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BEFORE
THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: C-0018922 Pennsylvania Public Utility Commission,
vs. Department of Highways of the Commonwealth of
Pennsylvania, Union Railroad Company, City of
Duquesne, County of Allegheny, The Bell Telephone
Company of Pennsylvania, Carnegie Natural Gas
Company, Duquesne Light Company, Equitable Gas
Company and Keystone Pipe Line Company. Alleging
construction costs and future maintenance
responsibilities for the rehabilitation of the
bridge (Thomason Run Bridge) on State Highway Route
736 Extended in the City of Duquesne, Allegheny
County. Further Hearing.

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Pages 126 to 213, inclusive

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CERTIFIED ORIGINAL

BEFORE

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: C-0018922 Pennsylvania Public Utility Commission versus Department of Highways of the Commonwealth of Pennsylvania, Union Railroad Company, City of Duquesne, County of Allegheny, The Bell Telephone Company of Pennsylvania, Carnegie Natural Gas Company, Duquesne Light Company, Equitable Gas Company and Keystone Pipe Line Company. Alleging construction costs and future maintenance responsibilities for the rehabilitation of the bridge (Thompson Pun Bridge) on State Highway Route 736 Extended in the City of Duquesne, Allegheny County. Further Hearing.

Stenographic report of hearing held in
Hearing Room Number 2, State Office Building,
Pittsburgh, Pennsylvania

Thursday,
October 24, 1985
at 10:15 o'clock a.m.

BEFORE

JOHN K. CLEMENTS, ADMINISTRATIVE LAW JUDGE

APPEARANCES:

ALLAN J. OPSITNICK, ESQUIRE
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Pittsburgh, Pennsylvania 15219
Appearing on behalf of Allegheny County

WILLIAM M. POSNER, ESQUIRE
One Parkway
Philadelphia, Pennsylvania 19102
Appearing on behalf of Bell of Pennsylvania

1 APPEARANCES: (Continued)

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3 One Oxford Centre
4 Pittsburgh, Pennsylvania 15219
5 Appearing on behalf of Duquesne Light Company

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10 Appearing on behalf of Union Railroad Company

11 LAWRENCE B. NYDES, ESQUIRE
12 420 Boulevard of the Allies
13 Pittsburgh, Pennsylvania 15219
14 Appearing on behalf of Equitable Gas Company

15 HERBERT G. ZAHN, ESQUIRE
16 522 Transportation and Safety Building
17 Harrisburg, Pennsylvania 17120
18 Appearing on behalf of the Department of Transportation
19
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P R O C E E D I N G S

1
2 JUDGE CLEMENTS: This is the time scheduled for
3 hearing in the matter of the Pennsylvania Public Utility
4 Commission versus the Department of Highways and others. It
5 is designated by the Commission at Docket Number C-0018922.

6 My name is John Clements, I am the Administrative Law
7 Judge assigned to the proceeding.

8 Are there any counsel who have not signed the
9 appearance sheet? Very well. I just will begin by asking
10 counsel present to identify themselves, I guess starting
11 with that side of me.

12 MR. ZAHN: Herbert Zahn, Assistant Counsel, PennDot.

13 JUDGE CLEMENTS: Thank you.

14 MR. OPSITNICK: Alan J. Opsitnick counsel for
15 Allegheny County.

16 MR. POSNER: William Posner, Fell of Pennsylvania.

17 MR. CRAYONE: Larry Crayone, and I have with me Peter
18 Speaks a new attorney in our Department, and we are here for
19 Duquesne Light Company.

20 MR. MARINI: Gary Marini, Attorney for Union Railroad
21 Company.

22 MR. NYDES: Lawrence Nydes, Equitable Gas Company.

23 JUDGE CLEMENTS: Any other attorneys? Is anyone here
24 on behalf of the City of Duquesne? Let the Record show no
25 response. Is anyone here on behalf of the ARCO Pipeline

1 Company?

2 Let the Record show no response. Is anyone here on
3 behalf of Carnegie Natural Gas Company? Let the record show
4 no response. Is anyone here on behalf of the Public Utility
5 Commission Law Bureau? Let the record show no response.
6 That's somewhat surprising.

7 MR. NYDES: Can I make a statement? There is another
8 proceeding commencing at 11:00 in which we are involved in,
9 and Carnegie Natural Gas Company and the Commission Staff
10 are parties there in that case. I don't know whether the
11 same lawyers would be involved in this case, but I would
12 just note that for their information.

13 JUDGE CLEMENTS: Thank you. I believe also you have a
14 request about the proceedings today?

15 MR. NYDES: Yes, Your Honor. Your Honor, in light of
16 the fact, normally in these proceedings, utility companies
17 sometimes go last or not necessarily go last -- in light of
18 the fact, Equitable is involved in another proceeding, it is
19 in this building commencing at 11, I wonder if any of the
20 parties have any objection to some what go out of order and
21 present our testimony first?

22 MR. ZAHN: No objection, Your Honor.

23 JUDGE CLEMENTS: We will delay the hearing for a
24 couple minutes.

25 (Whereupon, a recess was taken.)

1 JUDGE CLEMENTS: Okay. Well, I guess we will go back
2 on the record. Anyone object to my swearing all the
3 witnesses in at once? Very well.

4 Will all those who intend to testify please stand and
5 raise your right hand.

6 (Whereupon, various persons were sworn.)

7 JUDGE CLEMENTS: Does anyone object to the witnesses
8 not sitting in the witness stand, just testifying from where
9 they are now, as long as the reporter can hear them?

10 Okay, counsel, would you like to go ahead.

11 MR. NYDES: I would like to call to the witness stand
12 Martin Mlinarich.

13 JUDGE CLEMENTS: Spell your name for the reporter.
14 M-l-i-n-a-r-i-c-h.

15 MARTIN M. MLINARICH, called as a witness, having
16 previously duly sworn, was examined and testified as
17 follows:

18 DIRECT EXAMINATION

19 BY MR. NYDES:

20 Q Would you please state your name and business
21 address.

22 A Martin M. Mlinarich, 420 Boulevard of Allies,
23 Pittsburgh, Pennsylvania 15219.

24 Q By whom are you employed, and in what capacity?

25 A Equitable Gas Company as Manager of the Civil

1 Engineering Division.

2 Q Mr. Mlinarich, are you authorized to testify on
3 behalf of Equitable Gas Company in this proceeding today?

4 A Yes.

5 Q Mr. Mlinarich, in compliance with the letter from
6 Administrative Law Judge Clements, with respect to
7 information that we proposed to be presented at this hearing
8 today, have you prepared in written question and answer form
9 testimony which addresses all the issues requested to be
10 addressed by the Commission and Judge Clements?

11 A Yes.

12 MR. NYDES: Your Honor, I think I have handed a copy
13 to all parties and three copies to the stenographer. I
14 would like to have marked for identification Equitable
15 Statement No. 1, which is a six page written document with
16 three attachments attached to it.

17 JUDGE CLEMENTS: Shall be so identified.

18 (Equitable Statement No. 1 was produced and marked for
19 identification.)

20 BY MR. NYDES:

21 Q Mr. Mlinarich, I show you what has been marked as
22 Equitable Exhibit No. 1 and ask you if this is your direct
23 testimony in this proceeding today?

24 A Yes.

25 Q With three attachments to the six pages of

1 questions and answers. Mr. Mlinarich, are there any
2 additions, corrections, deletions, which you would like to
3 make at this time to your testimony?

4 A No.

5 Q If I were to ask you the questions as stated in
6 your written testimony, would your answers be as stated
7 therein?

8 A Yes.

9 MR. NYDES: Your Honor, I have no further questions of
10 Mr. Mlinarich, and I'd like to tender him for
11 cross-examination. I would like to note, since I just gave
12 the testimony to Mr. Zahn a few moments ago, in fairness to
13 him, maybe he would defer and go last on any
14 cross-examination. He is still reading. I tried to
15 distribute copies to everybody a few minutes before the
16 hearing.

