

Docket Number: TC23-050
Subject Matter: First Data Request
Request to: EarthGrid PBC CORPORATION (EarthGrid)
Request from: South Dakota Public Utilities Commission Staff
Date of Request: 12/14/23
Responses Due: 1/5/24

- 1-1. Refer to both the IXC and Local Exchange applications on page 1, part 1. Provide the facsimile number and email address for the company.

Response to 1.1: The Company Email is compliance@earthgrid.io. The Company does not utilize facsimile and therefore does not have a facsimile number.

- 1-2. Refer to the IXC application on page 2, part 7. Who is EarthGrid's underlying carrier?

Response to 1-2: EarthGrid will enter into interconnection agreements with CenturyLink QC (Qwest)

- 1-3. Refer to the balance sheet. Explain why with such a significant negative net income the company should be considered a viable business to operate in SD.

Response to 1-3: The 2022 balance sheet represents an outlier year for our company as we began to scale up our operations. In contrast, compared to our 2023 Seed investments \$18M+ combined with additional rounds of funding by way of a Joint Venture we plan to announce in Q1 2024, we believe EarthGrid financials will dramatically improve in the new year.

- 1-4. Are the financial statements provided audited?

Response to 1-4: Audited 2023 financial statements are not available. Confidential Audited Financial Statements for Year Ended December 31, 2022, and 2021

- 1-5. Refer to the IXC application on page 3, part 10. Is the phone number a toll-free number or the number for Mr. Lane? Provide the facsimile number and either the toll-free number or the number for Mr. Lane, whichever isn't already included in the filing.

Response to 1-5: The phone number provided is the Company toll-free number. The phone number for Mr. Lane is 415-200-3438. The Company does not utilize facsimile and therefore does not have a facsimile number.

- 1-6. Refer to the IXC and Local Exchange applications, prior to the PUC processing the applications any further, provide the SD sales tax number.

Response to 1-6: EarthGrid PBC Federal Tax Identification Number is 81-3940468. The Company will obtain its South Dakota tax license number upon commencing service in South Dakota. EarthGrid will provide the Commission with its South Dakota sales tax number upon obtaining it.

- 1-7. Refer to ARSD 20:10:32:04. Confirm EarthGrid sent notice to all carriers and provide a list of all carriers noticed.

Response to 1-7: Confirmed that EarthGrid has sent Notice to all carriers. The Certificate of Service was submitted to the Docket on December 18, 2023.

- 1-8. Refer to the Local Exchange application on page 2, part 6. Provide the dates for when EarthGrid provided services in each state. If services are still being provided, only a start date need to be provided.

Response to 1-8: Please see Exhibit V for a list of state certifications. The Company has not yet started providing services in any state.

- 1-9. Refer to the Local Exchange application on page 2, part 8b. When does EarthGrid anticipate it will start providing services?

Response to 1-9: Company is developing a long-range fiber route which requires engineering, permitting and easements. This process will begin upon approvals and will spread out over several years. Initially, the Company will purchase facilities for resale, but long-term plans would include significant investment in infrastructure in South Dakota. The first step is to obtain the authorities that will enable the company to execute on these plans and it will take more than 12 months to begin installation of physical plant in South Dakota.

- 1-10. Refer to the Local Exchange application on page 7, part 23. The waiver requested, 20:10:32:03(14) deals with marketing and target market information, which was responded to on page 5, part 14. Explain what waiver is actually requested by EarthGrid.

Response to 1-10: Waiver requested for 20:10:32:03(14) was included inadvertently. EarthGrid is only requesting waiver of 20:10:32:10.

- 1-11. Confirm EarthGrid is not proposing to provide local exchange service in the area of a rural company and therefore does not need to file the information regarding ARSD 20:10:32:15.

Response to 1-11: EarthGrid hereby confirms the Company does not plan to provide local exchange service to customers in rural service territories through the granting of this application. If the Company seeks to serve rural areas in the future, it will seek additional authority as needed.

- 1-12. Explain, in further detail, what services the company will offer and how each service works.

Response to 1-12: The telecommunications services EarthGrid expects to provide initially will include point-to-point intraexchange and interexchange telecommunications services. These services will be offered to WSPs, other telecommunications carriers and communications providers, municipalities, tribal communities, and commercial customers. Applicant seeks authority to provide service via its own fiber facilities and/or through resale arrangements. EarthGrid 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.

- 1-13. Explain how EarthGrid will provide a local exchange product without the use of switched voice services or dial tone.

Response to 1-13: EarthGrid will provide non-switched point-to-point services via its own fiber facilities suitable for local, intrastate, and interstate transmission, and through interconnection and commercial agreements utilizing the facilities of its underlying carrier and/or through resale arrangements.

- 1-14. Confirm that EarthGrid is seeking Local exchange and interexchange certificates of authority for the sole purpose of providing telecommunications services in South Dakota and not for any other purposes, including but not limited to gaining a better chance to be granted Right of Way permits by the SD DOT for any other tunneling, trenching, excavating, or other projects that are not telecommunications related.

Response to 1-14: Initially the company is planning on providing telecommunications services in South Dakota via RESALE agreements with the local telephone companies. The Company is developing a long range fiber route which requires engineering, permitting and easements. This process will begin after all necessary approvals are received and will spread out over several years. In pursuit of that plan, the Company is also exploring partnerships with other utilities and investigating the use of tunnels for aqueducts and for other types of transmission beyond data and telephony.