VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Assumption of Commission Jurisdiction Over Pole Attachments from the Federal Communications Commission; Docket No. L-2018-3002672

Comments of the FirstEnergy Companies

Dear Secretary Chiavetta:

Enclosed for filing at the above-captioned docket please find the Comments of FirstEnergy Companies.

Copies of the Comments are also served electronically upon the persons listed below as requested in the Commission’s Rulemaking Order.

Very truly yours,

[Signature]
John L. Munsch
Attorney

JLM:dml

Enclosures

c: Shaun A. Sparks (shsparks@pa.gov)
    Colin W. Scott (colinscott@pa.gov)
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Assumption of Commission Jurisdiction:
Over Pole Attachments from the Federal Communications Commission:

COMMENTS OF THE FIRSTENERGY COMPANIES

I. Introduction


As explained herein the Companies cautiously support the Commission’s proposal to assert Pennsylvania reverse preemption over utility pole attachments.

---

1 48 Pa.B. 6273.
2 The Pole Attachment Act section of TA96 is found at 47 U.S.C. § 224.
II. Background

Pole attachments in Pennsylvania are currently subject to federal jurisdiction by the Federal Communications Commission ("FCC") pursuant to TA96. The FCC has extensive regulations governing access to utility poles by cable and telecommunications carriers covering a wide range of pole attachment issues, including rates, timelines for attachment, and complaint procedures.\(^3\) The term "poles" extends to utility structures above and below ground, including poles, ducts, conduits, and other rights of way owned or controlled by utilities.

TA96 provides that a state may assert jurisdiction over pole attachments by notifying the FCC that the state is asserting reverse preemption and assuming state jurisdiction over pole attachments.\(^4\) To date, 20 states and the District of Columbia have opted to regulate pole attachments through reverse preemption.

The Companies are subsidiaries of FirstEnergy Corp. ("FirstEnergy"), which owns ten electric distribution companies ("EDCs") providing electric distribution service to more than six million customers in six states. Collectively, those operating companies own, in whole or in part, approximately 4,100,000 above-ground electric distribution poles. In Pennsylvania, the

\(^{3}\) FCC regulations regulating pole attachments are found at 47 C.F.R §§ 1.1401-1.1418.

\(^{4}\) 47 U.S.C § 224 (c) provides:

(c) State regulatory authority over rates, terms, and conditions; preemption; certification; circumstances constituting State regulation.

(1) Nothing in this section shall be construed to apply to, or to give the Commission jurisdiction with respect to rates, terms, and conditions, or access to poles, ducts, conduits, and rights-of-way as provided in subsection (f), for pole attachments in any case where such matters are regulated by a State.

(2) Each State which regulates the rates, terms, and conditions for pole attachments shall certify to the Commission that--

(A) it regulates such rates, terms, and conditions; and

(B) in so regulating such rates, terms, and conditions, the State has the authority to consider and does consider the interests of the subscribers of the services offered via such attachments, as well as the interests of the consumers of the utility services.
Companies provide service and maintain utility poles as follows: Metropolitan Edison Company serves approximately 565,000 customers and owns, in whole or in part, approximately 345,000 electric distribution poles; Pennsylvania Electric Company serves approximately 588,000 customers and owns, in whole or in part, approximately 527,000 electric distribution poles; Pennsylvania Power Company serves approximately 165,000 customers and owns, in whole or in part, approximately 111,000 electric distribution poles; and West Penn Power Company serves approximately 724,000 customers and owns, in whole or in part, approximately 634,000 electric distribution poles.

Of the six states in which FirstEnergy distribution companies provide service, three states have exercised reverse preemption: New Jersey, New York and Ohio. The remaining states of Maryland, Pennsylvania and West Virginia have not exercised reverse preemption to date.

III. Overview of Commission Notice of Proposed Rulemaking

By Order entered July 13, 2018, the Commission instituted a Proposed Rulemaking to assume jurisdiction over pole attachments in the Commonwealth of Pennsylvania. The Commission stated that its proposed rulemaking is in response to public demand for obtainable access to wireline and wireless data technology in Pennsylvania. The Commission stated that more than 800,000 Pennsylvania residents lack high-speed internet access.

The Commission proposes to adopt existing FCC regulations governing pole attachments for application in Pennsylvania. It is unclear, however, whether or not the Commission intends that pending changes to the FCC regulations, which are yet to become final, or yet to be promulgated or announced, shall automatically become effective in Pennsylvania. The
Commission’s proposed regulation at Section 77.4, as contained in the Notice of Proposed Rulemaking, provides:

§ 77.4. Adoption of Federal Communications Commission Regulations.

This chapter adopts the rates terms and conditions of access to and use of poles, ducts, conduits and rights-of-way to the full extent provided for in 47 U.S.C. §224 and 47 C.F.R. 1.1404 – 1.1425, inclusive of future changes as those regulations may be amended.

It appears that the Commission may intend to adopt the current FCC regulations, but also later adopt FCC regulations if or when such future regulations are promulgated by the FCC and become effective. In Footnote No. 1 of the Commission’s Notice of Proposed Rulemaking, however, the Commission states that “[b]ecause the Commission does not propose to alter existing FCC pole attachment regulations at this time it will not reiterate the regulations in the body of this Order.”

Whether later-finalized, yet-to-be effective FCC regulations may automatically become applicable in Pennsylvania is an open question. The issue is also significant because, as explained herein, the FCC is currently promulgating new regulations that provide extensive re-regulation of pole attachment rates, terms and conditions.

It appears to the Companies that the primary change anticipated by the Commission’s proposed exercise of reverse preemption will be that the Commission will exercise its current dispute resolution procedures under 52 Pa. Code Chapters 1, 3 and 5, relating to mediation, formal complaints and adjudicative procedures. In other words, the Commission may employ its own, existing dispute resolution procedures and apply existing FCC regulations concerning rates, terms and conditions of pole attachments. The Commission’s proposed regulation at Section 77.5, as contained in the Notice of Proposed Rulemaking, provides:
§ 77.5. Resolution of disputes.

(a) Persons and entities subject to this chapter may utilize the mediation, formal complaint and adjudicative procedures under 52 Pa. Code Chapters 1, 3 and 5 (relating to rules of administrative practice and procedure; special provisions; and formal proceedings) of the Commission’s regulations to resolve disputes or terminate controversies.

Emphasis added.

The use of the word “may” in proposed Section 77.5(a) raises the question of whether the Commission’s dispute resolution procedures at 52 Pa. Code Chapters 1, 3 and 5 are conclusively to be applied, or whether the parties or the Commission may opt to apply, in the alternative, the FCC dispute procedures.

IV. The FCC’s proposed regulations governing pole attachments

It is significant that the FCC recently issued new and extensive final pole attachment regulations. The final revised FCC regulations were released August 3, 2018 after a lengthy rulemaking process.\(^5\) The FCC directed that its revised regulations become effective the later of: (1) six months after the August 3, 2018 release of the regulations; or (2) 30 days after the FCC publishes a notice in the Federal Register announcing approval of the regulations by the Federal Office of Management and Budget.\(^6\) The FCC’s rulemaking makes numerous changes to its existing pole attachment regulations governing attachment rates and procedures. The FCC contends that its proposed regulations will “facilitate faster, more efficient broadband

---


\(^6\) 83 Fed. Reg. 46812 at ¶166.
deployment.” The FCC rulemaking also notes that “nothing here should be construed as altering the ability of a state to exercise reverse preemption of our pole attachment rules.”\textsuperscript{7}

The Companies support aspects of the FCC regulations, but also have objections to the FCC’s proposed regulations, including issues as summarized below. To that point, the Companies submitted extensive Comments and Reply Comments during the FCC rulemaking as part of the Coalition of Concerned Utilities,\textsuperscript{8} and on October 15, 2018 requested reconsideration of the FCC’s August 3, 2018 Order as part of the same Coalition. The Companies have attached this Petition for Reconsideration as Attachment A to these Comments, and highlight their concerns with the revised regulations as follows:

- The FCC’s regulations provide that if an electric utility fails to meet the new make-ready construction deadlines for attachers, the attacher may hire utility-approved contractors to perform make-ready work, not only in the communications space (which is the current rule) but also in the electric space, creating significant safety concerns;
- The FCC’s regulations provide that if a utility does not maintain a list of utility approved contractors, or if those contractors are too busy, the attacher could hire its own contractor which the utility must accept if the contractor meets criteria specified by the FCC. In this respect, the FCC claims that it recognizes its approach to accelerate access to poles “could raise meaningful concerns about safety and protection of existing infrastructure.” It is vital that communications attachers not have any

\textsuperscript{7} Third Report and Order at §13.
authority to conduct activity in the electric space, therefore, the Companies have requested that the FCC clarify that communications attachers may not themselves, or through contractors, perform work in the electric space on the poles;

- Also concerning is the FCC’s apparent lack of understanding around the risks of overlashing. Overlashing existing communication cables with new or additional cables, though entirely in the communication space, presents serious pole weight and pole stability issues particularly during icing situations. The FCC would allow a communication company to overlash an existing communication cable without submitting any engineering analysis nor requiring approval by the pole owner. The attaching company would only have to notify the pole owner. The FCC did not require that attaching parties reimburse the pole owner for inspecting the overlashed attachment nor for performing a loading analysis for electric safety and reliability. Of further concern, should the pole be determined to be overloaded by the overlashed attachment, there is no incentive for the overlashing party to pay for the new pole. Even more alarming is that the FCC will allow overlashing on poles with pre-existing NESC violations.⁹

- The FCC’s regulations provide new lower rates for Incumbent Local Exchange Carriers (“ILECs”) -- primarily traditional telephone utility

---

⁹ While a less significant concern as compared to the aforementioned safety related issues, the FCC has revised its regulations to require the pole owner to perform a prudent engineering analysis only after the fact, the cost of which would have to be incurred - inappropriately so - by the pole owner.
companies -- that extend not only to new pole attachment agreements but also to existing agreements that are "renewed" after the effective date of the new regulations. Since the initial term of most existing joint use agreements have expired and are operating on year-to-year renewals, this means that within a year most joint use agreements will be subject to the new rate rules. For any such new and "renewed" agreements, the ILEC would be presumed to get the FCC's new lower rate which, since its inception as the "cable-only" rate, was designed as a subsidized incentive rate.