17 JUDGE CLEMENTS: Maybe we can take a couple minutes,
18 unless somebody is ready to begin. Very well, nobody is
19 ready to begin. Well, let the parties review the direct
20 examination.

21 (Discussion off the record.)

22 JUDGE CLEMENTS: On the record a second. I received
23 in the mail this morning -- I found a letter from ARCO
24 Pipeline Company answering the questions. This is certainly
25 not approved procedure, but, in any, event I will make a

1 copy of this for everybody and pass it around. It appears
2 to be somewhat noncontroversial, but I will pass it around.

3 Very well, is anyone prepared to begin
4 cross-examination?

5 MR. ZAHN: Yes, sir.

6 JUDGE CLEMENTS: Mr. Zahn?

7 CROSS-EXAMINATION

8 BY MR. ZAHN:

9 Q As I understand, your facilities were installed in
10 1928 on the bridge; is that correct?

11 A That's correct.

12 Q And they were installed pursuant to permission
13 granted by the County's Department of Public Works?

14 A Yes.

15 Q This portion was renewed in 1982, right?

16 A Yes.

17 Q So that it appears 56 years have passed since the
18 installation in '28 to the present, to '82?

19 A That's 54.

20 Q 1982, 1928. 54, excuse me. So that according to
21 your valuation and depreciation of 54.8 years, there were .8
22 years remaining under the valuation tables?

23 A Are you referring to depreciation?

24 Q What?

25 A Are you referring to depreciation or to --

1 Q Yes.

2 A -- useful life of the pipe?

3 Q Useful life.

4 A No. I would say there would be more, because we do
5 not renew pipe as far as depreciation goes but on the
6 condition of pipe. So that '82 pipe or that 1928 pipe is
7 still in use on the bridge right now.

8 Q What would be the useful life?

9 A It is hard to say because we go according to the
10 condition. It could be 10 years, it could be 20 years, it
11 could be 30 years yet left.

12 Q In your cost, did you take into consideration
13 depreciation or --

14 A No.

15 Q -- extended life?

16 A I don't believe they did. I can't answer it
17 completely because it was prepared by the Valuation Property
18 and Record Department.

19 Q I don't see any item of depreciation in your
20 Exhibit No. 1. Now, the new pipe that was put in there,
21 what's the life of that?

22 A Well, as I stated in the testimony, according to
23 Valuation Property and Records, by the method by which they
24 do their depreciation, the pipe installed in 1982 would be
25 an average service life of 54.8 years.

1 Q That's the service life or the --

2 A They call it -- well, it's depreciation.

3 Q Well, how long would the service life be if you
4 want to call -- that exits for the new pipe; would that be
5 100 years, 50 years?

6 A It could vary. Again, it is based on the condition
7 of the pipe, how well it holds in the soil, where it is.
8 You can have 1980 pipe that you put in and you have to
9 replace it in '82. You never know. Put as far as
10 depreciation purposes, they go according to their means that
11 they used for depreciation, just to give it an average
12 service life.

13 Q All right. We are distinguishing between
14 depreciation and the service life of the facility?

15 A What they do, as far as I understand, is they take
16 -- they call it the average service life and they depreciate
17 that over that period of time.

18 Q Then the company considers the service life and the
19 depreciation the same thing?

20 A I'm not positive of what their basis is. I do not
21 work in that Department.

22 Q Put there is no doubt that by putting this new pipe
23 in it extends the service life of the pipe that was
24 replaced; does it not?

25 A Possibly, because the old could last as long.

1 Q But that was in there for 54 years, and you have a
2 new pipe, and that could last another 54 years?

3 A (Witness nods head in the affirmative).

4 Q Now, when you -- when your facilities were on the
5 bridge, did you pay any fees to anyone for the facility to
6 be on the bridge, any license fee, any permit fees,
7 anything?

8 A I'm not sure whether that was under the agreement
9 we have with the State, being one of the bridges we pay
10 rental on, I'm not positive.

11 Q As far as the State is concerned, you know of no
12 rental fee you're paying now?

13 A I don't know, I didn't check into it.

14 Q Did you pay any rental fee to the County?

15 A I don't believe so, but I'm not positive of that
16 either. But I did not check into whether we were paying any
17 fees.

18 Q So that if you did not pay any fees, your
19 facilities existed there for 54 years without any cost to
20 the company?

21 A As far as I know there wasn't, other than if there
22 were a license fee.

23 Q Well, that would be an original fee just for
24 issuing a license?

25 A Or rental fee. That's what I'm talking about,

1 rental fee. I don't know whether a rental fee was paid or
2 not.

3 Q Now, I understand what you're saying here, that it
4 would be difficult for you to tell us what the cost would
5 have been to obtain right-of-way acquisition and
6 construction to relocate this facility. Can you give us any
7 figure at all?

8 A No.

9 Q Would it have been more than the cost that your --
10 of your Exhibit 1?

11 A As a guess, I would probably say, yes, it would
12 be.

13 Q Obviously, you'd have to acquire the right-of-way
14 which is not in this figure; is that right?

15 A Right.

16 Q And the fact that you are in the public
17 right-of-way, you have direct access to your facilities in
18 the event they need any attention; is that correct?

19 A Yes.

20 MR. ZAHN: Thank you, sir.

21 JUDGE CLEMENTS: Just for my own information, the
22 total amount that Equitable would request be put in any
23 order is the \$20,000.00 figure?

24 THE WITNESS: Yes, sir.

25 JUDGE CLEMENTS: Does Union Railroad have any

1 questions of this witness?

2 MR. MARINI: No, Your Honor.

3 JUDGE CLEMENTS: Bell Telephone?

4 MR. POSNEP: No questions, Your Honor.

5 JUDGE CLEMENTS: Duquesne Light?

6 MR. CRAYONE: No questions.

7 JUDGE CLEMENTS: Allegheny County?

8 MR. OPSITNICK: No, Your Honor.

9 JUDGE CLEMENTS: Anyone have questions of this
10 witness?

11 MR. NYDES: Your Honor, I do.

12 REDIRECT EXAMINATION

13 BY MR. NYDES:

14 Q Mr. Mlinarich, just so the record is clear, with
15 respect to the question Mr. Zahn asked about any rental fee,
16 your answer was you do not know whether we have ever paid
17 any rental fees as opposed to the fact we have paid?

18 A That's correct.

19 Q Your answer was you didn't know we made any. Just
20 one or two clarification questions on the service life line
21 of questioning, just so it is clear from your testimony. Is
22 it true that the remaining portion of the pipeline that did
23 not have to be renewed is still in existence?

24 A Yes, it is.

25 Q Is your testimony that were it not for this project

1 in question, the portion that had to be renewed would not
2 have to have been renewed; is that correct?

3 A That's true.

4 Q You also answered a question that Mr. Zahn asked
5 you. You said it's possible, based on the condition, that
6 the service life remaining could be as high as 20 or 30
7 years; is that correct?

8 A Yes.

9 Q Is it true that Equitable has significant portions
10 of its system that still is in existence, useful service
11 life that is older than 1928?

12 A Yes.

13 MR. NYDES: No further questions.

14 RECROSS-EXAMINATION

15 BY MR. ZAHN:

16 Q The other facilities are the same type of material
17 that's on the bridge?

18 A Yes.

19 Q And how long would they have been in service?

20 A They are in since 1928.

21 Q No, I mean the other facilities your counsel asked
22 you about?

23 MR. NYDES: Generally other facilities in the
24 Equitable system would pre-date the 1928 date of the
25 facilities in question.

1 THE WITNESS: Some 1885 pipe, 1890.

2 BY MR. ZAHN:

3 Q So that this new pipe could last another hundred
4 years, that it extends the life of the existing you took
5 out, it would give additional service life; would it not?

6 A Well, it's possible. It doesn't necessarily mean
7 it will.

8 Q Now, the fact that you don't know that you paid any
9 rental fees, if you did pay them the company would surely
10 come up with them at this hearing, would they not?

