

Hydro Ottawa EB-2015-0004 Pole Attachment Charges Comparison

K2.4)

			Hydro Ottawa Response to Carriers #7 (revised column)		Table from page 24 of David McKeown/Carriers Evidence (revised column)	
	RP-2003-0249 Decision	Comment		Comment		Comment
DIRECT COST						
A	Administration	\$ 0.69	CRTC estimate of 0.62 plus inflation	\$ 3.96	Total Admin. Cost / # of poles with attachments	\$ 1.58
B	Loss in Productivity	\$ 1.23	cost per attacher (2.5)	\$ 8.70	Total LIP Cost / # of poles with attachments	\$ 0.45
C	TOTAL DIRECT COST	\$ 1.92		\$ 12.66		\$ 2.03
INDIRECT COST						
D	Net Embedded Cost per pole	\$ 478.00	"Bare" 40 foot pole	\$ 1,569.00	net book value of all poles / # of in- service poles	\$ 1,263.43
E	Depreciation Expense	\$ 31.11		\$ 41.26		\$ 34.80
F	Pole Maintenance Expense	\$ 7.61		\$ 12.61		\$ 10.18
G	Capital Carrying Cost	\$ 54.59	cost of capital @ 11.42%	\$ 105.11	cost of capital @ 6.7%	\$ 76.25
H	TOTAL INDIRECT COST	\$ 93.31		\$ 158.98		\$ 121.23
I	Allocation Factor	21.9%	based on 2.5 attachers	25.9%	based on 2.0 attachers	12.5%
J	Indirect Costs Allocated	\$ 20.43		\$ 41.18		\$ 15.15
K	ANNUAL POLE RENTAL CHARGE	\$ 22.35		\$ 53.84		\$ 17.19
L	2016 Proposed Rate			\$ 57.00		\$ 18.24

net book value of
all poles reduced
by 15% to remove
power-only
fixtures / # of in-
service poles

amount from
para. 92 of
evidence less 15%
reduction factor
amount does not
agree with para.
87 of evidence -
should be based
on 6.7% i.e.

\$84.65
129.63