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BEFORE THE

PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY

CASE NO. 06-1509-EL-CSS

DIRECT TESTIMONY
OF PAUL A. GUGLIELMETTI

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DIRECT TESTIMONY OF

PAUL A. GUGLIELMETTI

ON BEHALF OF
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I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Paul A. Guglielmetti. My business address is 1900 Dryden Road, Dayton, Ohio 45439.

Q. By whom and in what capacity are you employed?

A. I am employed by The Dayton Power and Light Company ("DP&L" or "Company") as an Operations Manager.

Q. Will you describe briefly your educational and business background?

A. I received a Bachelors degree in Electrical Engineering from Purdue University – Calumet Campus in May 1990 and a Masters degree in Business Administration from Indiana University - Northwest in May 1995. Currently I manage DP&L's Service Operations Facilities and Transportation areas. Before this assignment I managed the Project Management and Real Estate Services areas. Prior to joining DP&L I was a Project Manager with Stewart & Stevenson, General Electric, and Caterpillar. I have also held engineering positions with Sargent & Lundy LLP and Northern Indiana Public Service Company.

Q. How long have you been in your present position?

A. I assumed my present position in May 2007. Prior to that, I was Operations Manager of Project Management beginning in February 2004 and Real Estate Services in August 2004.

Q. What are your responsibilities in your current position and to whom do you report?

22 A. In my current position, I am responsible for all transportation services including fleet
23 maintenance and vehicle procurement as well as facilities management. I report to the
24 Operations Director (Kyle King) of DP&L.

25 **Q. What is the purpose of this testimony?**

26 A. The purpose of this testimony is to support and explain the attached Schedule 1, "200
27 Random Pole – Loading Study, December 2004" as it relates to third-party attachors and
28 to support the position that AT&T Ohio was aware that joint use poles were being used
29 by third-party attachors.

30 **II. SCHEDULE 1 – "200 RANDOM POLE – LOADING STUDY,**
31 **DECEMBER 2004"**

32 **Q. Are you responsible for Schedule 1?**

33 A. Yes. I am responsible for that schedule.

34 **Q. What is shown on Schedule 1?**

35 A. Schedule 1 "200 Random Pole – Loading Study, December 2004" shows an extract of 95
36 poles from a data base of 200 randomly selected poles throughout the DP&L service
37 territory. The data in this schedule includes relative heights of various attachors on
38 DP&L poles. The 95 poles listed are the poles on which there was at least one non-
39 DP&L attachment. The other 105 poles in the survey had no non-DP&L attachments on
40 them.

41 **Q. Please describe how and for what purposes Schedule 1 was created.**

42 A: Schedule 1 contains data extracted from a pole loading study that was completed by
43 DP&L's former Manager of Distribution Engineering which was completed in December

2004. When someone, AT&T or anyone else, wants to attach to DP&L's poles, DP&L has engineers or other professionals who review the proposal to determine whether the existing pole is strong enough and tall enough to accommodate the facilities that the attachor wants to install. We have learned over the years, however, that not all attachors are rigorously scrupulous about informing DP&L when they modify their plans either in their initial installation or subsequently. Occasionally, we learn only after the pole fails that additional loads were placed on the pole by facilities that are beyond what was originally represented that would be placed on the pole. To get a better understanding of how widespread this problem might be and its effect on allowable pole loading per NESC Standards, the Company hired an outside consultant to generate a statistically valid random sample of our poles and then to inspect each pole and make estimates of the loads placed on the pole. A random sample of 200 poles was completed. The sample included poles of different heights, and in different locations, including poles in urban, suburban and rural areas.

Q: Please describe the aspects of this study that relate to this proceeding.

A: From an overall perspective, the need for this study and its results support DP&L's position that revenues from attachors are not "free" revenue that comes without costs. Costs associated with that study are directly attributable to the requirement that DP&L has to provide access to its poles to attachors and that any of DP&L's revenues earned from these attachments are net of its costs.

