



February 9, 2018

VIA Email: boardsec@oeb.ca

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto, Ontario M4P 1E4

Attention: Board Secretary

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

Shaw Cablesystems G.P. ("Shaw") is filing these comments in response to a call by the Ontario Energy Board ("Board") for submissions on its Draft Report – *Framework for Determining Wireline Pole Attachment Charges*, issued December 18, 2017. Shaw is very concerned about the conclusions in the Draft Report, most particularly the proposal to more than double the rate all utilities charge licensees, such as Shaw, to attach wires to their poles, from the existing rate of \$22.35 to \$52 per pole per year, effective early in 2018.

Shaw's wireline network in Ontario is primarily located in the North, providing cable television and broadband Internet services to the following communities: Atikokan, Balmertown, Cochenour, Coney Island, Dryden, Ears Falls, Fort Frances, Garden River, Heyden, Keewatin, Kenora, Lake Helen, Manitouwadge, Marathon, McKenzie Island, Michipicoten Mission, Nipigon, Red Lake, Red Rock, Sault Ste. Marie, Schreiber, Sioux Lookout, Terrace Bay, Thunder Bay, Wawa and White River.

Shaw believes that Canadians should have access to a choice of continuously improving broadband Internet services, and we are proud to offer that choice in many smaller communities in northern Ontario. Competition, choice and investment in the telecommunications market drive affordability, innovation and increasing quality. However, all of these objectives, including affordability, will be hindered if the rate increase proposed in the Draft Report comes into effect. By more than doubling the rate for telecom wire attachments to thousands of utility poles, acceptance of the recommendations of the Draft Report will significantly increase our costs of serving these communities, hampering future broadband network investments in, and beyond, these communities and, ultimately, driving up the monthly bills of our customers.

The Working Group that produced the Draft Report was formed by the Board with a mandate to review certain technical issues applicable to, and establishing a methodology for, setting pole attachment rates. It was not given a mandate to set a new rate. What most concerns Shaw is that the drastic rate increase proposed in the Draft Report was not part of the mandate given to the Working Group. The Working Group process was not public, it was not evidence based (there was no opportunity for stakeholders to tender evidence or expert opinion), and it did not allow the cross examination of utility information tabled with the Working Group, all fundamental components of an administrative rate-setting exercise.

Shaw is very concerned that a new rate is being proposed by the Board without proper due process – a rate that goes far beyond the rates charged by other utilities across the country, including those established by other provincial regulatory proceedings. We also question how a rate can be proposed for utility pole attachments that is more than double the rate for telco pole attachments set by the CRTC in 2010 following a very rigorous, evidence-based process.

The Draft Report states that the avoidance of duplicate pole infrastructure is an important Board policy objective. However, pole attachment rates of the magnitude proposed in the Draft Report risks having the opposite effect by causing telecoms to consider reducing their use of utility poles and, instead, building their own structures. Not only will this slow the deployment of broadband network infrastructure in the province, particularly to rural communities, it will also result in the duplication of pole lines, the very thing the Board seeks to avoid.

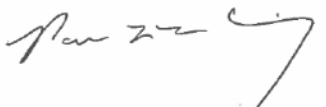
We note that in the US, a multi-stakeholder committee that includes electricity industry and regulator representation has been established to assess and develop recommendations specifically designed to reduce or remove regulatory barriers to broadband deployment, including pole access. Acceptance of the Draft Report by the Board would move Ontario in the opposite direction.

Shaw is aware of comprehensive comments being filed on this matter by Rogers Communications and Shaw fully supports those submissions.

Given the foregoing, it is Shaw's view that the Board should set-aside the Draft Report and maintain the current pole attachment rate of \$22.35, with an adjustment for inflation, while it conducts a fulsome rate-setting proceeding and the outcome of such a proceeding is final.

Shaw thanks the Board for its consideration of our comments.

Sincerely,



Paul Cowling
Vice President, Legal and Regulatory Affairs
Shaw Cablesystems G.P.

c. Hon. Glen Thibault
Ontario Minister of Energy
glenn.thibeault@ontario.ca

Hon. Bob Chiarelli
Ontario Minister of Infrastructure
bob.chiarelli@ontario.ca

Hon. Reza Moridi
Ontario Minister of Research, Innovation and Science
rmoridi.mpp@liberal.ola.org

Hon. Michael Mantha, MPP Algoma-Manitoulin
mmantha-qp@ndp.on.ca

Hon. Sarah Campbell, MPP Kenora-Rainy River
scmpp@ndp.on.ca

Hon. Ross Romano, MPP Sault Ste Marie
ross.romano@pc.ola.org

Hon. Bill Mauro, MPP Thunder Bay – Atikokan
bmauro.mpp.co@liberal.ola.org

Hon. Michael Gravelle, MPP Thunder Bay – Superior North
mgravelle.mpp.co@liberal.ola.org

Greg Wilson, Mayor, City of Dryden
gwilson@dryden.ca

Roy Allan Avis, Mayor, Town of Fort Francis
ravis@fort-francis.com

David S. Canfield, Mayor, City of Kenora
dcanfield@kenora.ca

Phil Vinet, Mayor, Municipality of Red Lake
Phil.vinet@redlake.ca

Doug Lawrance, Mayor, Municipality of Sioux Lookout
Mayor@siouxlookout.ca

Richard Harvey, Mayor, Town of Nipigon
Richardharvey@nipigon.net

Dennis Brown, Mayor, Town of Atikokan
Dennis.brown@atikokan.ca

George (Jody) Davis, Mayor, Township of Terrace Bay
mayor@terracebay.ca

Mark Figliomeni, Mayor, Township of Schreiber
mayor@schreiber.ca

Rick Dumas, Mayor, Town of Marathon
mayor@marathon.ca

Andy Major, Mayor, Township of Manitouwadge
amajor@manitouwadge.ca

Lynn Watson, Mayor, Township of Macdonald
twpmacd@onlink.net

Ron Rody, Mayor, Municipality of Wawa

Chief Dean Sayers Sr., Batchewana First Nation
chiefdeansayers@batchewana.ca

Chief Paul Syrette, Garden River First Nation
paul.syrette@gmail.com

Chief Patricia Tangle, Michipicoten First Nation
ptangie@michipoten.com

Drew Myers, Mayor, Municipality of Machin
clerktreasurer@visitmachin.com

Angelo Bazzoni, Mayor, Township of White River
cao@whiteriver.ca

Kevin Kahoot, Mayor, Town of Ear Falls
kkahoot@outlook.com

Gary Nelson, Mayor, Town of Red Rock
cao@shawbiz.ca

Keith Hobbs, Mayor, City of Thunder Bay
jenninehusiak@thunderbay.ca

Christian Provenzano, Mayor, City of Sault Ste. Marie
Mayor.provenzano@cityssm.on.ca