11 A We could furnish them. We have a listing of all
12 rental fees that we do pay.

13 MR. ZAHN: Well, perhaps counsel can file that as a
14 late Exhibit, whether or not he paid any rental fees, either
15 to the County or to the Commonwealth.

16 JUDGE CLEMENTS: Mr. Nydes, any objection to that?

17 MR. NYDES: We have no objection to that.

18 JUDGE CLEMENTS: Very well, any other questions of
19 this witness? Any objection to Equitable Statement No. 1
20 and the attached Exhibits? Very well, they are admitted.

21 (Equitable Statement No. 1 was admitted.)

22 JUDGE CLEMENTS: Equitable Gas Company may be excused
23 with, of course, the understanding you waive
24 cross-examination of any --

25 MR. NYDES: I thank the parties for allowing us to go

1 first.

2 JUDGE CLEMENTS: Thank you. Very well, Mr. Zahn, are
3 you prepared to proceed?

4 MR. ZAHN: Yes, sir. I call Mr. Fail.

5 JOHN FAIL, called as a witness, having previously been
6 duly sworn, was examined and testified as follows:

7 DIPECT EXAMINATION

8 BY MR. ZAHN:

9 Q You have been sworn. Will you state your full name
10 for the record.

11 A John Fail.

12 Q How do you spell your last name?

13 A F-a-i-l.

14 Q What is your official address?

15 A 875 Greentree Road, 15222.

16 Q By whom are you employed?

17 A Department of Transportation.

18 Q What capacity?

19 A District Grade Crossing Liaison.

20 Q You're authorized to testify on behalf of the
21 Department?

22 A Yes.

23 Q The first question directed to the Department is to
24 submit into the record a detailed itemized final cost
25 statement for the work performed by the Department, in

1 compliance with the Order of March 25, 1982 --

2 MR. ZAHN: And if, Your Honor, please I have two
3 sheets of paper that I ask be marked as PennDot No. 1 and
4 copies have been given to all parties and to the court
5 stenographer.

6 JUDGE CLEMENTS: So be identified. I don't recall
7 getting a copy, unless I already misplaced it.

8 (PennDOT Exhibit No. 1 was produced and marked for
9 identification.)

10 BY MR. ZAHN:

11 Q Mr. Fail, I will show you PennDot Exhibit No. 1 and
12 just -- it's self-explanatory. Would you give us the total
13 cost that the Department spent for this improvement?

14 A The total cost of the rehabilitation of Thompson
15 Run Bridge shown on PennDOT Exhibit No. 1 is \$3,709,461.13.

16 Q And this Exhibit gives a breakdown of all the items
17 that were used in the construction?

18 A Yes, it does.

19 Q And they all total the sum that you just mentioned
20 \$3,709,461.13?

21 A That sum also includes engineering and
22 construction, inspection, total cost. The construction
23 costs are shown as \$3,146,238.13.

24 Q And these sums have been paid to the Department's
25 contractor?

1 A Yes.

2 Q And have all the individual items been verified by
3 the Department?

4 A Yes, they have been.

5 Q Now, question No. 2 where it asked what portion if
6 any of the costs you will agree to bear and what costs --
7 what portion of the improvement others should pay for and
8 what portion of future maintenance will the Department agree
9 to bear and what portion of the maintenance and cost should
10 be performed and borne by each of the other parties?

11 A The Department will agree to bear the cost shown on
12 PennDOT Exhibit No. 1. We will also agree to maintain the
13 bridge, but would ask that the sidewalks be maintained by
14 others.

15 MR. ZAHN: Witness is available for
16 cross-examination.

17 JUDGE CLEMENTS: Just one quick question from me.
18 What others did you have in mind?

19 THE WITNESS: Allegheny County or City of Duquesne.

20 JUDGE CLEMENTS: Very well. Thank you. Does Counsel
21 for Union Railroad have any questions?

22 MR. MARINI: No, Your Honor.

23 JUDGE CLEMENTS: Counsel for Bell Telephone?

24 MR. POSNER: Yes, Your Honor.

25 CROSS-EXAMINATION

1 FY MR. POSNER:

2 Q On your Exhibit No. 1, in the top right-hand corner
3 beneath the indication Borough City of Duquesne there is a
4 notation S 20 percent, F 80 percent; is that notation
5 relative to the percentage of the funds for this project and
6 does it mean 20 percent state funds and 80 percent federal?

7 A Yes.

8 Q May we understand from that then, that of this
9 total of 3 million 700 plus thousand dollars, 80 percent was
10 reimbursed to the State out of federal highway
11 administration funds?

12 A Yes.

13 Q The highway that this bridge carries across the
14 tracks is a State highway; is it not?

15 A Yes.

16 Q When did the State take that highway over; do you
17 know?

18 A I believe it was Act 6151961.

19 Q Do you know when this bridge was originally
20 constructed?

21 A No.

22 Q And is it safe to assume that the triggering factor
23 for this entire project was deterioration of the bridge
24 structure?

25 A Yes.

1 Q Would it be further safe to assume that that
2 deterioration was the result of passage over time of
3 vehicles on that bridge?

4 A No. Not specifically vehicles.

5 Q What caused the deterioration?

6 A Other contributing factors.

7 Q Such as?

8 A Whatever causes bridges to deteriorate in this
9 area; pollution, chemicals, salt, freeze thaw cycle.

10 JUDGE CLEMENTS: I beg your pardon?

11 THE WITNESS: Freeze thaw cycle.

12 MR. POSNER: I have no other questions.

13 JUDGE CLEMENTS: Very well, does Duquesne Light
14 Company have any questions?

15 MR. CRAYONE: Yes.

16 CROSS-EXAMINATION

17 BY MR. CRAYONE:

18 Q This bridge, is it a concrete or a steel bridge?

19 A It's a steel bridge, concrete piers and abutments.

20 Q The new bridge is?

21 A The new bridge is.

22 Q What was the old bridge?

23 A Essentially the same thing.

24 Q When did PennDOT assume maintenance
25 responsibilities for that bridge?

1 A I really can't answer that. I don't know.

2 Q When PennDOT was undertaking to obtain the federal
3 funds for this project, did you consider applying for
4 federal funds to assist the utilities in paying for their
5 relocation costs for this project?

6 A I can't answer that. I wasn't the person who ran
7 the projects.

8 Q Do you know if such funds are available?

9 A Specifically for this project or generally?

10 Q Projects such as this project in general?

11 A There are federal funds available, but they are
12 contrary to State Law in Pennsylvania. Purpose for
13 relocating utilities and public right-of-way -- you're
14 asking if the ^{Federal} pedestrian highway administration makes such
15 funds available for utility relocations?

16 Q Yes.

17 A Yes, I think they do.

18 Q Then it's not contrary to State Law to pay utility
19 relocation?

20 A It's our policy not to use those funds for those
21 purposes.

22 Q PennDot's policy is not to use such funds for such
23 purpose?

24 A Yes.

25 Q Mr. Fail, has PennDOT performed what are normally

1 called origin and designation studies for this bridge?

2 MR. ZAHN: Objection.

3 JUDGE CLEMENTS: On what grounds?

4 MR. ZAHN: What purpose does this have to do with
5 whether we pay for these facilities? Our direct testimony
6 is on costs that we had expended.

7 JUDGE CLEMENTS: I suppose the Commission might
8 consider the type and nature and extent of traffic over the
9 bridge as a factor in determining whether the Department
10 should pay utility relocation costs. I don't know as they
11 have in the past, but I'm not going to preclude them from
12 forbidding him to answer the question.

13 A I don't know what we have on this particular
14 project.

15 BY MR. CRAYONE:

16 Q What highway crosses this bridge?

17 A Legislative Route 736.

18 Q Does the Department of Transportation classify
19 Legislative Route 736 as a local or regional highway?

20 A We don't classify highways that way, we classify
21 them as primary, secondary or collective.

22 Q What is L.R. 736 classified as?

23 A Offhand, I don't know.

24 Q You don't know?

25 A Probably, primary.

1 Q Can you tell me what this route connects with?

2 A Yes. It has its origin in McKees Rocks, it proceeds
3 through the Southside, Homestead, City of Duquesne, Borough
4 of West Mifflin, Borough of Dravosburg, and it terminates at
5 the Clairton/Glassport Bridge with Legislative Route 02239
6 spur, and it also continues through the City of Clairton and
7 runs, I believe, to the Washington County line.