64 From a more specific perspective, the data developed in this study sheds light on and
65 rebuts claims made by AT&T that DP&L is "sub-leasing" AT&T's so-called "reserved
66 space."

67 **Q: Please describe the data that is presented in Schedule 1.**

68 A: There are 95 poles included in Schedule 1. These are the 95 poles out of the 200 total
69 sample that had at least one non-DP&L attachment. The other 105 poles from the
70 loading survey had no attachments on them other than DP&L's conductors, ground wires
71 and so forth.

72 Of the 200 poles in the random sample and the 95 poles in Schedule 1, 37 poles have a
73 total of 42 telephone company attachments on them; 82 poles have a total of 98 cable TV
74 attachments on them, and 7 poles have other attachments, primarily traffic signal
75 attachments or fiber optic cable. There is an overlap: 31 poles have both telephone and
76 cable TV attachments and 1 pole has both telephone and "Other" attachments. Three
77 poles have telephone, cable TV and "Other" attachments. Schedule 1 also shows the
78 heights of the various attachments on the poles.

79 **Q: What conclusions do you draw from this data with respect to the average number of**
80 **attachors that are on poles owned by DP&L.**

81 A: The Company is presenting other testimony on this point as well, but this data further
82 supports the conclusion that the majority of the poles with telephone attachments have
83 only one other attachor on that pole and that a significant percentage (5 of 37 or 14%) has
84 no other attachor.

Q: What conclusions do you draw from this data with respect to the claim that DP&L is "subleasing" space that is reserved by AT&T?

A: There is no sub-leasing of reserved space. Other witnesses are presenting other data and testimony on this point as well, but this data further supports DP&L's position that the three feet of space referenced in the Agreement are used for purposes of determining who bears the cost of a pole that would exceed the size of a standard 35-foot pole and is not a reservation in the sense of a defined three-foot section on the pole that no one else is allowed to use.

Even if one were to treat this reference in the Agreement to three feet of space as reserved for AT&T, this Schedule 1 data and other data that I have reviewed, establishes that AT&T and other telephone companies are not assigned any particular three feet of space on a pole and that in virtually every instance, one could identify three feet of space that includes the telephone company attachment and no others.

Q: How does this data support the view that there is no specific three feet of space reserved for telephone company use?

A: When AT&T or any other telephone utility requests to attach to a DP&L pole, there is a process defined either by contract or by tariff for making that request and for DP&L to respond to the request. AT&T does not request any specific three-foot section of a pole, nor is there ever an exchange of information that identifies a specific three-foot section as reserved for AT&T's use. The data in Schedule 1 shows that the heights of the 42 telephone company attachments ranged from 14.08 feet to 25.92 feet. The majority, 30 of the 42, were in the 17-foot to 21-foot range, but it is impossible to look at this data or

any other information known to me that says that space is reserved from this height to that height for the telephone company either in general or on any particular pole. The most that can be said is that, for any given pole, the telephone company is attached at a point or points and, in some cases, there is another attachment that is elsewhere on the pole.

Q: Can you explain what you mean by the statement that "in virtually every instance, one could identify three feet of space that includes the telephone company attachment and no others?"

A: Yes. First, I would note that AT&T has indicated a strong preference to being the lowest attachor to a pole. Second, ¶ 1.302 of the Operating Routine states that on a standard 35-foot pole, AT&T's highest attachment should generally be no higher than 20 feet, 10 inches. Each of these facts suggest that if, after the fact, one had to pick a three foot section on a particular pole to designate as "reserved" for AT&T, the way to do so would be to start at a point slightly above AT&T's highest attachment and draw a line three feet down the pole. I would start 6 inches above AT&T's highest attachment on a pole because both AT&T and DP&L require a third party communication entity's attachment to be a minimum of 12 inches from an AT&T attachment. Thus, if I were trying to establish a three-foot "reserved" space for AT&T, I would attribute to AT&T's "use" half of that 12-inch space above its highest attachment and the 2 ½ feet below its highest attachment. The data in Schedule 1 shows that in 28 cases where a pole has both telephone company and Cable TV attachments, 93%, or 26 of the cable TV attachments are outside that three foot section. In the remaining two cases (N17 and N38), there is a Cable TV attachment that is only a few inches above the highest telephone company, but

