrity by Troy Helming, CEO, EarthGrid PBC, Inc. the Applicant has a positive net worth and has ample working capital.

The Applicant provided proof of a bond in the amount of \$100,000 for customer deposits or other customer and state fund liabilities.

The Applicant is currently authorized to provide local exchange telecommunications services in California, Idaho, and Nevada.

The Applicant claims that it has never had any complaints nor has any investigation been undertaken against it or any of its affiliates involving unauthorized switching (slamming) or any other illegal activities. The Applicant also states that it will not currently be providing dial tone.

The Applicant asserts that approval of its application will serve the public interest creating and enhancing competition and expanding customer service options. Additionally, the approval of this application will expand the availability of innovative, high quality, reliable and competitively priced telecommunications services in the State of Utah.

#### Conclusion

Based on the Division's review of the filing, we conclude the public interest will be promoted by the Commission granting EarthGrid PBC, Inc. a CPCN and request the Commission approve the application.

Cc: Troy Helming, CEO, EarthGrid PBC, Inc. Justin Jetter, Assistant Attorney General, State of Utah Office of Consumer Services, State of Utah