8 Q Now, what generally is the character of the area in
9 which the bridge is located as to whether it would be a
10 residential area, a heavy industrial or commercial area?

11 A This bridge is located in a heavy -- what was a
12 heavy industrial area, the City of Duquesne, with the number
13 of truckers serving steel mills that used the bridge,
14 residential area, City of Duquesne, third-class city located
15 on one side of the bridge.

16 Q Do you know, Mr. Fail, if PennDOT charges utilities
17 rental for bridge occupancies, such as the Thompson Run
18 Bridge?

19 A We do, yes.

20 Q How much is that rental?

21 A I don't know. It's based on the weight of the
22 facility.

23 Q It's a manual rental?

24 A Yes. I don't know if we are charging any specific
25 utilities for this particular bridge, though. I don't have

1 those records.

2 MR. CRAYONE: I have no further questions.

3 JUDGE CLEMENTS: Very well. Allegheny County have any
4 questions?

5 MR. POSNER: Just a few questions.

6 MR. NYDES: I just had one question.

7 JUDGE CLEMENTS: I am sorry.

8 CROSS-EXAMINATION

9 BY MR. NYDES:

10 Q Mr. Fail, in response to a question that Mr.
11 Crayone asked you, you said you weren't sure whether or not
12 federal funds had been applied for utility reimbursement.
13 In a situation, normally, that's not the case, is that
14 correct; was that your answer?

15 A Yes.

16 MR. NYDES: I would like to make a data request to the
17 Department that we do get a definitive response. You said
18 you weren't sure whether federal funds were applied, but we
19 do not have a definitive response in the record as to
20 whether or not they were applied for, and if the answer is
21 no, the statement given as to why they were not applied
22 for.

23 MR. ZAHN: Perhaps, as counsel, I might answer that
24 question.

25 JUDGE CLEMENTS: Any objections?

1 MR. NYDES: If we can get an answer now on the record,
2 that would be fine.

3 MR. ZAHM: The federal government does not reimburse
4 the Department of Transportation for relocating utility
5 facilities unless, under State Law, such reimbursement is
6 required. Therefore, no funds are requested for any
7 relocation of utilities that were located in public
8 right-of-way. However, where utilities have to be relocated
9 out of private right-of-way, under State Law, we are
10 required to reimburse the utility, and those funds would
11 have been applied for -- for only relocation of private
12 right-of-way.

13 I don't know whether any of your facilities or any of
14 these facilities were in private right-of-way. If they were
15 in private right-of-way, they were reimbursable under State
16 Law and Fed's will do it. Now to go one step further --
17 that's the federal government -- FHA recognizes that if the
18 Public Utility Commission allocates costs, that that is
19 recognized as the State Law and federal funds could be
20 used. Whether they could be applied for, whether they would
21 be paid at this late date, I don't know.

22 JUDGE CLEMENTS: That's the question I had. Does that
23 answer your question?

24 MR. NYDES: Yes, it does, Your Honor. I have no
25 further questions.

1 JUDGE CLEMENTS: Does anyone have any questions of
2 either Mr. Zahn or Mr. Fail?

3 MR. OPSITNICK: County does.

4 JUDGE CLEMENTS: Very well.

5 CROSS-EXAMINATION

6 BY MR. OPSITNICK:

7 Q Mr. Fail, the County had not performed any
8 maintenance on that bridge or that area since the early
9 1960's; would that be correct?

10 A Yes.

11 Q And the current public utility order regarding that
12 bridge placed full maintenance responsibility on PennDOT; is
13 that correct?

14 A Yes.

15 MR. OPSITNICK: I have nothing further, Your Honor.

16 JUDGE CLEMENTS: Any further questions on cross? Any
17 redirect?

18 MR. ZAHN: Nothing further.

19 JUDGE CLEMENTS: Thank you.

20 MR. ZAHN: I move for the admission of PennDOT Exhibit
21 No. 1.

22 JUDGE CLEMENTS: Any objection? Without objection, it
23 is admitted.

24 (PennDOT Exhibit No. 1 was admitted into evidence.)

25 JUDGE CLEMENTS: Okay. Before we go on with the

1 hearing, let me take a brief recess. There is a
2 representative that came on behalf of Atlantic Pipeline
3 Corporation. I can't get it straightened out whether they
4 wish to testify or merely present the letter.

5 (Whereupon, a recess was taken.)

6 JUDGE CLEMENTS: Is Union Railroad prepared to go
7 ahead?

8 MR. MARINI: Yes, Your Honor. I would like to call
9 Lawrence Diersen to testify at this point.

10 JUDGE CLEMENTS: Very well.

11 LAWRENCE M. DIERSEN, called as a witness, having
12 previously been duly sworn, was examined and testified as
13 follows:

14 DIRECT EXAMINATION

15 BY MR. MARINI:

16 Q Would you please state your name and address for
17 the Record.

18 A My name is Lawrence M. Diersen, D-i-e-r-s-e-n. My
19 business address, Post Office Box 68, Monroeville,
20 Pennsylvania 15146.

21 Q Are you employed, Mr. Diersen, and if so, by whom?

22 A I am employed by Union Railroad Company.

23 Q And in what capacity are you employed by Union
24 Railroad?

25 A Assistant Chief Engineer.

1 Q What generally are your duties as Assistant Chief
2 Engineer?

3 A I assist the Chief Engineer in the management of
4 the maintenance and construction of the railroad company's
5 fixed properties.

6 Q Are you familiar with the Order entered by the
7 Pennsylvania Public Utility Commission on March 25th, 1982
8 concerning the performance of construction work on the
9 Thompson Fun Bridge located in Duquesne, Pennsylvania?

10 A I am.

11 Q And are you familiar with those portions of the
12 Public Utility Commission Order which applied specifically
13 to the Union Railroad?

14 A I am.

15 Q Are you familiar with the work and safety
16 provisions undertaken by the Union Railroad in compliance
17 with this Order?

18 A Yes.

19 Q What specific work or safety precautions does the
20 Union Railroad undertake pursuant to the Public Utility
21 Commission Order March 25, 1982?

22 A We provided flagging service, we temporarily
23 relocated and restored company aerial wires and we provided
24 a small amount for train switch and service.

25 Q I'm showing you what has been marked Union Railroad

1 Exhibit 1, and that Exhibit has been given to the reporter,
2 and has also been given to all parties of record.

3 MR. MARINI: And, I believe, Your Honor, I gave the
4 extra copy for you to use.

5 (Union Railroad Exhibit No. 1 was produced and marked
6 for identification.)

7 BY MR. MARINI:

8 Q And are you familiar with the contents of this
9 Exhibit?

10 A Yes.

11 Q And would you please indicate what the Exhibit
12 shows in terms of expenditures made by the Union Railroad in
13 compliance with the PUC Order March 25th, 1982?

14 A Yes. The first line item shows the total number of
15 standard time hours of flagmen, service provided by the
16 Union Railroad to the general contractor. The second line
17 is simply overtime hours for the same service. The third
18 line is the number of hours spent relocating and
19 reinstalling a company telephone line. And the last line is
20 a small amount of time spent on some special switching by
21 one of the Union Railroad train crews to aid in the
22 reconstruction of the bridge.

23 Q Okay. Did the Union Railroad incur these expenses
24 itself, or was it reimbursed, or did it bill another entity
25 or company?

1 A We incurred the cost initially, but then we
2 invoiced the Pennsylvania Department of Transportation's
3 general contractor Cameron Construction Company, and we have
4 been reimbursed for all these costs by Cameron Construction
5 Company.

6 Q As far as the total costs incurred by the Union
7 Railroad up to this date in regards to the Thompson Run
8 Bridge, is the railroad willing to accept final
9 responsibility for these costs?

