

July 22, 2015

Barcy F. McNeal, Secretary  
Public Utilities Commission of Ohio  
Docketing Division  
180 East Broad Street  
Columbus, Ohio 43215-3793

Re: In the Matter of the Adoption of Chapter 4901:1-3 Ohio Administrative Code, Concerning Access to Poles, Ducts, Conduits, and Rights-of-Way by Public Utilities; The Orwell Telephone Company d/b/a FairPoint Communications ; Docket 15-0966-TP-ATA

Dear Ms. McNeal:

Pursuant to staff's request, please find attached, the following replacement tariff page in the application of The Orwell Telephone Company to establish a Pole Attachment and Conduit Occupancy Tariff, originally filed on May 15, 2015.

P.U.C.O. No. 10      Section 1      Original Sheet No. 3

Also attached is a revised Exhibit D - Pole Attachment and Conduit Occupancy Calculation Spreadsheet to determine a Pole Attachment and Conduit Occupancy Rate. The revision removes Pole Rental Expense from the calculation.

If you have any questions regarding this matter, please contact Beth Fastiggi at (802) 951-8006.

Respectfully submitted,



Beth Fastiggi  
VP External Affairs  
FairPoint Communications

**POLE ATTACHMENTS AND CONDUIT OCCUPANCY (Continued)**

E. Assurance of Payment and Insurance (cont'd)

3. License shall maintain the following amounts of insurance, Commercial General Liability Insurance with limits of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. Umbrella or Excess Liability Insurance with limits of not less than \$10,000,000 per occurrence and in the aggregate. Workers Compensation Insurance in statutory amounts and Employers Liability Insurance in the amount \$1,000,000 per accident. Automobile Liability insurance covering any auto with combined single limits of \$1,000,000.
4. All insurance must be effective before the Attaching Entity attaches to any pole or occupies any conduit and shall remain in force until such attachments have been removed from all such poles.
5. The Attaching Entity's property insurance policy shall contain a waiver-of subrogation clause running to the Company. This must be reflected on the certificate of insurance provided by the Attaching Entity. Such policy shall be the primary remedy for all losses covered by the policy.

F. Rates

1. The rate provided below entitles a customer to attach to the poles and occupy conduit in all of the Company's franchise area. The Attachment Fee applies per pole, per year for each one foot of space occupied by Attaching Party's Attachments. The conduit rate applies to each foot of conduit occupied.
  - \$0.51 for all pole attachments
  - \$0.11 per foot of conduit occupied
2. Field survey or inspection: Actual costs and expenses.
3. Make-ready work: Actual costs and expenses.
4. Labor: Actual costs and expenses.
5. Contractors: Actual costs and expenses.

G. Payment Terms

1. Attachment and occupancy fees are payable annually in advance. Fees are calculated on the number of attachments and feet of conduit occupied.
2. All fees and charges are due and payable 30 days after presentation of an invoice. Late payments will be assessed a late payment charge of 1.5% per month on all unpaid balances concurring on the date due and payable.

## **EXHIBIT D**

(Pole Attachment and Conduit Occupancy Calculations)

Pursuant to the Commission's July 30, 2-14 Finding and Order in Case No. 13-579-AU-ORD, The Orwell Telephone Company submits the attached calculation spreadsheets to determine applicable Pole Attachment and Conduit Occupancy rates.

POLE AND CONDUIT RENTAL CALCULATION INFORMATION  
Financial Information

1 Telecommunications Plant-in-Service	\$ 24,200,985
2 Gross Investment - Poles	230,347
3 Gross Investment - Conduit	88,351
4 Accumulated Depreciation - Total Plant-in-Service	22,399,870
5 Accumulated Depreciation - Poles	224,554
6 Accumulated Depreciation - Conduit	36,760
7 Depreciation Rate - Poles	5.60%
8 Depreciation Rate - Conduit	2.20%
9 Net Current Deferred Operating Income Taxes - Poles	
10 Net Current Deferred Operating Income Taxes - Conduit	
11 Net Current Deferred Operating Income Taxes - Total	
12 Net Non-current Deferred Operating Income Taxes - Poles	
13 Net Non-current Deferred Operating Income Taxes - Conduit	
14 Net Non-current Deferred Operating Income Taxes - Total	
15 Pole Maintenance Expense	
16 Pole Rental Expense	
17 Pole Expense (15) + (16)	-
18 Conduit Maintenance Expense	
19 Conduit Rental Expense	
20 Conduit Expense (18) + (19)	-
21 General & Administrative Expense	557,498
22 Operating Taxes	\$ 350,808
Operational Data (Actual)	
23 Equivalent Number of Poles	2,279
24 Conduit System Trench Kilometers	30.00
25 Conduit System Duct Kilometers	44.00
26 Number of inner-ducts <b>(if no inner-ducts enter 2)</b>	2