The Companies' specific concerns with the FCC's proposed regulations are consistent with the Companies' overall concern that the FCC's emphasis on communication industry expansion alarmingly de-emphasizes electric safety and reliability while simultaneously increasing costs to electric utilities and their ratepayers.

V. **Companies’ position on Pennsylvania assertion of reverse preemption**

The Companies cautiously support Pennsylvania's possible assertion of reverse preemption over the FCC's jurisdiction of pole attachments. It is the Companies' belief that the Commission maintains a better understanding of electric distribution facilities over and above that of the FCC, whose expertise necessarily seems to concentrate on communication facilities and communication industry expansion, not electric distribution safety, reliability and regulated rates and cost recovery. The Commission's expertise in the areas of electric distribution safety, reliability and cost recovery may provide a more balanced approach to pole attachment issues. While the Companies support the Commission's goal to expand broadband and wireless
deployment, the expansion should not jeopardize safe and reliable operation of electric utilities, nor be at the expense of EDCs or their ratepayers.

As the Commission understands, electricity is essential in that it drives virtually all of the key components of modern life, yet the safe and efficient delivery of electric utility services is dependent upon a highly complex, interrelated series of processes that continue to evolve with technological advances and public and regulatory expectations for reliability of service. Pole attachments, without proper oversight, pose a serious threat to the electric service delivery process, with broad implications for the personal safety of those who work on or near poles, attachments and energized lines, and for the reliability of the electric grid. Federal, state, and, when applicable, local code and operating requirements for safe work and construction practices currently applicable to EDCs, must be incorporated into any Commission action and be required of the communications attachers. The Companies urge the Commission to continue to give great deference to electric utility construction and engineering standards and practices related to safety, reliability and cost recovery. Thus, because the Companies recognize the Commission’s expertise developed over many decades of oversight of electric facilities and over the imperatives of electric safety and reliability, the Companies support the Commission’s current proposal for assertion of reverse preemption of pole attachments.

VI. Questions posed by Commissioners

In their statements accompanying the Notice of Proposed Rulemaking as presented at the Commission’s Public Meeting of July 12, 2018, Vice Chairman Place and Commissioner Kennard posed questions for consideration and possible commentary by parties filing comments. In
response, the Companies offer the following preliminary information for consideration and discussion.

Vice Chairman Andrew G. Place

1. The legal and technical interactions and ramifications of any future Pennsylvania statutes that may address pole attachments with any potentially adopted Commission rules on pole attachments that are based on the FCC regulatory framework.

Response:

The Vice Chairman’s question goes to the heart of the Companies’ concerns over the FCC’s demonstrated lack of expertise when it comes to safe, reliable and efficient operation of an EDC. To give two specific examples, the Commission should acknowledge that EDCs may adopt construction standards that go beyond the minimum safety standards issued by NESC or OSHA or other institutions; and also that restoration of electric service due to storms and other forced outages must always take priority over the speed of broadband deployment.

2. The technical and legal ramifications of adopting the FCC regulatory framework for pole attachments in Pennsylvania while the FCC may proceed with future changes to its own regulations on pole attachments at the federal level. Would the Pennsylvania pole attachment regulations be automatically linked with the corresponding FCC regulatory framework changes at the federal level? Or, will the Commission be obliged to institute a new rulemaking or other proceedings with appropriate due process notice and comment under applicable Pennsylvania law in order to consider such future changes in the FCC’s own regulatory framework for pole attachments?

Response:

Changes to FCC regulations that the Commission seeks to incorporate into Pennsylvania practice as operating procedures, or terms or conditions of pole attachments, should pass through Pennsylvania’s rulemaking procedures. Comments provided to the FCC as part of the FCC’s rulemaking process may implicate Pennsylvania facts and issues of which the FCC may not be aware, or upon which the FCC may not have expertise. Further, affected parties in the Commonwealth may not recognize that FCC rulemakings would apply automatically in Pennsylvania, particularly given the Commonwealth’s apparent assertion of jurisdiction over the issues.
3. Whether the Commission's existing exercise of jurisdiction, including ratemaking mandates, over public utility entities that are and will be subject to pole attachment regulations, will present any unique issues that may require Pennsylvania-specific changes to the FCC's applicable regulatory framework.

Response:

The Commission's stated intent to expand broadband access promptly in Pennsylvania may involve issues unique to Pennsylvania geography, demographics, and to the existing corporate structures of electric utilities, ILECs, CLECs and cable television companies ("CATV").

Commissioner Norman J. Kennard

1. If possible, estimate the forecasted number of disputes that might be brought to the Commission for resolution under the proposed adoption of existing FCC regulations on pole attachments.

Response:

The Companies suggest that their affiliates' experience in other states does not predict a prohibitive expansion of formal complaints. Of the six states in which the Companies and their affiliates provide electric distribution service, three states have asserted reverse preemption over pole attachments: Ohio, New Jersey and New York. The Companies serve only a small number of customers in New York. In Ohio and New Jersey, the Companies' affiliates have not received any complaints in years 2017 and 2018 at the state regulatory bodies involving pole attachments. The Companies currently have one complaint proceeding before the FCC that may be considered Pennsylvania jurisdictional under the Commission's proposed exercise of reverse preemption.

2. Comment on whether the FCC regulations provide a means for pole owners to address unauthorized attachment or whether some additional mechanism(s) is necessary.

Response:

Current FCC procedures at 47 CFR § 1.722 (2017) (amended effective Oct. 4, 2018), provide for a bifurcated administrative process at the FCC whereby liability is determined in the first stage, and damages in a separate bifurcated stage. Inasmuch as the Pennsylvania Commission does not have statutory authority to award monetary damages the Companies submit that the FCC currently provides the avenue for damages for unauthorized attachments. However, the Commission could uphold
suspension of new attachments as a penalty for non-payment of unauthorized attachment fees, make-ready construction costs, and annual rental payments.

3. Request the parties provide any suggestions to streamline or otherwise improve the Commission’s existing adjudicatory and dispute resolution processes.

Response:

In a rulemaking separate from the FCC’s rulemaking released on August 3, 2018, the FCC released a Report and Order on July 18, 2018 that created a new uniform set of procedural rules for formal complaint proceedings at the FCC.10 The Order streamlines the procedural rules of the FCC regarding pole attachments including deadlines of 30 days for filing answers to a complaint, answers within 10 days, enhanced discovery, and FCC-sponsored settlement negotiations. The new process is known as a “270-day shot-clock.” The Pennsylvania procedures may be less rapid than the FCC’s “shot-clock” timeline for the resolution of attachment complaints. The Pennsylvania procedures for formal complaints can be quite lengthy, with opportunity for Commission-sponsored mediation, data requests, depositions, pre-hearing conferences, written direct and rebuttal testimony, and hearings, followed by an initial decision of an Administrative Law Judge, exceptions thereto by litigants, and a final decision of the Commission. While the Commission procedures could be lengthier than the new FCC shot clock, the Commission procedures may allow for development of an ample evidentiary record on which to base decisions. The Companies also suggest that the Commission venue and procedures may provide a better forum for localized utility and customer concerns than would a Federal venue.

4. Comment on the value of adopting an expedited dispute resolution process similar to that used in New York, pursuant to the NY Public Service Commission’s Order Adopting Policy Statement on Pole Attachment, issued on August 6, 2004.

Response:

The Companies have not had experience with the New York procedures.

5. Provide comment and suggestions on the creation of a comprehensive registry of poles and attachments maintained by the pole owner accessible by for current and future pole attachers.

Response:

A similar proposal was raised in the context of the FCC’s recent rulemaking, where the Companies, as part of the Coalition of Concerned Utilities, provided comments

---

opposing the concept of a comprehensive registry of pole attachments. Such a comprehensive data base would jeopardize the security of electric distribution systems as such information is Critical Energy Infrastructure that should not be available in the public domain. Further, disclosing the location of attachments on utility distribution systems would reveal to competitors proprietary information about where communications companies are deploying their services. Finally, the assembly of a comprehensive database would require prohibitively expensive pole surveys and the result would be of little use, as new attachers would still require an analysis of whether a pole can accommodate additional attachments, thus requiring an individual pole-loading analysis.

