

JG5/bx1 03/03/2021



FILED

03/03/21
04:59 PM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of EarthGrid PBC for a Certificate of Public Convenience and Necessity to Operate as a Competitive Local Carrier to Provide Full Facilities-Based and Resold Competitive Local Exchange Telecommunications Services and Interexchange Service as a Non-Dominant Interexchange Carrier in California.

Application 20-12-012

E-MAIL RULING EXTENDING FILING DUE DATE

Dated March 3, 2021, at San Francisco, California.

/s/ JOANNA GUBMAN

Joanna Gubman
Administrative Law Judge

From: Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>
Sent: Wednesday, March 3, 2021 3:09 PM
To: Rachelle@ChongLaw.net; Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>; Bryant, Shontā <shonta.bryant@cpuc.ca.gov>; Troy@EarthGrid.io; Sheppard, Kerriann <Kerriann.Sheppard@cpuc.ca.gov>
Cc: ALJ Docket Office <ALJ_Docket_Office@cpuc.ca.gov>; Process Office <processoffice@cpuc.ca.gov>; ALJ_Support ID <alj_supportid@cpuc.ca.gov>
Subject: A.20-12-012 (EarthGrid): Email ruling extending filing due date

On March 3, 2021, EarthGrid PBC (EarthGrid) emailed me requesting additional time to file its response to my February 17, 2021 ruling.

The motion for extension of time is granted. The deadline to file and serve a response to the February 17, 2021 Administrative Law Judge inquiry is extended to March 10, 2021.

Parties are further reminded to email the entire service list every time they communicate with me, even if the topic is procedural.

Docket Office shall formally file this ruling.

Joanna Gubman (she/her)
Administrative Law Judge
California Public Utilities Commission
joanna.gubman@cpuc.ca.gov

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From: Rachelle Chong <rachellechong@gmail.com>
Sent: Wednesday, March 3, 2021 1:22 PM
To: Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>
Subject: Re: Correspondence RE: A.20-12-012 (EarthGrid): Email Ruling Requesting Response to ALJ Inquiry

Thank you, Your Honor.

We have located a guarantee form and have amended it to suit the current situation. EarthGrid needs to request a short extension of time of up to week to respond to the February 17, 2021 financial request in order to get the board approval from the guarantor. It may be much less time but I am being cautious. The Applicant sincerely apologizes for the confusion over the financial requirements.

With best regards,
Rachelle Chong
Outside Counsel to EarthGrid PBC

On Wed, Mar 3, 2021 at 10:36 AM Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov> wrote:

Ms. Chong,

There is no preferred form. If you require a resource, you could consider checking Lexis or a template in a practitioner's guide.

Joanna Gubman (she/her)
Administrative Law Judge
California Public Utilities Commission
joanna.gubman@cpuc.ca.gov

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From: Rachelle Chong <rachellechong@gmail.com>
Sent: Wednesday, March 3, 2021 7:36 AM
To: Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>
Cc: MacDonald, Katherine <katherine.macdonald@cpuc.ca.gov>; Bryant, Shontā <shonta.bryant@cpuc.ca.gov>; Troy Helming <troy@earthgrid.io>; ALJ Docket Office <ALJ_Docket_Office@cpuc.ca.gov>; Rachelle Chong <rachelle@chonglaw.net>; Rachelle Chong <rachellechong@gmail.com>
Subject: Re: Correspondence RE: A.20-12-012 (EarthGrid): Email Ruling Requesting Response to ALJ Inquiry

Your honor:

Is there a preferred form of the financial guarantee that the CPUC requires?

EarthGrid has an affiliate, Pristine Sun, a well established and financially successful solar company, that will provide a financial guarantee to the CPUC for the 12 months after the

A.20-12-012 JG5/bx1

EarthGrid CPCN grant but I do not see any form of guarantee on the CPUC website except the ESP form which is not quite on point.

We may need a short extension of time from today to secure the acceptable form from the CPUC

and get it executed and over to you.

Thank you for your help in advance.

Sincerely,

Rachelle Chong

cc Service list

On Mar 1, 2021, at 2:19 PM, Rachelle Chong <Rachellechong@gmail.com> wrote:

Thank you, your honor. We are working on an option on the list!

With kind regards,

Rachelle Chong

Outside Counsel for EarthGrid

On Mon, Mar 1, 2021 at 2:07 PM Gubman, Joanna

<Joanna.Gubman@cpuc.ca.gov> wrote:

To Ms. Chong,

Please review my ruling for a list of acceptable forms of financial documentation. A performance bond is not included on the list. Note that a performance bond is not the same as performance bond *proceeds*.