**Maximum Pole Attachment Charge**

\$	2.41	Net Cost of a Bare Pole
	7.4074%	Space Factor
	283.10%	Carrying Charge Rate
\$	0.51	<b>Maximum Pole Attachment Charge per annum</b>

**Net cost of a bare pole**

\$	230,347	Gross Investment Poles
	224,554	(less ) Accumulated depreciation Poles
	-	(less) Net Current Deferred Operating Income Taxes-Poles
	-	(less) Net Non-Current Deferred Operating Income Taxes-Poles
\$	5,793	Net Pole Investment
	0.95	Factor to remove investment in crossbars, etc.
\$	5,503	Net investment in <u>bare</u> poles
	2,279	Number of Poles
\$	2.41	<b>Net cost of a bare pole</b>

**Space Factor**

	37.5	average pole height (feet)*
	24	unusable space*
	13.5	usable space
	1	space occupied by attachment (feet)
	7.4074%	<b>Space Factor</b> (space occupied/usable space)

\*Avg pole height and unusable space are rebuttable presumptions

<u>Carrying Charge Rate</u>	
0.00%	Maintenance Factor
30.95%	General and Administrative Factor
222.67%	Depreciation Factor
19.48%	Taxes Factor
10.00%	Cost of Capital Factor
283.10%	Carrying Charge Rate
<u>Maintenance Factor</u>	
\$ -	Pole Maintenance Expense
\$ 5,793	Net Pole Investment
0.00%	Maintenance Factor
<u>General and Administrative Factor</u>	
\$ 557,498	General and Administrative Expense
24,200,985	Total Plant in Service
22,399,870	(less) Accumulated Depreciation-TPIS
-	(less) Net Current Deferred Operating Income Taxes-TPIS
-	(less) Net Non-Current Deferred Operating Income Taxes-TPIS
\$ 1,801,115	Net Total Plant in Service
30.95%	General and Adm. Factor (G&A expense/Net TPIS)
<u>Depreciation Factor</u>	
5.60%	Depreciation Rate-Poles
\$ 230,347	Gross Pole Investment
\$ 5,793	Net Pole Investment
39.76	Gross Pole Investment/Net Pole Investment
222.67%	Depreciation Factor
<u>Taxes Factor</u>	
\$ 350,808	Operating Taxes
\$ 1,801,115	Net Total Plant in Service
19.48%	Taxes Factor
<u>Cost of Capital Factor</u>	
10.00%	SLEC default Cost of Capital per Entry

0.322%

44,000 System duct Length in meters  
2 Number of Inner Ducts

\$ 51,591 Net conduit Investment

64.20% Carrying Charge-Conduit

\$ 0.38 Maximum Rate Per Linear Meter

\$ 0.11 Maximum Rate Per Linear Foot

**Net Conduit Investment**

\$ 88,351 Gross Investment Conduit

36,760 (less ) Accumulated depreciation Conduit

- (less) Net Current Deferred Operating Income Taxes-Conduit

- (less) Net Non-Current Deferred Operating Income Taxes-Conduit

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\$ 51,591 **Net Conduit Investment**

Carrying Charge Rate - Conduit

0.00% Maintenance Factor  
30.95% General and Administrative Factor  
3.77% Depreciation Factor  
19.48% Taxes Factor  
10.00% Cost of Capital Factor  
64.20% Carrying Charge Rate

Maintenance Factor

\$ - Conduit Maintenance Expense  
\$ 51,591 Net Conduit Investment  
0.00% Maintenance Factor

General and Administrative Factor

30.95% General and Adm. Factor (G&A expense/Net TPIS)

Depreciation Factor

2.20% Depreciation Rate-Conduit  
\$ 88,351 Gross Conduit Investment  
\$ 51,591 Net Conduit Investment  
1.71 Gross Conduit Investment/Net conduit Investment  
3.77% Depreciation Factor

Taxes Factor

19.48% Taxes Factor

Cost of Capital Factor

10.00% SLEC default Cost of Capital per Entry



**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 15-0966-TP-ATA**

Summary: Amended Application Replacement tariff page and revised exhibit D of Pole Attachment and Conduit Occupancy Tariff originally filed on May 15, 2015 electronically filed by Mrs. Beth Westman on behalf of Orwell Telephone Company d/b/a FairPoint Communications