6. Provide comment on whether standardized agreements or tariffs for pole attachments should be developed.

Response:

The Companies oppose standardized agreements or tariffs for pole attachments. The Companies currently have a combined total of approximately 291 ILEC, CLEC and CATV pole attachment agreements, plus 438 Private License Agreements, affecting Pennsylvania locations. Private License Agreements are those agreements that generally have fewer than 50 total attachments. The agreements are independent of one another and contain provisions specific to individual circumstances and customers not compatible with standardized tariffs.

7. Comment on the value of establishing an ongoing working group across public and private entities discuss pole attachment issues and ideas.

Response:

The Companies are amenable to the establishment of a working group to discuss pole attachment issues and ideas. The Companies suggest that the rulemaking raises questions about the Commission’s jurisdiction and procedures. As discussed above, it is unclear if the Commission intends to adopt new, yet-to-be promulgated FCC regulations. It is also unclear if the Commission’s dispute resolution procedures are mandatory or if the parties would have an option to use FCC dispute procedures. Such issues could be clarified in a working group prior to implementation of the Commission’s proposed rulemaking.
VII. Conclusion

The Companies own and operate an extensive electric distribution system in Pennsylvania and, as such, have a keen interest in the Commission’s proposal to assert jurisdiction over utility pole attachments. The Companies are cautiously optimistic and supportive of the Commission’s proposal at this point and look forward to continued involvement in the rulemaking process.

Respectfully submitted,

John L. Munsch, Attorney for Metropolitan Edison Company Pennsylvania Electric Company Pennsylvania Power Company West Penn Power Company 800 Cabin Hill Drive Greensburg, PA 15601 (724) 838-6210 (234) 678-2384 Fax PA Attorney ID 31489 jmunsch@firstenergycorp.com

Date: October 29, 2018
ATTACHMENT A

Petition for Reconsideration of the Coalition of Concerned Utilities
Before the Federal Communications Commission

In the Matter of

Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment

WC Docket No. 17-84
WC Docket No. 17-79
Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554  

In the Matter of  

Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment  )  WC Docket No. 17-84  

Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment  )  WT Docket No. 17-79  

To: The Commission  

PETITION FOR RECONSIDERATION  
OF THE COALITION OF CONCERNED UTILITIES  

Arizona Public Service Company  
Berkshire Hathaway Energy  
Eversource  
Exelon Corporation  
FirstEnergy  
South Carolina Electric & Gas  
The AES Corporation  

Thomas B. Magee  
Timothy A. Doughty  
Keller and Heckman LLP  
1001 G Street, NW, Suite 500 West  
Washington, DC 20001  
(202) 434-4100  

Attorneys for  
Coalition of Concerned Utilities  

Filed: October 15, 2018
SUMMARY

The Coalition of Concerned Utilities serves more than 25 million electric customers in 19 states and the District of Columbia and owns, in whole or in part, more than 12 million electric distribution poles. We urge the Commission to reconsider portions of its August 3 Order to better achieve the goals set out in the Order, to prevent one set of attachers from benefiting at the expense of the other, to prevent accidental deaths and injury, to safeguard the public, to protect the integrity of the electric distribution system, to reconcile newly-imposed regulations with other conflicting regulations and the Pole Attachment Act, to add efficiencies to speed deployment, and to eliminate unnecessary roadblocks to future broadband deployment.

Joint Use Rates. Existing joint use agreements give ILECs numerous advantages over their CLEC and cable company competitors. As a result, before ILECs can be presumed “similarly situated” to these competitors and entitled to the same rate, a new agreement must be negotiated with terms and conditions similar to CLEC and cable company attacher agreements. Applying such a presumption to “newly-negotiated” agreements therefore makes sense, but applying it to “newly-renewed” agreements that retain all these ILEC advantages does not. For similar reasons, capping the ILEC rate at the pre-2011 Telecom Rate is not justified, since ILEC advantages far outweigh the monetary difference between the pre-2011 Telecom Rate and the “new” post-2011 Telecom Rate. Finally, to prevent price-gouging and facilitate a productive joint use relationship, the Commission should provide much-needed guidance by specifying that any percentage reduction in the per pole attachment fees ILECs pay to electric utilities should be matched by the same percentage reduction in the per pole amount electric utilities pay ILECs.

Electric Space Self-Help Remedy. For public safety reasons alone, allowing communications companies to hire utility-approved contractors to perform make-ready survey or
construction work in the electric space must be eliminated entirely. Work in the electric space can result in serious injury or electrocution, create hazards to the public, and cause electrical outages. Even a cursory review of detailed OSHA requirements shows communications companies cannot responsibly manage outside contractors performing work on electric distributions systems. Guidelines in the August 3 Order regarding contractor qualifications, notice to utilities, and the ability to post-inspect (without reimbursement) are all insufficient, since ad hoc oversight of potentially hazardous electric space activity cannot ensure this work is performed safely. Self-help in the electric space is so objectionable that many utilities may need to divert resources currently performing non-mandatory electric space make-ready work, such as expanding capacity for communications attachers by replacing poles, just to ensure they have enough time to meet electric space make-ready deadlines and thereby eliminate the risk of losing control over their electric space facilities.

**Overlapping.** The August 3 Order greatly restricted utility oversight of overlapping activity, after observing that the record did not show significant safety or reliability issues associated with overlapping. The *Coalition* respectfully disagrees, pointing to evidence in the record of: (1) 150 instances of dangerous and destructive accidents over the past two years for just one *Coalition* member caused by low-hanging wires overloaded with overlapping that got snagged by passing vehicles; (2) loading analyses depicting the increased load created by overlapping; (3) explanations that overlapping causes NESC mid-span ground clearance violations, violations of NESC-required separations between communications wires, violations of NESC pole loading standards, and excessive strain on pole guys; and (4) an explanation that overlapping is often installed on existing facilities that are already located out of NESC compliance and dangerously close to energized facilities, potentially electrocuting the
contractors performing the overlassing. Such practices are dangerous, but in addition burden future attachers with additional costs and risks. Accordingly, the Commission should enable pole owners to require engineering studies as part of any advance notice requirement, to require overlassing materials to be identified, to require that a licensed Professional Engineer certify the proposed overlassing, and to recover any costs associated with overlassing review. Finally, the Commission must reconsider its footnote ruling that pole owners may not deny overlassing because of preexisting violations. That ruling fails any test of reasoned decision-making because it fails to recognize that some violations are far more dangerous than others.

**Pre-Existing Safety Violations.** The pre-existing violation rules must be reconciled with existing Commission rules and the Pole Attachment Act. The August 3 Order requires the premature replacement by utilities of “red-tagged” poles, which is inconsistent with the Pole Attachment Act’s provision enabling utilities to deny access for reasons of lack of capacity. In addition, while new section 1.1411(d)(4) prohibits pole owners from charging new attachers to correct preexisting safety violations, existing section 1.1408(b) (f/k/a 1.1416(b) until October 4, 2018) *requires* the cost of modifying a facility to be borne by all parties that obtain access to the facility as a result of the modification. The Commission should clarify that even while section 1.1411(d)(4) prevents the new attacher from being charged to replace a pole with a preexisting violation, the new attacher retains a reimbursement obligation under section 1.1408(b) to cover the new attacher’s access to the replaced pole. The pre-existing violation rules should otherwise be improved by: (1) requiring unauthorized attachers to pay to correct violations; (2) requiring any communications attacher which reasonably may have caused the violation to share in the modification costs; and (3) requiring the new attacher to pay for the modification and seek reimbursement from the attachers who caused the violation.
**Make-Ready Estimates.** The Commission should require new attachers, not the pole owner, to pursue the self-help remedy to gather make-ready estimates from existing communications attachers. In the alternative, pole owners should not be penalized because of recalcitrant existing attachers and should be allowed to impose reasonable penalties. As for pole-by-pole estimates, which require more time and expense to prepare, any attacher requesting such detailed pole-by-pole estimates should bear the extra time and expense to prepare them.

**Joint Ride-Outs.** Several operational issues can be resolved by slightly modifying this new requirement as follows: (1) since many new attachers do not want joint ride-outs, the joint ride-out provision should be made optional; (2) because utilities may not know which attachers are on any given pole line, attachers should include that information in their attachment requests; and (3) the requirement to provide at least three business days’ notice is counterproductive and inefficient and should be reduced to at least 24 hours.

**Double Wood.** To avoid pervasive and highly-objectionable “double wood” conditions, in which an existing pole remains for extended periods right next to a replacement pole because existing communications attachers will not move their facilities, the Commission should simply enable pole owners to transfer all communications company cables in a manner consistent with the communications space “complex” make-ready self-help remedy in the August 3 Order.

**Contractor Specifications.** Because utilities do not perform communications space make-ready, utilities should not have to maintain a list of approved contractors to perform “complex” make-ready construction work. The rule allowing communications companies to propose new contractors should be revised to ensure reliable performance and prevent contractor abuses, as follows: (1) since it is far too easy simply to “agree” to follow the NESC, OSHA, applicable regulations and utility rules, a Professional Engineer stamp should accompany all
survey and construction work performed by a contractor hired by a communications company; (2) utilities should be entitled to require a “ramp-up” period to evaluate any new contractor; and (3) any attacher hiring non-union personnel should reimburse the pole owner for union contract costs.