10 A No.

11 Q Is the Union Railroad willing to bear any costs
12 that are incurred to date with respect to costs on the
13 improvement of Thompson Run?

14 A No.

15 Q Are any of the railroads willing to incur costs on
16 the Thompson Run Bridge?

17 A We are not.

18 Q And with respect to the allocation of the costs
19 associated with the construction work performed on the
20 bridge and allocation of the further maintenance work and
21 costs of the bridge, what is the position of the railroad as
22 to the costs that ought to be allocated?

23 A We feel the cost of reconstruction should be borne
24 by the Department of Transportation, and we feel that the
25 cost of future maintenance of the bridge's superstructure,

1 substructure and the drainage run-off ditches, which are
2 located on Union Railroad property, that these costs should
3 be borne by the Pennsylvania Department of Transportation.

4 MR. MARINI: I would, at this time, move Union Exhibit
5 No. 1 be admitted into record, and I have no further
6 questions.

7 JUDGE CLEMENTS: First of all, let me ask a quick
8 question. I will rule on the Exhibit after
9 cross-examination.

10 As I understand your testimony, any Commission Order
11 in this matter with respect to the Union Railroad would not
12 be required to include any further reimbursement of funds;
13 is that correct?

14 THE WITNESS: That is correct.

15 JUDGE CLEMENTS: And I take it the Union is willing to
16 maintain its own facilities except for possibly this
17 drainage ditch at this location in the future?

18 THE WITNESS: When you say own facilities, tracks
19 underneath the bridge?

20 JUDGE CLEMENTS: The track underneath the bridge.
21 Very well. Cross-examination, Mr. Zahn?

22 MR. ZAHN: Just one question.

23 CROSS-EXAMINATION

24 BY MR. ZAHN:

25 Q Are you talking about the drainage at Pier 7 that

1 enters into your drainage pipe?

2 A I'm talking most importantly about the run-off
3 ditches coming from a pier near the Kennywood side of the
4 bridge where PennDOT paved the invert, the channel portion
5 of the drainage ditch, and that will ultimately have to be
6 maintained.

7 Q Would it be necessary for the Department forces to
8 enter on railroad property to maintain those drainage
9 ditches?

10 A (Witness nods head).

11 JUDGE CLEMENTS: You have to say yes.

12 A I was just thinking. Yes, probably no more so than
13 to maintain the piers or any other bridge for that matter.

14 Q To maintain that drainage are flagmen or inspectors
15 or watchmen required?

16 A In that particular case for the paved drainage,
17 from my memory, a flagman would not be required, it would be
18 a judgment thing, but in my opinion, no.

19 Q But the drainage pipes that you have at Pier 7 that
20 run into your drainage pipes, you maintain those drainage
21 pipes; is that correct? I mean, the pipes that were
22 originally yours?

23 A There is a culvert that crosses under the entire
24 yard which is ours.

25 Q And you'll maintain them?

1 A Yes.

2 MR. ZAHN: Thank you. I have no further questions.

3 JUDGE CLEMENTS: Very well, Bell Telephone?

4 MR. POSNER: No, sir.

5 JUDGE CLEMENTS: Ducquesne Light?

6 MR. CRAYONE: No questions, Your Honor.

7 JUDGE CLEMENTS: Allegheny County?

8 MR. OPSITNICK: No questions.

9 JUDGE CLEMENTS: Any cross? Thank you very much, sir.

10 MR. ZAHN: I have no objection to their Exhibit.

11 JUDGE CLEMENTS: Is there any objection to the
12 Exhibit?

13 MR. ZAHN: No objection.

14 JUDGE CLEMENTS: No objection, the Exhibit is
15 admitted.

16 (Union Railroad Exhibit No. 1 was admitted into
17 evidence.)

18 JUDGE CLEMENTS: Okay. Next on my list is Bell
19 Telephone Company.

20 MR. POSNER: Your Honor, before the witness testifies,
21 it would appear from the questions and procedure that
22 question 5, 6, 8, 9 and 10 are directed to Bell. It strikes
23 me somewhat curious that question No. 6 refers to submission
24 of testimony, and yet, what it really asks for is the
25 company's position with respect to the legal position or

1 claim with respect to the costs.

2 With your permission, I would like to state those for
3 the record on behalf of the company.

4 JUDGE CLEMENTS: Very well.

5 MR. ZAHN: He is not even under oath.

6 JUDGE CLEMENTS: He can state a legal position if he
7 wants to.

8 MR. POSNER: With respect to the construction and
9 maintenance of the bridge, Your Honor, of course, it is Bell
10 of Pennsylvania's position that construction costs are
11 PennDot's responsibility and any future maintenance expenses
12 with respect to the bridge are also PennDot's
13 responsibility. With respect to Bell of Pennsylvania
14 facilities, which are attached to the bridge and adjacent to
15 it, Bell of Pennsylvania will agree to maintain its own
16 facilities in the future.

17 With respect to the costs that the witness will
18 testify to, in a moment, specifically, \$57,380.38, which is
19 costs incurred by Bell in connection to the replacement
20 conduit and manholes to accommodate the construction, it is
21 Bell's position, under the City of Wilksbury, a case decided
22 by the Commission, that criteria in that case would lead to
23 a decision that PennDOT be required -- to be required to
24 reimburse Bell those.

25 Of course, in the Order of October 1982, Bell has

1 initially and without prejudice, without making the claim
2 that I made, expended that sum of money to temporarily
3 support its facilities and to make certain changes to
4 accommodate the project. That would be our position with
5 respect to question No. 6 in the question and procedures.

6 JUDGE CLEMENTS: Very well.

7 PHYLLIS I. IRVIN, called as a witness, having
8 previously been duly sworn, was examined and testified as
9 follows:

10 DIRECT EXAMINATION

11 BY MR. POSNER:

12 Q Would you state your full name for the record and
13 spell your last name.

14 A Phyllis I. Irvin, I-r-v-i-n.

15 MR. ZAHN: I'm a little hard of hearing. Keep your
16 voice up.

17 A Phyllis I. Irvin, I-r-v-i-n.

18 Q And by whom are you employed?

19 A Bell of Pennsylvania.

20 Q What is your business address?

21 A 911 Pose Street, McKeesport, Pennsylvania.

22 Q How long have you been employed by Bell?

23 A Eighteen years.

24 Q Mrs. Irvin, did Bell of Pennsylvania have
25 facilities at Thompson Run Bridge?

1 A Yes.

2 (Bell Telephone Exhibit No. 1 was produced and marked
3 for identification.)

4 BY MR. POSNER:

5 Q At my request, have you prepared the drawing which
6 is marked Bell of Pennsylvania Exhibit No. 1 to graphically
7 depict those facilities?

8 A Yes.

9 Q All right. Would you describe for the record,
10 please, the facilities that Bell had at that bridge as of
11 1982, prior to the PennDOT reconstruction of the bridge?

12 A Yes. Bell had two manholes and six conduits
13 connecting underneath the bridge.

14 Q Are the manholes on the bridge itself or at each
15 end of the bridge?

16 A Each end of the bridge.

17 Q And how is the conduit run beneath the bridge; was
18 it actually attached to the bridge structure?

19 A Yes.

20 Q All right. And what was in those conduits?

21 A Two cables.

22 Q And, now, so it is clear what we are talking about,
23 did Bell have to replace the cables all as a result of
24 reconstruction?

25 A No.

1 Q They were not replaced?

2 A No.

3 Q Same cables were left in place after
4 reconstruction?

5 A Yes.

6 Q Was the conduit affected?

7 A Yes.

8 Q All right. Would you describe for the Record,
9 please, how the conduit was affected and what Bell had to
10 do?

11 A Bell had to -- due to the design of the bridge,
12 Bell had to replace three conduits.

13 Q Three of the six?

14 A Three of the six.

15 Q What were those conduits made of, by the way?

16 A Cement.

17 Q And who did that work; who removed the three
18 conduits?

19 A Cameron Construction.

20 Q That would be PennDot's contractor?

21 A Yes.

22 Q And did Cameron Construction also rebuild or
23 reconstruct replacement ducts?

24 A Yes.

25 Q With respect to the ducts that were in existence,

1 can you tell us when they were installed?

