

**Ontario Energy Board**  
**Pole Attachment Working Group**  
**Potential Issues to Review**

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**Administration costs**

1. What should be included in these costs?
  - Processing permits for attachments
    - o Need to isolate costs of issuing wireline permits only.
    - o Some LDCs charge a separate permit fee.
  - Invoicing pole attachers
  - Updating GIS system; GIS tracking
  - Administering the agreement
2. Should we use an industry wide value?
3. If necessary, need to strip out any costs associated with Bell's use of the poles.

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**Loss in productivity**

4. What is included in these costs?
  - Responding to third party wires down
  - Responding to tree on third party wires
  - Pole inspection program
5. How to properly allocate these costs to wireline attachers?
  - Pole replacement (field visit and removal crew trip)
    - o If pole replacement costs are already included in the net embedded cost, then there will be double recovery.
    - o LDCs claim that, because of the wireline attacher, a second crew visit is necessary.

- Pole replacement costs to accommodate wireline attachers are recovered through make-ready costs.
6. How is this data tracked?
  7. How do we account for work related to power assets or Bell facilities? If it is not tracked, how should it be calculated?

### **Net embedded cost per pole**

8. Should historical (actual) or forecast costs be used?
9. What portion of the costs of the neutral and secondary, if any, should be allocated to the wireline attachers?
10. Should the value of LDC rights-of-way and easements be included?
11. Pole replacement program – issue of premature pole replacement
12. MIFRS vs. GAAP
13. Average vs. year-end value
14. How should power-only assets be removed from the costs?
15. Opportunity to use benchmarking or average costs for particular regions?

### **Depreciation expense**

16. MIFRS vs. GAAP
17. Deduct power-only assets

### **Pole maintenance expense**

18. What should be included in these costs?
  - Costs recorded in Account 5120
  - Vegetation management (line clearing, brush control, land owner contact and job planning)
    - Some LDCs allow the wireline attachers to do their own tree-trimming.
  - Maintenance line (line patrols, pole inspections, defect corrections)
    - Wood pole inspection and treatment

- Use most recent actuals or 5-year average
  - Pole inspection program (collecting data to update records, assess condition of overhead assets and identify deficiencies).
    - What portion should be allocated to wireline attachers?
19. Need to remove costs associated with power-only assets.
20. Need to understand if the LDC and Bell provide each other with maintenance services and whether the associated costs should be removed.

### **Capital carrying cost**

21. Deduct power-only assets

### **Average number of attachers per pole**

22. Should the pole attachment rate be based on the number of attachments instead of the number of attachers?
- Is it even possible for the LDCs to determine how many attachments are on each pole?
23. Presumptive no. of attachers vs. actual no. of attachers
24. Include joint use poles that do not have any third party attachers?
25. How to take into account the number and types of all possible attachers, including actual and potential, third party power, and wireless service providers

### **Cost allocation methodology**

26. What kind of cost-sharing model should be adopted?
- equal sharing
  - Nordicity equal sharing
  - proportionate usage
  - incremental usage
  - incremental costs plus mark-up
27. How should the relative spaces on a pole be allocated among the different users?

28. Should the different rights afforded to the different users be taken into consideration (pole owner vs. third party attacher)?
29. Should we look to what are other jurisdictions and utility boards are using?

### **Miscellaneous Issues**

30. How should the cost and pole-sharing relationship between the LDC and Bell be taken into consideration?
31. Should the revenues third party attachers receive from others overlashing to their strand be taken into consideration?
32. Should make ready costs (in particular, the cost of providing a brand new pole) be incorporated into the pole attachment rate?
33. How should special circumstances and events (ice storms, fires, huge pole replacement programs) be treated?
34. How should clearance poles, overlash attachments and power supplies be treated?
35. Should there be a province-wide rate instead of a company-specific rate?
36. Should the relationship between pole attachment rates and electricity rates to consumers be considered?
37. What is the appropriate time period and process for pole rate review?
38. What role, if any, should benchmarking and taking into account the costs of other pole owners and/or pole rates across the country have?