**One-Touch Make-Ready.** NESC engineering and clearance determinations are required before a contractor can conclude that communications space make-ready work is “simple.” To provide maximum flexibility to allow communications companies to hire contractors other than utility-approved contractors, any contractor used by the new attacher should include a Professional Engineer stamp with all survey results, certifying the make-ready work is in fact “simple.” In addition, ten days’ notice rather than three should be provided to allow utilities to participate in any OTMR surveys. An additional 15 days should be added to OTMR application review periods, and 30 days’ notice instead of 15 days’ notice should be provided to allow utilities to monitor any OTMR make-ready construction work.

**Completed Applications.** Considering that any “deemed granted” application that has not been reviewed could potentially harm the system and endanger the public, the application review period should be extended to 15 business days, with additional time added for any *force majeure* and other events beyond the pole owner’s control.

* * * * *

The *Coalition of Concerned Utilities* seeks common sense pole attachment regulations to improve the process by which communications companies attach their facilities to electric distribution poles while at the same time providing safe and efficient delivery of electric services to their consumers. The *Coalition’s* proposed changes to the August 3 Order are consistent with these shared goals and the *Coalition* urges the Commission to reconsider its rules accordingly.
# TABLE OF CONTENTS

**SUMMARY** ................................................................................................................................. i

I. **BACKGROUND ON COALITION MEMBERS** ........................................................................ 2

II. **RECONSIDERATION REQUESTS** ......................................................................................... 4

   A. **The Joint Use Attachment Rate Rules Should Be Modified to Level the Playing Field** ........ 4

      1. ILECs should not be given an unfair advantage over their cable company and CLEC competitors ...................................................................................................................... 4
      2. The Commission must clarify what ILECs can charge electric utilities to attach to ILEC poles .................................................................................................................... 7

   B. **Self-Help in The Electric Space Should Never Be Allowed** ........................................... 7

      1. Electric utilities cannot lose control over the electric space under any circumstance ................................................................................................................................. 7

   C. **Reasonable Modifications to the August 3 Order Are Greatly Needed to Better Monitor Overlashing and Prevent Injury** ........................................................................... 10

   D. **The Pre-Existing Violation Rules Must Be Reconciled with Existing Commission Rules and Should Otherwise Be Improved** ................................................................. 13

      1. In accordance with the Pole Attachment Act, utilities cannot be required to expand capacity by replacing poles prematurely ........................................................................... 13
      2. Rule 1.1408(b) (formerly 1.1416(b)) requires that new attachers benefiting from pole replacements by installing a new attachment must share in the cost of the pole replacement ................................................................................................................ 15
      3. Unauthorized attachers should be presumed to have caused the violation and pay to correct it ....................................................................................................................... 16
      4. If it cannot be determined who caused the violation, then the costs should be shared by any communications company entity which reasonably might have caused the violation ........................................................................................................ 17
      5. The new attacher should pay to correct the violation and seek reimbursement from existing violators ........................................................................................................... 17

   E. **The Make-Ready Estimate Rules Should Be More Efficient to Better Speed Deployment** ............................................................................................................................ 17

      1. New attachers should gather make-ready estimates, not utility pole owners .... 17
2. Attachers which request pole-by-pole estimates should bear the extra time and expense to prepare them. ................................................................. 18

F. The Joint Ride Out Process Must Comport with Operating Realities .......... 19

G. One-Touch Make-Ready Principles Should Be Employed to Eliminate Double Wood ........................................................................................................... 19

H. The Rules Allowing Communications Companies to Hire Contractors Should Be Improved........................................................................................................... 20

1. Utilities should not be required to maintain lists of qualified contractors to perform make-ready construction work in the communications space........ 20

2. The rules permitting communications companies to propose new contractors should be modified to ensure reliable performance ........................................ 21

I. The One-Touch Make-Ready Rule Should Be Tweaked for Safety Reasons....... 22

1. A Professional Engineer should certify the make-ready work is in fact “simple” 23


III. CONCLUSION ........................................................................................................ 25
Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment

WC Docket No. 17-84

Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment

WT Docket No. 17-79

To: The Commission

PETITION FOR RECONSIDERATION
OF THE COALITION OF CONCERNED UTILITIES


Collectively, the Coalition serves more than 25 million electric customers in 19 states and the District of Columbia and owns, in whole or in part, more than 12 million electric distribution poles. We urge the Commission to reconsider portions of its August 3 Order to

better achieve the goals set out in the Order, to prevent one set of attachers from benefiting at
the expense of the other, to prevent accidental deaths and injury, to safeguard the public, to
protect the integrity of the electric distribution system, to reconcile newly-imposed regulations
with other conflicting regulations and the Pole Attachment Act, to add efficiencies to speed
deployment, and to eliminate unnecessary roadblocks to future broadband deployment.

I. BACKGROUND ON COALITION MEMBERS

The Coalition of Concerned Utilities is composed of the following electric utility
companies:

**Arizona Public Service Company** - provides electric service to 1.2 million customers
in 11 counties in Arizona. Arizona Public Service owns and maintains approximately
517,500 electric distribution poles.

**Berkshire Hathaway Energy** – provides electric service to approximately 3.9 million
customers in Iowa, Illinois, South Dakota, Nevada, Oregon, Washington, California,
Utah, Idaho and Wyoming. Berkshire Hathaway Energy provides service to its
customers through three electric utility operating companies. Berkshire Hathaway
Energy owns and maintains, in whole or in part, approximately 2,087,000 electric
distribution poles.

**Eversource** - provides electric and natural gas service to approximately 3.6 million
customers in New Hampshire, Massachusetts, and Connecticut. Eversource provides
service to its customers through four electric utility operating companies.

---

2 Berkshire Hathaway Energy’s operating companies are MidAmerican Energy, NVEnergy and PacifiCorp.
3 MidAmerican Energy owns and maintains approximately 750,000 poles; NVEnergy owns and maintains
approximately 217,000 poles; and PacifiCorp owns and maintains approximately 1,120,000 poles.
4 Eversource’s operating companies are Connecticut Light & Power, Public Service of New Hampshire, and
NStar Electric & Gas.
owns and maintains, in whole or in part, approximately 2,000,000 electric distribution poles.\textsuperscript{5}

\textbf{Exelon Corporation} - provides electric and natural gas service to approximately 10 million customers in Pennsylvania, New Jersey, Delaware, Maryland, Illinois, and the District of Columbia. Exelon provides service through six electric distribution operating companies.\textsuperscript{6} Exelon owns and maintains, in whole or in part, approximately 3,075,000 electric distribution poles.\textsuperscript{7}

\textbf{FirstEnergy} - provides electric service to six million customers in Ohio, Pennsylvania, West Virginia, Maryland, Virginia and New Jersey. FirstEnergy provides this service to its customers through ten electric utility operating companies.\textsuperscript{8} FirstEnergy owns and maintains approximately 4,100,000 electric distribution poles.\textsuperscript{9}

\textbf{South Carolina Electric & Gas} - provides electric and natural gas service to over 660,000 customers in South Carolina. SCE&G owns and maintains approximately 417,000 electric distribution poles.

\textsuperscript{5} Connecticut Light & Power owns and maintains approximately 800,000 electric distribution poles; Public Service of New Hampshire owns and maintains approximately 600,000 poles; and NSTAR Electric & Gas owns and maintains approximately 600,000 poles.

\textsuperscript{6} Exelon’s operating companies are Atlantic City Electric, Baltimore Gas and Electric, ComEd, Delmarva Power and Light, PECO, and Pepco.

\textsuperscript{7} Atlantic City Electric owns and maintains approximately 392,000 electric distribution poles; Baltimore Gas and Electric owns, in whole or in part, approximately 360,000 electric distribution poles; ComEd owns and maintains approximately 1.4 million electric distribution poles, Delmarva Power owns and maintains approximately 297,000 electric distribution poles, PECO owns and maintains approximately 415,000 electric distribution poles. Pepco owns and maintains approximately 211,000 electric distribution poles.

\textsuperscript{8} FirstEnergy’s operating companies are Jersey Central Power and Light, Metropolitan Edison, Ohio Edison, Pennsylvania Electric Company, Pennsylvania Power Company, Cleveland Electric Illuminating Company, Monongahela Power, Potomac Edison, West Penn Power Company, and Toledo Edison.

\textsuperscript{9} Jersey Central Power and Light owns and maintains 317,000 poles; Met-Ed owns and maintains 345,000 poles; Penelec owns and maintains 527,000 poles; Penn Power owns and maintains 111,000 poles; West Penn Power owns and maintains 634,000 poles; Mon Power owns and maintains 653,000 poles; Potomac Edison owns and maintains 336,000 poles; Toledo Edison owns and maintains 220,000 poles; Ohio Edison owns and maintains 572,000 poles; and The Illuminating Company owns and maintains 393,000 poles.
The AES Corporation - provides electric service to approximately one million customers in Indiana and Ohio. AES provides this service through two electric distribution operating companies. AES owns and maintains approximately 465,000 electric distribution poles.