2 A 1929.

3 Q And at the time of their installation, 1929, for
4 depreciation purposes, what average life expectancy had Bell
5 utilized for conduits?

6 A Sixty-four years.

7 MR. ZANN: How many?

8 THE WITNESS: Sixty-four.

9 BY MR. POSNER:

10 Q Are you testifying that that's the period of time
11 over which those conduits would be depreciated on the
12 company's books?

13 A On the books, yes.

14 Q Does that have any necessary relationship to the
15 used and useful life expectancy of those facilities?

16 A No.

17 Q Under what circumstances, irrespective of
18 depreciation life, are those facilities replaced by Bell but
19 for a project like this? Did you understand my question?

20 A Phrase it again, please.

21 Q But for the need to remove facilities because of
22 the bridge project like this, under what circumstances would
23 Bell, on its own, decide to replace conduits?

24 A Deterioration or damage.

25 Q To the best of your knowledge, if you know, was

1 there any deterioration or damage to these conduits that
2 would have required their replacement other than for the
3 reconstruction of this bridge?

4 A No.

5 Q Now, you testified that there are manholes at each
6 of the bridges, were they affected by the PennDOT
7 reconstruction of the bridge?

8 A Yes.

9 Q How were they affected?

10 A Due to the contractor's excavation around the
11 manholes, they had to be dismantled and replaced.

12 Q Do I take it from your answer that the construction
13 was digging in the vicinity of those manholes?

14 A Yes.

15 Q Had the manholes not been dismantled what would be
16 the result of that digging?

17 A Probably collapsed, the manholes.

18 Q Prior to this reconstruction of the bridge, were
19 there facilities that Bell had in place adequately serving
20 the company's need for providing communication service to
21 the public?

22 A Yes.

23 Q As a result of the work done here, was there any
24 increase in the capacity of Bell's facilities?

25 A No.

1 Q Did the work done here by the contractor on behalf
2 of Bell result in Bell's being able to -- able to provide
3 service any less expensively?

4 A No.

5 Q Did it result in Bell's being able to provide any
6 additional services to the public?

7 A No.

8 Q With respect to the new conduit that was installed
9 in 1982 -- and for depreciation purposes, what was the
10 average life expectancy -- what was the average life
11 expectancy of those facilities?

12 A Sixty-four years.

13 Q The same as?

14 A The same as, yes.

15 (Bell Telephone Exhibit No. 2 was produced and marked
16 for identification.)

17 Q Now, also at my request, have you prepared what has
18 been marked as Bell Exhibit 2, setting forth the costs
19 incurred by Bell in connection with this project?

20 A Yes.

21 Q And I suppose it is fairly self-explanatory. What
22 was the total amount expended by Bell?

23 A \$50,731.38.

24 Q And does that represent both the amounts paid to
25 the contractor to remove and then rebuild the conduit plus

1 the amounts paid for the manholes plus Bell's labor itself?

2 A Yes.

3 Q And would I be correct that those facilities were
4 all located in public right-of-way?

5 A Yes.

6 Q I want you to assume for the moment that for some
7 reason Bell would be -- was unable to occupy this bridge for
8 whatever reason, would Bell still have to route its
9 facilities somehow across or through or under the railroad
10 tracks?

11 A Yes.

12 Q From an engineer's prospective, if the bridge were
13 not available, how would Bell route its facilities?

14 A It would probably try to get a permit from Union
15 Railroad to go underneath the tracks somehow.

16 Q Is it preferable, from an engineering and service
17 prospective, to occupy the bridge than what you just
18 described?

19 A Yes.

20 Q Are you able to put any dollar value, as to the
21 differences, between the two means of routing Bell's
22 facilities?

23 A No.

24 MR. POSNER: Bear with me, Your Honor. I just want to
25 make sure we addressed all the questions.

1 BY MR. POSNER:

2 Q Were Bell's facilities installed pursuant to any
3 permit or authority that you're aware of?

4 A Permit?

5 Q Or authority.

6 A Yes.

7 Q When was the most recent permit applied for with
8 respect to those facilities?

9 A 1954.

10 Q And from whom?

11 A Allegheny County.

12 MR. POSNER: I have no other questions.

13 JUDGE CLEMENTS: Very well, does the Department have
14 any questions?

15 MR. ZAHN: Yes.

16 CROSS-EXAMINATION

17 BY MR. ZAHN:

18 Q Mrs. Irvin, as I understand it, you testified that
19 the conduit was placed there 1929, and it had a depreciable
20 life of 64 years; is that correct?

21 A Yes.

22 Q Other than the depreciation, what is the life
23 expectancy of those conduits other than for depreciation
24 purposes?

25 A It could vary. It could be a hundred years, it

1 could be less. It varies.

2 Q And what kind of conduit was this that was placed
3 in 1929, cement?

4 A It was cement.

5 Q And was the cement exposed -- the conduit exposed?

6 A Underside.

7 Q The underside --

8 A You could see on the underside.

9 Q -- would have been exposed to weather and freeze
10 thaw cycles and things of that sort?

11 A Yes.

12 Q Now, you said that the new conduit that you put in,
13 if I understood you correctly, had a life expectancy of 64
14 years. Are you talking about depreciation or life
15 expectancy?

16 JUDGE CLEMENTS: Excuse me for a second. There's
17 another call for you, Mr. Zahn.

18 MR. ZAHN: I'm sorry. There is a very, very serious
19 matter with the Delaware and Hudson Railroad --

20 JUDGE CLEMENTS: Go ahead. We can take a little
21 recess.

22 MR. ZAHN: -- needs immediate attention.

23 (Thereupon, a recess was taken.)

24 JUDGE CLEMENTS: Mr. Zahn, are you prepared to
25 continue?

1 MR. ZAHN: Yes. She just repeated the last question.

2 BY MR. ZAHN:

3 Q Mrs. Irvin, would you answer that.

4 MR. POSNEP: Could she have it read back, so she could
5 answer it.

6 (Question read).

7 A I'm talking about depreciation.

8 Q Now, what's the life expectancy of the new conduit
9 and what kind of of conduit is that?

10 A It's plastic.

11 Q It's different than the cement?

12 A Yes.

13 Q And why wouldn't cement conduits be placed back?

14 A We no longer place cement.

15 Q It doesn't last as long as plastic?

16 A It does. It should.

17 Q It is less expensive to put plastic in than cement?

18 A Yes.

19 Q So that for the life expectancy, you say -- can you
20 give us a ballpark figure of how long that would be, 50
21 years, a hundred years?

22 A It would vary. There are so many variances. There
23 are -- so it could be damaged and it would have to be
24 replaced.

25 Q I'm not talking about damage, I'm talking about

1 normal wear and tear. Doesn't the industry give you any
2 information on what the life expectancy is of plastic?

3 A Sixty-four years would be --

4 Q That's the life expectancy?

5 A Not the life expectancy, excuse me. It could be
6 years. We don't go in just to replace it simply because it
7 has depreciated in 64 years.

8 Q Now, the fact that you put in new plastic conduit
9 to replace the cement, that would give you an extended life
10 over and beyond what the cement would have lasted, because
11 this is new plastic against cement that was in there since
12 1929, you have an extended life period.

13 A Yes. I mean, yes, for the new ducts that we would
14 replace.

15 Q Did your figures give any indication or credit for
16 any additional life of your conduit? I don't see any.

17 A No.

18 Q Now, you said that the facilities that were on the
19 bridge had not deteriorated?

20 A Correct.

21 Q How do you know that?

22 A There was no trouble. We would know that by a
23 customer reporting problems with the cable, which is the
24 support, the conduit supports, the cable.

25 Q And when you're saying, were not deteriorated, do

1 you mean that they were as good as when they were first
2 installed?

