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Fedbruary 9, 2018

Ontario Energy Board

P.O. Box 2319

2300 Yonge Street, Suite 2700

Toronto, Ontario M4P 1E4

Attention: Board Secretary

E-mail: boardsec@oeb.ca

**Re: Call for Submissions / Review of Miscellaneous Rates and Charges (EB-2015-0304) Draft Report of the Board – Framework for Determining Wireline Pole Attachment Charges**

1. The following constitutes TELUS Communications Inc.’s (“TELUS”) response to the Ontario Energy Board’s (“OEB”) call for submissions on its Draft Report - Framework for Determining Wireline Pole Attachment Charges. TELUS’ letter is to notify the OEB of its support of the submission filed by Rogers Communications Canada Inc.’s titled: ‘Submission on OEB Draft Report on Framework for Determining Wireline Pole Attachment Charges’, on behalf of TELUS and other companies.
2. TELUS has very serious concerns with respect to the conclusions in the Draft Report, particularly the intent to impose an immediate significant rate increase on pole attachments chargeable by all Ontario hydro utilities to an unprecedented $52 per pole across the Province. For TELUS, the $52 per pole rate charge represents on average a 135% increase in TELUS’ per pole attachment cost in Ontario, and an increase of 75% to the TELUS’ yearly budget for pole attachments in Ontario.
3. As a communications provider, and like all other communications providers in Ontario who have little choice but to rely on utility poles to extend their networks and services, TELUS has no choice but to either pass increases in costs on to its customers or curtail services and growth in Ontario. Not only would either of these actions affect the economic growth in Ontario through loss of jobs and Provincial revenue, the end customer will be disadvantaged by the simple fact that plans to bring faster and more reliable broadband services will be delayed or potentially cancelled.
4. It is an undeniable truth that cost increases to the magnitude that the OEB is recommending will affect telecommunications growth in Ontario. Further, it is equally true that hydro companies outside of Ontario will also be looking at this situation and wanting to follow suit, so in fact the damage caused in Ontario by approving such a flawed and singular model could potentially spread throughout Canada with the same damaging end results.
5. TELUS submits that there are alternatives to imposing an increase of this magnitude. At minimum, the old rate could be adjusted for 12 years of inflation until a proper and fair hearing, tabling all the relevant facts and figures, including thorough reviews of costing methodologies, is conducted that would allow all impacted parties to be heard.
6. Telecommunications, like electricity, are vital to the economic growth of the Provinces and Canada. Affordable, cost-justified rates to attach to utility poles are very much part of the equation supporting the growth of telecommunications and providing new and faster broadband service to communities. An unjustified pole attachment rate of $52 per pole does anything but support that.
7. In conclusion, TELUS recommends that the OEB abandon the current rate of $52 per pole, and set an interim rate such as the old rate of $22.35 plus inflation and then proceed to set a new rate with a process that provides the diligence and regulatory regimen the subject matter and end-customers deserve.

Yours truly,

*{Original signed by Stephen Schmidt}*

Stephen Schmidt

Vice-President - Telecom Policy & Chief Regulatory Legal Counsel

Telecom Policy & Regulatory Affairs

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