130 even in these cases, one could draw a line starting at the telephone company attachment
131 and going down three feet on the pole, which line would contain only the telephone
132 company attachment(s). There is one pole (N 34) that has a telephone company and an
133 "Other" attachment which is an anomaly. It involves a pole that was at the extreme end
134 of the range of heights for the telephone company attachments. In that instance, the
135 telephone company has an attachment at 25.92 feet and there is a fiber optic cable
136 (unidentified owner) at 24 feet. Even in this instance, because there are no attachors
137 above the telephone company, there is a three-foot section of pole that includes no
138 attachor other than the telephone company.

139 **Q: Your description of Schedule 1 refers to the telephone company and not specifically**
140 **to AT&T. Why is that?**

141 A: This is data from a random sample drawn from DP&L's poles across its entire system.
142 Therefore, in some instances the telephone company attachment identified will be AT&T
143 and in others it will be other telephone companies.

144 **Q: Have you looked at other data that is more specific to poles that you know include**
145 **AT&T attachments?**

146 A: Yes, I have. Between 2001 and 2004, tens of thousands of records were generated in
147 connection with the massive build-out of the Time Warner Cable TV system. I reviewed
148 a few hundred of those records, specifically looking for instances where the DP&L poles
149 involved also had AT&T attachments. The results of this review were consistent with the
150 results discussed above in connection with Schedule 1 that was from a random sample.

Q: Please explain what you found in reviewing these records involving Time Warner Cable and AT&T.

A: The records I reviewed also showed that AT&T's attachments were at a variety of heights ranging from 16.8 feet up to 32 feet or more. In all but 3 instances, AT&T's attachments were the lowest attachments on the pole. In all but 2 instances, one could draw a three-foot section starting from 6 inches above the AT&T's highest attachment and ending 2 ½ feet below AT&T's highest attachment, and there would be no other attachor within that section. I also noted that in the vast majority of instances, the only attachors on the pole would be AT&T and Time Warner Cable.

Q: Do you have any comments with respect to AT&T's claim that DP&L is licensing attachors without the knowledge or agreement of AT&T?

A: Yes, I do. In its Amended Complaint, AT&T claims that DP&L was licensing these attachors without AT&T's knowledge or agreement. That is not true. AT&T cannot claim that it was unaware of the massive Time Warner Cable TV build-out or that competitive local exchange carriers (CLECs) are active in the Dayton region and have the rights to attach to both AT&T and DP&L poles. I will discuss the Time Warner Cable situation in slightly more detail.

Time Warner Cable TV attachments comprise some 89% of the total revenue that DP&L gets from attachors who are not incumbent local exchange carriers. See Attachment 2 to the Testimony of DP&L Witness Dawson. The number of attachments by Time Warner Cable dwarfs all other attachors and as shown by the attached documents that AT&T provided to DP&L in discovery, AT&T was very much aware of this build out and what

DP&L was doing to facilitate it. DP&L Exs. 22-24, 74, 77. On a number of occasions, AT&T was even asked to lower its attachments to permit a Time Warner Cable attachment to be made without necessitating the replacement of the pole with a taller pole. DP&L Ex. 74.

It was not until after the instant dispute began that AT&T started to allege that it and not DP&L should be licensing entities such as Time Warner Cable or the CLECs with respect to attachments on DP&L poles. At no time, however, has AT&T taken steps to undertake this responsibility. Instead AT&T has only sought the benefit of revenues from third party attachors, without actually doing any of the licensing work.