3 A I don't know.

4 Q I mean, there had to be some since it was installed
5 -- since 1929 there had to be some type of deterioration.

6 MP. POSNER: I'm going to object to Mr. Zahn's
7 testifying rather than questioning.

8 JUDGE CLEMENTS: I don't think the phraseology of the
9 question concerning the type of testimony presented is
10 beyond the bounds of cross-examination.

11 BY MR. ZAHN:

12 Q Can you answer that?

13 A I would gather, weatherize, the cement would
14 deteriorate and, I mean, just naturally in the road.

15 Q Incidentally, what is your position with the company?

16 A Assistant Manager in Outside Facilities and
17 Engineering.

18 Q Are you a professional engineer?

19 A No.

20 Q Did you personally inspect these facilities on the
21 bridge?

22 A No.

23 Q Now, regarding the manholes that had to be
24 replaced, was it your decision, your company's decision to
25 replace the manholes rather than have the contractor work

1 around them?

2 A The way the design of the bridge and the
3 contractors work the manholes would have collapsed. They
4 were under a mine. They dug all around the manholes. So we
5 had to dismantle them.

6 Q Did they have to dig all around them?

7 A Yes.

8 Q And what did these manholes consist of, were they
9 brick walls, concrete or what?

10 A One was brick and the other was precast.

11 Q Precast?

12 A I'm sorry they were both pre.

13 Q Both pre?

14 A Yes.

15 Q And were they replaced by brick or precast?

16 A Precast.

17 Q Does the precast material last longer than brick?

18 A I can't answer that.

19 Q You don't know?

20 A No.

21 Q Well, brick has mortar. The bricks are placed
22 between -- or mortar is placed between the bricks?

23 A Right.

24 Q While the precast one is a concrete manhole?

25 A Right, I understand.

1 Q Had the company had any problems with the manholes
2 prior to this time, any leakage or anything of that sort?

3 A No, not to my knowledge.

4 Q What was the purpose of the manhole? As I
5 understand it your conduit was on the -- on the underside of
6 the bridge and why were manholes on each side?

7 A On either end?

8 Q Yes.

9 A We would have to get -- because of distance, we
10 would have to get in to maintain the cable.

11 Q For the maintenance of the cable?

12 A Yes.

13 Q The cable was not replaced, is that it?

14 A No.

15 Q Was service disrupted at all while the new conduit
16 was put in?

17 A Not to my knowledge.

18 Q How could they put the cables into the new conduit
19 without disturbing service?

20 A The ones that were in place were vacant ducts.

21 Q Are those ducts being used at the present time, the
22 replaced ducts?

23 A No.

24 Q They are still vacant, is that it?

25 A Yes.

1 Q And why were the -- if they weren't being used, why
2 were they being replaced?

3 A Because that's what we had existing at the time of
4 the bridge.

5 Q Is it because you might have use for those ducts in
6 the future for other facilities that your company could use?

7 A That's true.

8 Q To service its customers?

9 A Yes.

10 Q Now, you say the conduit and the cables were placed
11 on the bridge in '54 by a permit from the County. Since
12 that time, has Pell paid any rental fees, to occupy this
13 bridge, to anyone?

14 A I don't know.

15 Q Would your records reflect that?

16 A Possibly.

17 MR. ZAHN: Counsel, may we --

18 MR. POSNER: Mr. Zahn, I can state for the record that
19 that testimony is based upon the file that we have on that
20 bridge, and it shows the most recent occupancy letter being
21 from the County of Allegheny in 1954. There is nothing
22 beyond that.

23 Now, as I understand, PennDot also retains records of
24 rentals received, so you would have as much access to that
25 information as we would.

1 MR. ZAHN: PennDOT wouldn't have any record of rental
2 because this is under the Public Utility Commission's
3 jurisdiction. And there is no rental fees for facilities
4 that are ordered to be --

5 MR. POSNER: Then why are we asking the question? The
6 answer is self-evident.

7 MR. ZAHN: We don't have to do it. I was asking
8 whether they paid any rental fees.

9 MR. POSNER: Since the Public Utility Commission's
10 jurisdiction in other cases has occupied the authority and
11 -- therefore, it is fairly safe to assume because of that
12 factor --

13 JUDGE CLEMENTS: Maybe also ask the County if they
14 have been collecting rental on that in spite of all that,
15 when the witness testifies.

16 BY MR. ZAHN:

17 Q Now, on the second page of your Exhibit 2, on
18 portions L, M down there at the bottom, why was the figure
19 put on there that utility share is zero, and state share is
20 100 percent.

21 MR. POSNER: Your Honor, my I answer that? That again
22 relates to company position, because we are here seeking
23 cost allocations and, therefore, we are asking that we be
24 reimbursed the amount of expense.

25 Obviously, that figure could go anywhere from zero to

1 100 percent based upon the decision of the Commission, and
2 that's in there for the same reason, Mr. Zahn. That in a
3 Court of Common Pleas Complaint someone asked for damages in
4 excess of \$10,000.00.

5 MR. ZAHN: Thank you, Mr. Posner.

6 JUDGE CLEMENTS: I take it then, it was put on the
7 advice of counsel, rather than any engineer?

8 MR. POSNER: Exactly. Exactly.

9 BY MR. ZAHN:

10 Q Did you prepare these figures, Mrs. Irvin?

11 A Yes, in conjunction with others.

12 Q And where did you get the items, the costs of the
13 items?

14 A From the company ledger.

15 Q Ledgers?

16 A Yes.

17 Q And do those ledgers show that this cost of labor
18 and material was only for this project?

19 A Yes.

20 Q And how is that shown, why is it just related to
21 this project?

22 A There is a file number for this with a case file
23 number of F.C.O. F-5006, therefore, any charges would have
24 been filed with that number on it.

25 Q And who files those charges?

1 A Any --

2 Q Your inspectors?

3 A The inspectors, or could be the labor foreman, the
4 linemen, anyone that was involved in the work, the
5 contractors costs.

6 MR. POSNER: Mr. Zahn, I believe if it would help you
7 any, if I'm not mistaken, assuming for the moment that the
8 Commission were to order that Pell be reimbursed 25, 50, 75
9 percent of its cost, whatever the Commission orders is
10 usually upon certification of those costs. I know you asked
11 in the past that these hearings be entered in your form.
12 That's why they are entered that way. Obviously, if the
13 Judge were to order reimbursement, we would submit to
14 PennDot those costs to be certified by the Commission.

15 MR. ZAHN: Thank you, the next question whether --

16 MR. POSNER: You would have certified them, yet there
17 is no sense going through a certification order without a
18 procedure.

19 MR. ZAHN: Thank you, Mrs. Irvin.

20 JUDGE CLEMENTS: Very well. Is there any other
21 cross-examination of this witness from any counsel?

22 MR. CPAYONE: No.

23 JUDGE CLEMENTS: Any redirect?

24 MR. POSNER: No redirect. I would move into evidence
25 Exhibit 1 and 2.

1 JUDGE CLEMENTS: Any objection to Pell's Exhibit 1 and
2 2? Any objection to the Exhibits?

3 MR. ZAHN: Only to the extent that items L and M, as
4 Mr. Posner explained, was just something that the Legal
5 Department put on there, but --

6 MR. POSNER: Your Honor, I have to object. If the
7 record were to say -- instead of L and M appearing as they
8 do, they be construed as meaning as ordered by the
9 Commission.

10 JUDGE CLEMENTS: That's fine. With that understanding
11 the Exhibits are admitted. Very well.

12 (Pell Telephone Exhibit Nos. 1 and 2 were admitted
13 into evidence.)

14 JUDGE CLEMENTS: Next party on my list is Carnegie
15 Natural Gas Company. Is anybody here from Carnegie Natural
16 Gas Company yet?

17 Let me ask the witness for the Department of
18 Transportation, to your knowledge, were any significant
19 costs accrued by Carnegie in this project?

20 THE WITNESS: They weren't affected. I might point
21 out, too, there is a Keystone Pipeline Company listed here.
22 I don't believe they are involved in that project.