II. RECONSIDERATION REQUESTS

A. The Joint Use Attachment Rate Rules Should Be Modified to Level the Playing Field

1. ILECs should not be given an unfair advantage over their cable company and CLEC competitors

The August 3 Order correctly recognizes that joint use agreements provide incumbent local exchange companies (“ILECs”) with benefits not enjoyed by third party attachers like cable companies and competitive local exchange companies (“CLECs”), including lower make-ready costs, the right to attach without advance approval, and the use of utility rights-of-way.

The Coalition identified these three advantages and others, as follows:

1. ILECs have lower make-ready costs;
2. ILECs can attach without advance approval;
3. ILECs can use utility rights-of-way;
4. ILECs avoid the post inspection costs and delays that their competitors experience;
5. ILEC facilities occupy a better location on the poles;
6. ILECs are guaranteed a specified number of feet on the pole, ensuring they can expand their facilities with greater ease;
7. ILECs often avoid the costs of relocating and rearranging their attachments;
8. ILECs sometimes collect rent for attachments to electric utility poles; and
9. ILECs pay less for pole replacements.

---

10 AES’s operating companies are The Dayton Power and Light Company and Indianapolis Power & Light Company.

11 Dayton Power & Light owns and maintains approximately 329,000 electric distribution poles; Indianapolis Power & Light owns and maintains approximately 136,000 electric distribution poles.

12 Third Report and Order at ¶ 124.

13 Comments of the Coalition of Concerned Utilities, Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment, WC Docket No. 17-84 at 45-49 (Filed Jun. 15, 2017) (“Coalition Comments”). These benefits were provided only because ILECs are also pole owners who were initially undertaking the significant responsibilities of installing and maintaining poles and providing the same benefits to
But while recognizing these significant advantages that ILECs have over their cable company and CLEC competitors, the Commission nevertheless established a presumption that ILECs are “similarly situated” to CLEC third party attachers, which enjoy none of these advantages.\textsuperscript{14} The new presumption applies to newly-negotiated agreements, which makes sense because it enables the electric utility and ILEC to negotiate new terms and conditions that do not favor the ILEC over its competitors. But the August 3 Order also inexplicably applies the presumption to “newly-renewed” agreements, enabling existing joint use agreement to continue granting these ILEC advantages.\textsuperscript{15}

\textsuperscript{14} \textit{Third Report and Order} at ¶ 126.

\textsuperscript{15} \textit{Id.} The Commission justifies establishing a presumption that ILECs are similarly situated to CLECs and should get the same attachment rate by concluding that ILEC bargaining power vis-à-vis utilities has continued to decline. \textit{Id.} This conclusion is based on the upside-down finding that a disparity in pole ownership grants utilities bargaining leverage, and on statements in the record that ILEC attachment rates have increased while the rates ILECs charge for cable and CLEC attachments have decreased. \textit{Id.} The correct conclusion to draw is that ILECs have systematically succeeded in pushing more and more of the burden of pole ownership onto public utilities. In no way do the ILECs lack bargaining leverage over electric utilities. ILECs, many of which were once Bell Companies, are often far larger than the local public utility. And the view that somehow owning fewer poles means that ILECs lack bargaining leverage is unsupported by meaningful analysis and is contrary to this reality – most ILECs no longer really want to own and maintain poles. They are not losing bargaining power by reducing the number of poles they own. They are using their bargaining power to reduce their future obligations, simply by refusing to comply with their contractual obligations to install and maintain poles, and even by renegotiating down the percentage of poles they are required to own and maintain relative to the public utility. As a result of this leverage, they have successfully reduced the percentage ownership levels they are supposed to maintain, reduced their joint use expenses, but maintained all the advantages of a joint use contract.

As for the attachment rates that ILECs charge to cable companies and CLECs, such rates have nothing to do with ILEC bargaining leverage over electric utilities.

As explained in the Coalition’s Comments, any determination that unequal pole ownership may in some circumstances result in bargaining leverage is based on critical assumptions that (i) pole owners have a legal right to remove the other’s facilities, (ii) they have a legal right to construct alternate facilities, and (iii) it makes economic sense to do so. But it is often the case that none of those situations exist. Comments of the Coalition of Concerned Utilities at 50.

The Commission thus has not fully analyzed whether electric utilities have bargaining leverage and lowering rates for ILEC attachments to utility poles based on the conclusion that utilities do have bargaining leverage is therefore unjustified. Nor does the Commission provide any legal justification for establishing this presumption.

The presumption that ILECs should be entitled to the new Telecom Rate should therefore be removed.
Because of the advantages joint use agreements give ILECs over their CLEC competitors, the only way that ILECs and CLECs can be similarly situated is if the ILECs and electric utilities enter into new agreements that eliminate those advantages.

To level the playing field, the Coalition respectfully requests the Commission to remove this “comparably situated” presumption from existing joint use agreements that are “renewed,” and apply the presumption only to “newly-negotiated” agreements. This will allow ILECs and electric utilities to reach attachment agreements containing terms and conditions that are similar to those in third party CLEC and cable company agreements.

If the ILECs negotiate an agreement similar to CLEC and cable company agreements, there can be no question they are similarly situated and should get the same rate, thus eliminating disputes.\textsuperscript{16}

For similar reasons, the ruling in the August 3 Order capping the ILEC rate at the pre-2011 Telecom Rate is not justified.\textsuperscript{17} The advantages granted to ILECs under existing joint use agreements far outweigh the monetary difference between the pre-2011 Telecom Rate and the “new” post-2011 Telecom Rate. No evidence has been submitted in this proceeding to justify this cap on ILEC rates, and as a result the establishment of this artificial cap is factually unsupported. Nor is it supported by any legal rationale. Since such a cap would grant ILECs an unfair advantage over their CLEC and cable company competitors, and since the cap is unsupported either factually or legally, the Coalition respectfully requests that the cap be removed.

\textsuperscript{16} Permitting ILECs to enter into CLEC-type agreements with the CLEC attachment rate will also resolve the issue that existing joint use rates were negotiated as a package of joint use rates, terms and conditions, so that changing the rate requires a new look at all other provisions.

\textsuperscript{17} Third Report and Order at \$129.
2. The Commission must clarify what ILECs can charge electric utilities to attach to ILEC poles

Although the Commission has examined the rate that electric utilities should charge their ILEC joint use partners, it has provided no meaningful guidance on the rate ILECs can charge to electric utilities.\textsuperscript{18} If ILECs are entitled to a lower attachment rate on electric utility poles, they cannot be permitted to charge electric utilities whatever they want to attach to ILEC poles. The Coalition therefore propose that if a reduction in ILEC rates is mandated, any percentage reduction in the per pole attachment fees ILECs pay to electric utilities should be matched by the same percentage reduction in the per pole amount electric utilities pay ILECs. This will prevent ILECs from price gouging electric utilities, be consistent with any rate reduction ILECs receive, and help to promote the constructive joint use relationship that all attaching entities rely upon.

B. Self-Help in The Electric Space Should Never Be Allowed

1. Electric utilities cannot lose control over the electric space under any circumstance

The August 3 Order permits communications companies to hire utility-approved contractors to perform make-ready construction work in the electric space on the pole if the electric utility fails to perform this work itself within a certain amount of time.\textsuperscript{19} For public safety reasons alone this provision allowing electric space self-help must be eliminated entirely.

\textsuperscript{18} The April 2011 Pole Attachment Order stated: “For example, we would be skeptical of a complaint by an incumbent LEC seeking a proportionately lower rate to attach to an electric utility’s poles than the rate the incumbent LEC is charging the electric utility to attach to its poles.” In the Matter of Implementation of Section 224 of the Act, Report and Order and Order on Reconsideration, 26 FCC Red 5240, 5337 at ¶ 218 (2011) (“April 2011 Pole Attachment Order”). In a footnote it explained; “We believe that a just and reasonable rate in such circumstances would be the same proportionate rate charged the electric utility, given the incumbent LEC’s relative usage of the pole (such as the same rate per foot of occupied space).” Id. at n. 662. This guidance is unclear and subject to multiple interpretations, and has to date proven unhelpful.

\textsuperscript{19} Third Report and Order at ¶ 97.
As the *Coalition* has explained, performing make ready work in the electric space is inherently potentially hazardous.\(^{20}\) Without taking all necessary precautions and without adequate oversight, work in the electric space can result in serious injury or electrocution, create hazards to the public, or cause electrical outages. These concerns should never be taken lightly.

Communications companies have no training or expertise in electric distribution system design and cannot responsibly manage the activities of outside contractors performing work on electric distributions systems. This is clear even from a cursory review of the detailed OSHA requirements associated with those employing electric facility workers.\(^{21}\) It is thus inappropriate and dangerous to allow a communications attacher, even one hiring qualified contactors and even after giving the utility itself an opportunity to do the work, to control any activity related to the electric distribution system.

Because such a high level of trust and expertise is required for electric space work, and because the nature of electric space work, oftentimes qualified crews are unavailable to perform the work. Journeyman linemen that communications companies might propose in their place should never be hired without specific training on the specific electric utility system. A journeyman lineman from one state with expertise developed with respect to an electric utility in that state may be inadequately trained with respect to the equipment and appropriate procedures necessary to perform work on a different utility’s facilities in another state without direct utility oversight. And to the extent a communications company hires otherwise occupied

\(^{20}\) See *Coalition Comments* at 27. See also Reply Comments of the Coalition of Concerned Utilities, *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, WC Docket No. 17-84 at 6 (Filed Jul. 17, 2017) (“*Coalition Reply Comments*”).