III. CONCLUSION

Q. Please summarize your testimony.

A. In summary, I have presented data that shows (1) on poles with telephone company attachments there is typically only one other (third party) attachment; (2) typically AT&T's and other telephone company's attachments are the lowest on jointly used poles; (3) there is a "clear" three foot area encompassing AT&T's attachments that does not contain any other (third party) attachments; and (4) DP&L has never sub-leased any AT&T reserved space as defined in the Agreement.

Q. Does this conclude your direct testimony?

A. Yes, it does.

Schedule 1
200 Random Pole - Loading Study - December 2004

Node	Attachor	Attachor Height	Pole Height	Light Attached Height	Lowest DP&L Attached Wire Height
N2	Catv	21.58	40		26
N3	Catv	15.92	35	24.5	24.67
	Phone	15.33		24.08	
N4	Catv	15.33	40	21.5	22.75
	Phone	14.08			
N8	Traffic Signal	26.42	50		32.83
	RTA	20.42			
N9	Catv	21.42	40		27
	Phone	19.67			
N10	Catv	22.58	45		29.25
N12	Catv	19.58	40	25.17	21.92
	Catv	18.5			
	Catv	18			
	Phone	17			
N15	Catv	22.75	40		28.33
	Phone	21.58			
N17	Catv	18.67	35		20.58
	Phone	18.33			
	Phone	17.75			
N21	Catv	20.5	40		24.42
	Phone	18.75			
N23	Traffic Signal	19.58	45		30.33
N25	Catv	25	45		33.17
N29	Catv	20.5	50		27.42
	Catv	20.5			
N30	Catv	18.5	40		23.5
	Phone	16.75			
N34	Phone	25.92	55		41
	Fiber Optic Cable	24			
N36	Catv	24.75	55		40.42
N38	Catv	21	45	21.75	29.08
	Phone	20.7			
N39	Catv	21.5	40		26.08
	Phone	20.42			
N41	Catv	17.5	40		28.75
N42	Phone	21.42	40		27.83
N43	Catv	22.67	55	24	39.75
N44	Catv	20.67	40		25.92
N45	Phone	21.75	35	23.5	N/A
N47	Catv	20.42	50		32.33
N48	Catv	18.42	35	19.75	23.17
	Phone	17.42			
N50	Catv	21.5	40	22.42	28.58
N55	Catv	24.17	60	22.33	35.25
N62	Catv	26.08	40	26.92	36
	Catv	26.08			
N65	Catv	25.17	55		37
	Phone	22.25			
N66	Catv	22.25	45		30.08
	Catv	22.25			
	Phone	21			
N69	Phone	19	35	22.75	28
N70	Catv	19	35		22
N71	Catv	18.83	40		26.83
N72	Catv	20	45	29.5	31
N74	Phone	20.17	35	23.67	24.17
N75	Catv	22.5	45		27.5
	Phone	21.33			
N76	Catv	18	35		24.17
	Phone	17			
N77	Catv	20	45		30.58
N78	Catv	21.33	45		25.25
N81	Fiber Optic Cable	23.58	40		27.17
N82	Catv	19.58	40		22.75
N84	Catv	19.08	40		25.83
	Catv	19.08			
N88	Catv	15.58	30	18.92	21.92
	Catv	15.58			
N91	Catv	20.42	50	23.17	25
N92	Catv	18.67	30		21.08
N94	Catv	19.92	35		23.42