Joanna Gubman (she/her)

Administrative Law Judge

California Public Utilities Commission

joanna.gubman@cpuc.ca.gov

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From: Rachelle Chong <rachellechong@gmail.com>
Sent: Tuesday, February 23, 2021 4:59 PM
To: MacDonald, Katherine <katherine.macdonald@cpuc.ca.gov>
Cc: Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>; Bryant, Shontā <shonta.bryant@cpuc.ca.gov>; Troy Helming <Troy@earthgrid.io>; ALJ Docket Office <ALJ_Docket_Office@cpuc.ca.gov>; Process Office <processoffice@cpuc.ca.gov>; ALJ_Support ID <alj_supportid@cpuc.ca.gov>; Rachelle Chong <rachelle@chonglaw.net>
Subject: Fwd: A.20-12-012 (EarthGrid): Email Ruling Requesting Response to ALJ Inquiry

Dear Judge MacDonald and Service List:

In Judge Gubman's absence, Applicant EarthGrid is respectfully seeking guidance on the proper financial documentation relating to its telecom CPCN application in A. 20-12-012.

Previously it obtained a \$25,000 performance bond and it was deemed inadequate by Judge Gubman who sent us the message below on Feb. 17, 2021.

Applicant EarthGrid now proposes a \$125,000 performance bond and seeks confirmation this will satisfy the requirement before it goes to the market to secure it. We appreciate any guidance you can provide in Judge Gubman's absence.

Thank you in advance,

Rachelle Chong

Outside Counsel to EarthGrid, Applicant in A. 20-12-012

----- Forwarded message -----

From: **Rachelle Chong** <rachellechong@gmail.com>
Date: Tue, Feb 23, 2021 at 4:37 PM

Subject: Re: A.20-12-012 (EarthGrid): Email Ruling Requesting Response to ALJ Inquiry
To: Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov>
Cc: Rachelle@ChongLaw.net <Rachelle@chonglaw.net>, Bryant, Shontā
<shonta.bryant@cpuc.ca.gov>, Troy@EarthGrid.io <Troy@earthgrid.io>, ALJ Docket
Office <ALJ_Docket_Office@cpuc.ca.gov>, Process Office <processoffice@cpuc.ca.gov>,
ALJ_Support ID <alj_supportid@cpuc.ca.gov>

Your Honor and parties to A.20-12-012:

Applicants wishes to obtain guidance that if it obtains a performance bond in the amount of \$125,000, it would suffice to meet the Commission's financial requirements.

Thank you,

Rachelle Chong

Outside Counsel to Applicant EarthGrid

On Wed, Feb 17, 2021 at 3:50 PM Gubman, Joanna <Joanna.Gubman@cpuc.ca.gov> wrote:

This email ruling directs EarthGrid PBC (EarthGrid) to file and serve evidence demonstrating that it possesses:

1. A minimum of \$100,000 of cash or cash equivalent, pursuant to the requirements of D.95-12-056, as demonstration of financial fitness; and
2. A minimum of \$25,000 of cash or cash equivalent, which is equal to the potential cost of deposits as stated in EarthGrid's application.

Unaudited financial statements will not be accepted, nor will any financial instruments that can only be liquidated if EarthGrid has exhausted all other funding sources (e.g., surety bonds). Acceptable forms of financial documentation are:

1. Cash or cash equivalent, including cashier's check, sight draft, performance bond proceeds, or traveler's checks;
2. Certificate of deposit or other liquid deposit, with a reputable bank or other financial institution;

3. Preferred stock proceeds or other corporate shareholder equity, provided that use is restricted to maintenance of working capital for a period of at least 12 months beyond certification of the applicant by the Commission;
4. Letter of credit; issued by a reputable bank or other financial institution, irrevocable for a period of at least 12 months beyond certification of the applicant by the Commission;
5. Line of credit or other loan, issued by a reputable bank or other financial institution irrevocable for a period of at least 12 months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
6. Loan, issued by a qualified subsidiary, affiliate, or a qualified irrevocable for a period of at least 12 months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
7. Guarantee, issued by a corporation, partnership, or other person or association, irrevocable for a period of at least 12 months beyond certification of the applicant by the Commission; or
8. Guarantee, issued by a subsidiary, affiliate or corporation holding a controlling interest in the applicant irrevocable for a period of at least 12 months beyond certification of the applicant by the Commission.

The filing is due on March 3, 2021.

Docket Office shall formally file this ruling.

Joanna Gubman (she/her)
Administrative Law Judge
California Public Utilities Commission
joanna.gubman@cpuc.ca.gov

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