\(^{21}\) A cursory review of OSHA standards applicable to contract employers for electric space work shows that communications companies lack the expertise to supervise this work. See OSHA standards 1910.269(a)(3)(ii), (a)(4), (b)-(d), (g)-(s) and (w) at [https://www.osha.gov/lawsRegs/regulations/standardnumber/1910/1910.269](https://www.osha.gov/lawsRegs/regulations/standardnumber/1910/1910.269).
contractors to perform communications company work, it will delay more critical work needed for other electric customers.\textsuperscript{22}

Guidelines in the August 3 Order regarding contractor qualifications, notice to utilities, and the ability to post-inspect (without reimbursement) are all insufficient.\textsuperscript{23} This ad hoc oversight of potentially hazardous electric space activity is simply inadequate to ensure this work is performed safely and is therefore highly objectionable as a policy and public safety matter.\textsuperscript{24}

The Commission correctly determined one-touch make-ready is inappropriate in the electric space and the same rationale applies to self-help in the electric space. And even the Broadband Deployment Advisory Committee did not recommend self-help remedy in the electric space.\textsuperscript{25}

\textsuperscript{22} In Arizona, for example, the summer months from May-September experience not only extremely high temperatures but also monsoons, which are severe thunderstorms with microbursts of wind that tear down a lot of overhead equipment and poles. Restoring service to customers in 100-plus degree heat must take priority over new communications company attachment work.

\textsuperscript{23} OSHA standards applicable to electric space work require significant expertise and oversight and simple certifications that a potential contractor will comply is insufficient. See OSHA standard 1910.269 at https://www.osha.gov/laws-regps/regulations/standardnumber/1910/1910.269. The training requirements alone in standard 1910.269(a)(2), particularly the additional training requirements of standard 1910.269(a)(2)(v) (which includes electric switching activity), cannot simply be dismissed with notification of compliance.

Five days' notice of self-help construction work does not provide the utility adequate time to coordinate internal resources and utility customers for electric space work that could result in outages. The ability to post inspect will not prevent potential injuries or unintended and damaging electric service outages, and 90 days for post-construction inspections appears to be too short for some utilities. Disallowing reimbursement for post inspections is at odds with Commission rules permitting recovery for such make-ready and inspection costs, is unfair considering the Commission is relying on utilities to police self-help work, and raises unconstitutional takings issues.

\textsuperscript{24} It is also questionable whether the Commission has authority to dictate who can move electric facilities. The Pole Attachment Act grants jurisdiction over attachments of communications companies to electric utility poles, not over how electric utility facilities should be managed. In addition, this self-help remedy in the electric space appears to be inconsistent with state law requirements contained in state high voltage electric safety statutes, and with state-imposed safety and reliability standards.

Indeed, this self-help remedy in the electric space is so objectionable because many utilities may need to divert resources currently performing non-mandatory electric space make-ready work, such as expanding capacity by replacing poles, just to ensure they have enough time to meet electric space make-ready deadlines and thereby eliminate the risk of losing control over their electric space.

Permitting self-help for electric space survey work is similarly objectionable. Poorly performed surveys affect the safety and efficient operation of the electric distribution system. At the very least, in order to certify the accuracy of survey data, a licensed Professional Engineer should be required to sign off on the survey data. In addition, ten business days’ notice of any self-help survey should be required instead of three. And finally, consistent with existing rules permitting reimbursement of survey costs and other out-of-pocket expenses, utilities should be entitled to recover their costs associated with such self-help surveys.\(^\text{26}\)

\section*{C. Reasonable Modifications to the August 3 Order Are Greatly Needed to Better Monitor Overlashing and Prevent Injury}

The August 3 Order states that “the record does not demonstrate that significant safety or reliability issues have arisen from the application of the current policy” of not requiring advance approval of overlashing.\(^\text{27}\) This observed lack of significant safety or reliability issues presumably led the Commission to reject advance approval of overlashing,\(^\text{28}\) to reject requiring engineering studies to be part of any advance notice requirement,\(^\text{29}\) to reject specifications of the

\(^{26}\) Instead of mandating self-help in the electric space, a better alternative is to allow the utility and attachers to negotiate for such self-help, as the Utah Public Service Commission allows. \textit{Utah Admin. Code R. 746-345-3 C} (Aug. 1, 2018). Finally, electric utilities should have no liability for damage to property, injury or death that may result from exercising the self-help remedy.

\(^{27}\) \textit{Third Report and Order} at ¶ 117.

\(^{28}\) \textit{See Id.}

\(^{29}\) \textit{See Id.} at ¶ 119.
materials to be overlashed as part of any advance notice requirement,\textsuperscript{30} to require pole owners to bear the cost of any engineering studies,\textsuperscript{31} to prohibit any pole owner fees for review of the overlashing,\textsuperscript{32} to prohibit pole owners from denying overlashing because there are preexisting violations on the pole,\textsuperscript{33} and to ignore requests that overlashers remove unused facilities before overlashing.\textsuperscript{34}

The \textit{Coalition} respectfully contends this conclusion that overlashing has not caused significant safety and reliability issues is mistaken. The Utility Coalition on Overlashing, in which five \textit{Coalition} members participated,\textsuperscript{35} documented 150 instances of dangerous and destructive accidents over the past two years for just one \textit{Coalition} member caused by low-hanging wires overloaded with overlashing that got snagged by vehicles on the road.\textsuperscript{36} The Utility Coalition on Overlashing provided loading analyses depicting the increased load created by overlashing, and they explained that overlashing causes NESC mid-span ground clearance violations, violations of NESC-required separations between communications wires, violations of NESC pole loading standards, and excessive strain on pole guys.\textsuperscript{37} They also explained that overlashing is often installed on existing facilities that are already located out of NESC

\textsuperscript{30} \textit{Id.} at n.444.

\textsuperscript{31} \textit{Id.} at n.444.

\textsuperscript{32} \textit{Id.} at \textsuperscript{3} at 116.

\textsuperscript{33} \textit{Id.} at n.429

\textsuperscript{34} See \textit{Coalition Comments} at 15. See also Comments of the Utility Coalition on Overlashing, \textit{Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment}, WC Docket No. 17-84 at 26-27 (Filed Jan. 17, 2018) ("Utility Coalition on Overlashing Comments").

\textsuperscript{35} \textit{Coalition} members Arizona Public Service Company, Exelon Corporation, FirstEnergy, and The AES Corporation were part of the Utility Coalition on Overlashing.

\textsuperscript{36} Reply Comments of the Utility Coalition on Overlashing, \textit{Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment}, WC Docket No. 17-84 at Ex. B (Filed Feb. 16, 2018) ("Utility Coalition on Overlashing Reply Comments").

\textsuperscript{37} Utility Coalition on Overlashing Comments at 10-11.
compliance and dangerously close to energized facilities, potentially electrocuting the contractors performing the overlashing.\textsuperscript{38}

It is unsafe and unfair for existing attachers to engage in dangerous and otherwise poor overlashing practices. Moreover, such practices have the additional unwanted effect of burdening future attachers with additional costs and risks. Every pole has a breaking point, and overloaded communications conductors over a roadway risk killing innocent parties.

If the Commission will not require advance approval of overlashing, the Coalition respectfully requests that the Commission allow pole owners to require engineering studies as part of any advance notice requirement, to require that the materials to be overlashed be identified as part of any advance notice requirement, and to require that a licensed Professional Engineer certify that the proposed overlashing complies with the NESC.

In addition, the Coalition requests reimbursement for any costs they incur to review, engineer or inspect the overlashing. These costs would not be incurred but-for the overlashing and as such are no different that any other make-ready and inspection expense for which the Commission already permits recovery.\textsuperscript{39}

The Commission must reconsider and either eliminate or modify its footnote ruling that pole owners may not deny overlashing because there are preexisting violations on the pole.\textsuperscript{40} That ruling fails any test of reasoned decision-making because it fails to recognize that some violations are far more dangerous than others. A cable or telecommunications attacher hiring someone to overlash their strand located less than the required clearances from energized

\begin{itemize}
\item \textsuperscript{38} Utility Coalition on Overlashing Reply Comments at 7-8.
\item \textsuperscript{39} Moreover, disallowing recovery of these easily verifiable expenses raises constitutional takings issues. See U.S. CONST. amend. V. As the Coalition has demonstrated, such costs are not recovered through the annual pole attachment rental rate. Coalition Comments at 38.
\item \textsuperscript{40} Third Report and Order at n.429.
\end{itemize}
conductors in violation of the NESC’s Communications Worker Safety Zone would be endangering that person’s life. In addition, permitting companies whose wires already violate NESC road clearances to increase the sag with overhanging is similarly irresponsible and dangerous. This ruling also violates the Pole Attachment Act’s provision allowing utilities to deny access for safety reasons.41

Finally, the Coalition repeats its request that the Commission require existing attachers to remove unused facilities prior to overhanging them.42 This unnecessary congestion on existing poles creates additional time and expense for new attachers seeking access to these congested facilities.