200 Random Pole - Loading Study - December 2004

Node	Attachor	Attachor Height	Pole Height	Light Attached Height	Lowest DP&L Attached Wire Height
N95	Traffic Signal	28.17	45		30.75
	Traffic Signal	25.5			
	Traffic Signal	21.83			
N96	Catv	21.69	40		25.67
	Fiber Optic Cable	18.75			
	Phone	17.58			
N98	Catv	25.33	45		32.75
	Phone	24.5			
N100	Catv	23.25	45		32.67
N101	Catv	23.17	40	23.08	27.17
	Phone	21.17			
N103	Catv	23.75	40		27.42
N107	Catv	17.83	30	20.92	22.42
N109	Catv	24.75	45	27.25	32.83
N112	Traffic Signal	25.92	45		29.5
	Catv	22.75			
N114	Catv	32.58	40		27.58
N115	Catv	23.42	40		26.92
N116	Catv	19.75	40		24.08
	Catv	19.75			
N117	Catv	18.92	35		23.83
	Phone	17.58			
N123	Catv	18.67	40		23.75
	Traffic Signal	17.33			
	Phone	16.42			
N129	Catv	20.42	35		23.83
N133	Traffic Signal	23.08	35	26.33	28.17
	Traffic Signal	21.67			
	Traffic Signal	21.67			
N135	RTA	23.67	45	26.92	32.5
	Traffic Signal	18.67			
N136	Catv	24.75	50		36.08
	Catv	24.75			
	Phone	23.25			
N139	Fiber Optic Cable	22	40		28.33
	Catv	20.83			
N140	Catv	23.33	45		30
	Catv	23.33			
N141	Catv	19.25	35		23.17
	Phone	17.92			
N142	Catv	18.83	40	22.42	24.83
	Catv	18.83			
N146	Catv	18.75	35		24.58
	Phone	17.58			
N150	Catv	20.25	40		24.58
	Phone	19.42			
N151	Catv	23.33	45		30.5
N155	Catv	23.25	50	20.75	28
	Catv	23.25			
	Traffic Signal	22.75			
	Phone	22.25			
N160	Fiber Optic Cable	21.58	70		25.25
N161	Catv	22.83	40		28.25
N163	Catv	20.33	45	21.92	30.17
N165	Catv	23.75	50		38.92
N166	Phone	22.58	45	26.42	28.75
N170	Catv	26.92	40		28.92
N171	Catv	20.75	45		29.83
	Catv	20.75			
N172	Catv	26.25	45		30.33
N173	Catv	20.58	40	24.83	26.25
	Catv	18.5			
	Phone	17.75			
N174	Fiber Optic Cable	22.33	45		30.75
	Catv	21			
N178	Catv	21.58	45	29	29.58
	Catv	21.58			
	Phone	20.75			
	Phone	20.75			
	Phone	19.5			
	Phone	19.5			

200 Random Pole - Loading Study - December 2004

Node	Attachor	Attachor Height	Pole Height	Light Attached Height	Lowest DP&L Attached Wire Height
N180	Catv	18.42	35		29
	Phone	16.42			
N182	Catv	20.5	40		28.25
N185	Catv	21.83	40		26.5
	Catv	21.83			
N186	Catv	18.92	35		22.58
N188	Catv	19.08	40		24
N189	Catv	19.58	45		27.33
	Phone	18.25			
N190	Catv	32.58	50		39
N192	Catv	22.58	55	25.58	27.83
	Phone	21.42			
	Phone	20.33			
N193	Catv	19.08	35		22.33
N194	Catv	23.83	40		27.5
N197	Catv	17.67	45		22.25
	Phone	16.58			
N198	Catv	22.08	45		28.5

95 total poles, out of 200, with others attached

5 out of 95 above are Phone-only attachors

48 out of 95 above are Cable TV-only attachors

24 out of 95 above are Phone + one other attachor

6 out of 95 above are Phone + two other attachors

2 out of 95 above are Phone + three other attachors

10 out of 95 above are Traffic/Fiber Optic/RTA single or combination attachors

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Direct Testimony of Paul A. Guglielmetti has been served via the method indicated below, upon the following counsel of record, this 31st day of August, 2007:

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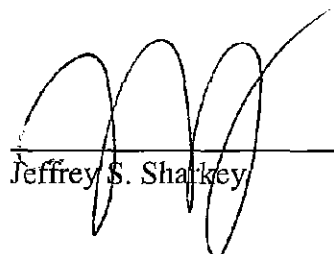
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