D. The Pre-Existing Violation Rules Must Be Reconciled with Existing Commission Rules and Should Otherwise Be Improved

1. In accordance with the Pole Attachment Act, utilities cannot be required to expand capacity by replacing poles prematurely

The Pole Attachment Act allows utilities to deny access for lack of capacity:

Notwithstanding paragraph (1), a utility providing electric service may deny a cable television system or any telecommunications carrier access to its poles, ducts, conduits, or rights-of-way, on a non-discriminatory basis where there is insufficient capacity and for reasons of safety, reliability and generally applicable engineering purposes.43

Accordingly, electric utilities need not expand capacity to accommodate attaching entities.44 The Commission agrees. As explained in the April 2011 Pole Attachment Order:

42 Coalition Comments at 15-16.
44 This determination has been upheld by the 11th Circuit. In Southern Company v. FCC, utility petitioners objected to the Commission’s 1999 decision that “utilities must expand pole capacity to accommodate requests for attachment in situations where it is agreed that there is insufficient capacity on a given pole to permit third-party pole attachments.” Southern Co. v. FCC, 292 F.3d 1338, 1347 (11th Cir. 2002), quoting Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, First Report and Order, 11 FCC Rcd 15499.
"[A]s the court noted in *Southern Company*, mandating the construction of new capacity is beyond the Commission’s authority."\(^{45}\)

The August 3 Order states that "utilities may not deny new attachers access to the pole solely based on safety concerns arising from a pre-existing violation."\(^{46}\) A footnote explains this "includes situations where a pole has been red-tagged, and new attachers are prevented from accessing a pole until it is replaced."\(^{47}\)

This ruling is inconsistent with the Pole Attachment Act’s provision enabling utilities to deny access for reasons of lack of capacity. A pole that has been “red-tagged” for later replacement is a pole that NESC Rule 214A(5) (relating to “Corrections”)\(^{48}\) does not require to be replaced right away. As such, a rule requiring red-tagged poles to be replaced immediately is a rule requiring utilities to expand capacity, which the Pole Attachment Act prohibits. Consistent with the Pole Attachment Act, the *Coalition* respectfully requests the Commission to reconsider and reject this ruling requiring premature pole replacement.

---

\(^{45}\) *April 2011 Pole Attachment Order* at ¶ 95.

\(^{46}\) *Third Report and Order* at ¶ 122.

\(^{47}\) *Id.* at n.455.

\(^{48}\) "Corrections:

  a. Lines and equipment with recorded conditions or defects that would reasonably be expected to endanger human life or property shall be promptly corrected, disconnected, or isolated.
  b. Other conditions or defects shall be designated for correction."

2. Rule 1.1408(b) (formerly 1.1416(b)) requires that new attachers benefitting from pole replacements by installing a new attachment must share in the cost of the pole replacement.

The August 3 Order promulgated new section 1.1411(d)(4) of the rules to govern liability for correcting preexisting violations:

(4) A utility may not charge a new attacher to bring poles, attachments, or third-party equipment into compliance with current published safety, reliability, and pole owner construction standards and guidelines if such poles, attachments, or third-party equipment were out of compliance because of work performed by a party other than the new attacher prior to the new attachment.\(^49\)

Section 1.1408(b) (f/k/a 1.1416(b) until October 4, 2018) states, in relevant part:

(b) The costs of modifying a facility shall be borne by all parties that obtain access to the facility as a result of the modification and by all parties that directly benefit from the modification. Each party described in the preceding sentence shall share proportionately in the cost of the modification. ... If a party makes an attachment to the facility after the completion of the modification, such party shall share proportionately in the cost of the modification if such modification rendered possible the added attachment.

Section 1.1408(b) was promulgated because “the entity initiating and paying for the modification might pay the entire cost of expanding a facility’s capacity only to see a new competitor take advantage of the additional capacity without sharing in the cost.”\(^50\) To prevent this occurrence, the rule allows “the modifying party or parties to recover a proportionate share of the modification costs from parties that later are able to obtain access as a result of the modification.”\(^51\) The rule was promulgated by the Local Competition Order with correction of safety violations in mind.\(^52\)

\(^49\) *Third Report and Order* at App. A, p. 91. Section 1.1411(d)(4) was promulgated because “utilities have sometimes held new attachers responsible for the costs of correcting preexisting violations.” *Id.* at ¶121.


\(^51\) *Id.*

\(^52\) *Local Competition Order*, 11 FCC Rcd 15499, at ¶1212 states: “A utility or other party that uses a modification as an opportunity to bring its facilities into compliance with applicable safety or other requirements will be deemed
Read together, these provisions prohibit utilities from charging a new attacher (Attacher 2) to correct preexisting violations, but, simultaneously state that any existing attacher (Attacher 1) or pole owner that pays for a modification must be able to recover a proportionate share from Attacher 2.53

The Coalition requests that the Commission reconcile these provisions as described, and clarify that even while 1.1411(d)(4) prevents the new attacher from being charged by the utility for the costs to replace a pole with a preexisting violation, the new attacher retains a reimbursement obligation to existing attachers or the pole owner under section 1.1408(b) to cover the new attacher’s access to the replaced pole.54 This clarification works in harmony with the next three proposals that the Commission should revisit and adopt.

3. Unauthorized attachers should be presumed to have caused the violation and pay to correct it

In their Comments, the Coalition requested a ruling that unauthorized attachers be responsible for the costs associated with make-ready, including the correction of violations.55

The August 3 Order did not address this helpful proposal and the Coalition therefore

53 To calculate the new attacher’s proportionate share, the Local Competition Order uses this example:

Where multiple parties join in the modification, each party’s proportionate share of the total cost shall be based on the ratio of the amount of new space occupied by that party to the total amount of new space occupied by all of the parties joining in the modification. For example, a CAP’s access request might require the installation of a new pole that is five feet taller than the old pole, even though the CAP needs only two feet of space. At the same time, a cable operator may claim one foot of the newly-created capacity. If these were the only parties participating in the modification, the CAP would pay two-thirds of the modification costs and the cable operator one-third.

Local Competition Order at ¶1211.

54 Confirming how these two provisions work together, the Local Competition Order’s cost reimbursement system was promulgated with a full understanding that the pole replacement costs might be incurred to correct preexisting violations encountered by a new attacher. Id. at ¶1201.

55 Coalition Comments at 19.
respectfully requests the Commission to reconsider this proposal to resolve uncertainties to the benefits of all legitimate attachers.

4. If it cannot be determined who caused the violation, then the costs should be shared by any communications company entity which reasonably might have caused the violation

The Coalition also requested a ruling not addressed in the August 3 Order that if it cannot be determined who caused the violation, the costs should be shared by any communications company entity which reasonably might have caused the violation.\textsuperscript{56} The Coalition respectfully requests reconsideration of this proposal to resolve uncertainties.

5. The new attacher should pay to correct the violation and seek reimbursement from existing violators

Finally, The Coalition requested a ruling that was not addressed in the August 3 Order that the new attacher should pay to correct the violation and seek reimbursement from existing attachers.\textsuperscript{57} The Coalition also requests the Commission to reconsider this proposal.

E. The Make-Ready Estimate Rules Should Be More Efficient to Better Speed Deployment

1. New attachers should gather make-ready estimates, not utility pole owners

The August 3 Order requires pole owners to collect make-ready estimates from other existing attachers and then provide the new attachers with those detailed pole-by-pole estimates.\textsuperscript{58} New attachers, however, are far better positioned and motivated to obtain these estimates, consistent with existing practice. The Coalition therefore requests that the Commission place this responsibility and self-help remedy on the existing attacher to provide

\textsuperscript{56} Id.
\textsuperscript{57} Id. at 19-20.
\textsuperscript{58} Third Report and Order at \textsuperscript{p}111.
the information requested and the new attacher be responsible for gathering such information, not the pole owner. In the alternative, should the Commission retain this rule, then a rule should be implemented stating that: 1) pole owners will not be penalized if an existing attacher fails to supply an estimate following the pole owner’s request; and 2) pole owners will be allowed to impose reasonable non-compliance penalties on any existing attacher who fails to supply an estimate timely upon request.

2. Attachers which request pole-by-pole estimates should bear the extra time and expense to prepare them

The August 3 Order permits attachers to request pole-by-pole make-ready estimates and final bills. As explained by the Coalition, many utilities might need to purchase new or modified accounting systems to perform such pole-by-pole cost analyses. Currently, existing systems meet the requirements established by state regulators by providing sufficient details to serve electric customers at a reasonable cost to be borne by electric ratepayers. To the extent that communications attachers seek pole-by-pole cost breakdowns that exceed current requirements, the Commission on reconsideration should clarify that these communications attachers must pay the additional accounting system and personnel cost necessary to generate these breakdowns, and specify that utilities will not be penalized for the additional time required to prepare those estimates.

---

59 Id. at ¶ 112.

60 See Coalition Reply Comments at 19.

61 As with other costs discussed herein, the cost of a new accounting system to track such costs is not recoverable through the annual rental rate. Coalition Comments at 38.
F. The Joint Ride Out Process Must Comport with Operating Realities

The August 3 Order requires utilities to make “commercially reasonable” efforts to provide at least three business days’ notice to the new attacher and to all existing attachers of scheduled field surveys so that any or all of them can join the utility on the survey.\textsuperscript{62}

There are several operational issues with this requirement that can be resolved by slightly modifying this provision. First, many new attachers do not want joint ride-outs and so the \textit{Coalition} respectfully requests that this joint ride-out provision be made optional.

Second, utilities may not know which attachers are on any given pole line to which a new company seeks to attach until after the survey itself is conducted. The \textit{Coalition} therefore requests that the Commission require new attachers to obtain that information as part of their due diligence before submitting their attachment requests.

Third, a requirement to provide at least three business days’ notice is counterproductive and inefficient. For many utilities, the personnel qualified to do a ride out schedule their work as flexibly as possible by, for example, bunching together work in specific areas they seek to cover. Requiring schedules to be fixed in advance and rearranged to accommodate a single new attacher would make the entire process less efficient for both new and existing attachers. The \textit{Coalition} therefore respectfully requests the notice period be shortened to no more than at least 24 hours.

G. One-Touch Make-Ready Principles Should Be Employed to Eliminate Double Wood

When an existing pole is replaced, all of the attachments on the old pole must be transferred to the new pole so that the old pole right beside it can be removed. If all of the

\textsuperscript{62} \textit{Third Report and Order} at \textsuperscript{P} 82.
attachers do not show up in a timely manner to transfer their facilities, the electric utility pole owner ends up installing the new pole, transferring its electric facilities to the new pole, and leaving the existing pole in place beside it to continue supporting the communications facilities that have yet to be transferred. This creates a “double wood” condition that is an eyesore, is potentially unsafe, creates numerous customer complaints, is disfavored by many local municipalities and states, and makes it more difficult for new attachers to attach. The Coalition explained this pervasive “double wood” problem in its Comments.63

To avoid double wood conditions, it would be helpful for a single entity to have full rights to transfer all communications company cables. The Coalition therefore proposes that the pole owner provide notice to communications companies of the need to transfer, and then be entitled to hire a utility-approved contractor at the communications attachers’ expense to move all communications facilities that have not been timely transferred.

This simple solution is consistent with the communications space “complex” make-ready self-help remedy in the August 3 Order, and would eliminate a double wood problem that has unnecessarily burdened the industry.

H. The Rules Allowing Communications Companies to Hire Contractors Should Be Improved

1. Utilities should not be required to maintain lists of qualified contractors to perform make-ready construction work in the communications space

The August 3 Order requires utilities to maintain a list of contractors to perform self-help surveys and to perform self-help make-ready construction work in the communications

63 Coalition Comments at 12-14.
space for “complex” make-ready, and gives utilities the option of maintaining a separate list of contractors to perform surveys and “simple” make-ready.\textsuperscript{64}

The Coalition believes that communications companies should hire their own contractors to perform make-ready construction work in the communications space, and therefore propose eliminating the requirement that utilities maintain a list of approved contractors to perform “complex” make-ready construction work. Consistent with the August 3 Order, utility pole owners should be entitled to disqualify any communications company contractor based on reasonable safety or reliability concerns.\textsuperscript{65}

2. \textit{The rules permitting communications companies to propose new contractors should be modified to ensure reliable performance}

The August 3 Order permits communications companies to propose new contractors that meet the five minimum requirements specified in Section 1.1412(c).\textsuperscript{66} The communications company is required to certify that any proposed contractor meets these minimum requirements.\textsuperscript{67} This new rule is reasonable in theory, but should be revised in the following respects to ensure the integrity of the distribution system and to prevent gaming of the process by unscrupulous or unqualified contractors.

First, as explained above, under no circumstances should communications companies be entitled to hire contractors to perform work in the electric space. This includes electric space work not only on electric utility-owned poles but also on ILEC-owned poles. Utilities should therefore be able to veto any contractor for any reason performing electric space work on any electric utility or ILEC-owned poles.

\textsuperscript{64} Third Report and Order at App. A, p. 96. 47 C.F.R. §1.1412(a) and (b).
\textsuperscript{65} Id. 47 C.F.R. § 1.1412(b)(ii).
\textsuperscript{66} Id. 47 C.F.R. § 1.1412(c)(1) - (5).
\textsuperscript{67} Id. 47 C.F.R. § 1.1412(b)(i).
Second, the certification by a communications company that a proposed contractor meets the five criteria is meaningless, as it allows a contractor simply to “agree” to follow the NESC, OSHA, applicable regulations and utility rules with no assurance that it knows what it is doing, and to “acknowledge” that it knows how to follow make-ready pole designs with no proof that it actually does. Any entity can “agree” to do something even if it is not qualified to do it. And an entity “acknowledging” that it can follow designs does not mean they can actually follow them.

Instead, utility pole owners need assurances that any unknown contractor working on its system actually does follow the NESC, OSHA, applicable regulations and utility rules, and actually does know how to follow make-ready pole designs. In all instances, the ability to comply with these requirements requires the contractor to have on staff licensed Professional Engineers who understand these requirements. As such, to legitimize any work performed by contractors which claim to know and follow the rules, a Professional Engineer stamp should accompany all survey and construction work performed by a contractor hired by a communications company.

Third, utilities should be entitled to require a “ramp-up” period to evaluate any new contractor to ensure the contractor performs the way the contractor asserts it will perform.

Fourth, any attacher hiring non-union personnel should reimburse the pole owner for union contract costs incurred by the utility pole owner because union workers were not used.

I. The One-Touch Make-Ready Rule Should Be Tweaked for Safety Reasons

The August 3 Order’s one-touch make-ready (“OTMR”) ruling applies only to “simple” make-ready in the communications space. It is anticipated that attachers will hire a contractor to do the survey work in advance of the application to determine if its proposed attachments
require only “simple” make-ready work. Under the rule, utilities have only 15 days, not the usual 45 days, to decide whether to approve any one-touch make-ready application for normal size “simple” make-ready.

1. **A Professional Engineer should certify the make-ready work is in fact “simple”**

   In order for an attacher’s contractor to decide that proposed attachments entail only “simple” communications space work, the contractor must determine: (i) there are not any pole loading issues requiring a pole replacement; (ii) there are not any issues regarding clearance from electric facilities; (iii) none of the poles needs to be replaced for any reason; and (iv) no electric space make-ready work is required. Communications contractors are not qualified to make these determinations, many of which are not apparent upon mere observation.

   In addition, if an attacher submits a list of 250 poles it claims are “simple,” 15 days is too short a time for the utility to check all 250 poles to be sure none needs to be replaced or needs electric space make-ready work.

   Addressing these concerns, it is helpful that the August 3 Order allows electric utilities to maintain a list of utility-approved contractors to perform this “simple” survey work. But in addition, in order to provide maximum flexibility in contractor selection, the Commission should specify that if a utility does not maintain a list of utility-approved contractors to perform this “simple” survey work, any contactor used by the new attacher must include a Professional Engineer stamp with all survey results, verifying that the proposed attachments require only “simple” make-ready. This will provide utilities a degree of comfort that survey results from communications contractors can be relied upon.

---

68 *Third Report and Order at ¶ 36.*  
69 *Id. at ¶ 56.*
In addition, other tweaks to the OTMR rule will promote a more efficient and reliable process. Ten days’ notice rather than three days’ notice should be provided to allow utilities to participate in any OTMR surveys. An additional 15 days should be added to OTMR application review periods. And 30 days’ notice instead of 15 days’ notice should be provided to allow utilities to monitor any OTMR make-ready construction work.

J. More Time Is Needed to Review Whether Applications Are Complete

The August 3 Order provides only 10 business days to review attachment applications for completeness, after which an application is deemed complete if the utility fails to respond. Without modification, this rule is grossly unfair to utility pole owners and risks harming both the public and the electric distribution system.

In many cases, reviewing an application for completeness is more than just checking to make sure boxes are filled in. For example, incorrect pole numbers oftentimes are identified that are completely different than the address of the pole, requiring a considerable amount of time simply to ensure the addresses are correct for all the poles in the application. In addition, utilities can have chaotic schedules that result from extraordinary events or circumstances beyond their control, such as an unusually large number of new applications, acts of God and other force majeure events.

Considering that any “deemed granted” application that has not been reviewed could potentially harm the system and endanger the public, the Coalition respectfully requests this application review period be extended to 15 business days with additional time added for any force majeure and other events beyond the pole owner’s control.

---

70 Id. at ¶ 62.
III. CONCLUSION

WHEREFORE, THE PREMISES CONSIDERED, the *Coalition of Concerned Utilities* urges the Commission to act in a manner consistent with the views expressed herein.

Respectfully submitted,

**COALITION OF CONCERNED UTILITIES**

Arizona Public Service Company  
Berkshire Hathaway Energy  
Eversource  
Exelon Corporation  
FirstEnergy  
South Carolina Electric & Gas  
The AES Corporation

By:  
Thomas B. Magee  
Timothy A. Doughty  
Keller and Heckman LLP  
1001 G Street, N.W., Suite 500 West  
Washington, DC 20001  
(202) 434-4100

Attorneys for  
*Coalition of Concerned Utilities*