23 JUDGE CLEMENTS: They are primary to Atlantic
24 Richfield as I understand it. Before we get to Duquesne
25 Light's witnesses, Mr. Crayone, let's deal with Atlantic

1 Pipeline Corporation. I have in my possession, distributed
2 to parties, a copy of the letter from the corporation and a
3 witness has appeared in the hearing room to answer any
4 additional questions which may be available.

5 Well, generally I frown on letters coming in rather
6 than testimony, the fact that witness is present and the
7 fact the witness has been available for cross-examination,
8 it would be my inclination to identify this as Atlantic
9 Exhibit 1 and ask the parties, A, do they have any questions
10 and, B, do you object to its admission as an Exhibit?

11 MR. ZAHN: If Your Honor, please, I also take the
12 position that we don't normally accept letters of this sort,
13 but since the pipeline has agreed to pay all of the costs, I
14 have no objection to this being placed on the record as an
15 Exhibit.

16 JUDGE CLEMENTS: Does anyone else wish to ask any
17 questions of the witness, anyone object to the admission of
18 the letter, Exhibit 1?

19 MR. ZAHN: No objection.

20 JUDGE CLEMENTS: Okay. Thank you, very much. The
21 Exhibit is admitted. You may be excused if you wish or can
22 stay around and watch the end if you wish. Very well.

23 (Atlantic Exhibit No. 1 was marked for identification
24 and admitted into evidence.)

25 JUDGE CLEMENTS: Next on the list is Duquesne Light

1 Company. Mr. Crayone?

2 MR. CRAYONE: Duquesne would like to call Mr. Khalil
3 as the first of two witnesses.

4 JOHN EDWARD KHALIL, called as a witness, having been
5 previously duly sworn, was examined and testified as
6 follows:

7 DIRECT EXAMINATION

8 BY MR. CRAYONE:

9 Q Please state your full name, sir.

10 A Full name, John Edward Khalil, K-h-a-l-i-l.

11 Q By whom are you employed and in what capacity?

12 A I'm employed by Duquesne Light Company as a
13 Supervisor of Distribution Engineering in the Customer
14 Services Group.

15 Q Are you authorized to give testimony in the
16 proceedings for Duquesne Light Company?

17 A Yes, I am.

18 Q And, now, in connection with your appearance here
19 today, did you prepare written testimony in response to
20 questions directed to Duquesne and set forth in a letter
21 from the Commission dated August 22, 1985?

22 A Yes, I have.

23 Q If I were to ask you those questions here today,
24 would your responses be as set forth in your written
25 testimony?

1 A Yes, it would be.

2 MR. CRAYONE: I have previously, Your Honor,
3 distributed to all the parties, copies of Mr. Khalil's
4 written testimony.

5 MR. ZAHN: Off the record.

6 (Discussion off the record.)

7 MR. CRAYONE: And I would like to move at this time
8 that Mr. Khalil's statement be marked as Duquesne Statement
9 No. 1.

10 JUDGE CLEMENTS: It should be so identified.

11 (Duquesne Statement No. 1 was produced and marked for
12 identification.)

13 MR. CRAYONE: The witness is available for
14 cross-examination.

15 JUDGE CLEMENTS: Very well. Mr. Zahn, are you ready
16 yet?

17 MR. ZAHN: Just a second, please.

18 CROSS-EXAMINATION

19 BY MR. ZAHN:

20 Q Sir, does your Exhibit show what the service life
21 of those facilities are that were installed there?

22 A Yes. If you look on Exhibit A you will see a
23 tabulation form.

24 Q Oh, I see. And your Exhibit A on your tabulation
25 is service life. These were all the poles and anchors and

1 guys and wiring and cable, neutral wire that were replaced
2 on this job?

3 A That were defective.

4 Q Defective?

5 A Defective and not all were replaced.

6 Q And your figure of salvage on the next to the last
7 page, could you explain that reclaim material reports, that
8 only gives a total figure of salvage, it doesn't show what
9 it replaced?

10 A Right. That gives a total figure of what is
11 replaced. It doesn't -- I don't have a breakdown for you.

12 Q And that would be what is placed on this last
13 sheet, things that would have been replaced but doesn't
14 breakdown which items were replaced?

15 A Actually you shouldn't use the word replaced. A
16 lot of facilities were removed, okay. Facilities that were
17 removed have a salvage value.

18 Q Would that facility install the ones that were
19 removed?

20 A Not all facilities would install.

21 Q So this reclaimed material is material that was
22 removed but not reinstalled, is that it?

23 A Some of it may have been. It's material that is
24 removed that has some value to it. Naturally, we are giving
25 them credit for that value.

1 Q And in your third sheet from the end is what items
2 were replaced by the company, is that it?

3 A Materials used, yes.

4 Q And you did give credit for salvage value and
5 expired service life?

6 A Yes.

7 Q Now, the items that were replaced, materials used,
8 it appears that two poles were replaced.

9 A Yes.

10 Q Do you know how many were removed?

11 A I could take a look and tell you. If you look
12 again at the figure, you'll see that we have three poles
13 shown as being removed. That's the last page, again, that's
14 the tabulation at -- up at the top.

15 Q That's the first three items?

16 A Right.

17 Q How do I know that that shows removed? Where does
18 it show that they were removed?

19 A These are facilities that, when they are called for
20 to be removed, it's recorded as being removed, then it's
21 tabulated. All these things are items that were, indeed,
22 removed.

23 Q Okay. You know that as a fact?

24 A Yes.

25 Q And the service life of the two poles that were

1 installed, they replaced the three that were there, is that
2 it?

3 A Yes.

4 Q It was two for three. And they had the same
5 service life as the ones that were removed?

6 A Right. That's addressed in answer 13.

7 Q So that the one pole, the 40 inch wood had a
8 remaining life of 29 years, and the new one would have a
9 life expectancy of 48 years; is that correct?

10 A Yes.

11 Q So, it would be the differences between the total
12 life expectancy in that one, column 7, and from that would
13 be -- they would replace the ones in item 6 of the remaining
14 life?

15 A I would like to just make a statement, though.
16 Again, the figures that you do see here, naturally, are
17 accounting figures.

18 Q Right.

19 A They are figures that we use for life expectancy
20 and life expectancy, indeed, varies. Just so you're aware
21 of that.

22 Q Could it be more; is that it?

23 A It could go either way. It could vary.

24 Q And in your expired service life under item E 3,
25 the \$4,728.72, is that the difference of what the new

1 removed. In other words, if you don't have to replace poles
2 for another 40 or 50 years as against the pole that was
3 taken out, it adds to it. Isn't that correct?

4 A The projected life expectancy, as we said, remains
5 the same and that's, again, why its projected, depending on
6 field conditions.

7 Q And you stated that all of your facilities were in
8 public right-of-way; is that correct?

9 A Yes, I did.

10 Q And they were placed on the bridge by a permit?

11 A Yes, they were.

12 Q And can you tell us whether or not your company
13 paid any rental fees for the attachment of those facilities?

14 A I do not know if we do or don't to tell you the
15 truth.

16 MR. ZAHN: And could I ask counsel whether or not they
17 could tell us whether or not any rentals were paid.

18 MR. CRAYONE: I don't know. I suspect they were not.

19 MR. ZAHN: Can we agree they were not? I don't think
20 so. I'd like the record to indicate that.

21 MR. CRAYONE: I will check and let you know after
22 today.

23 MR. ZAHN: Let the Judge and myself know, and all
24 parties of record.

25 MR. CRAYONE: Sure.

1 facilities would be given or how do you explain expired
2 service life?

3 A Okay. As you see, the expired service life, we
4 tabulate the facilities that are removed. That's in column
5 10 on the last page of that tabulation. If you look down at
6 the bottom, you will see that same figure 4,728.72. That's
7 the life, that was the expired service life of the
8 facilities removed. It has no relationship to the installed
9 facilities.

10 Q Oh, okay. Was anything taken into consideration
11 that the loopholes that were replaced in there would have an
12 additional service life over and above those that were
13 removed? That's not taken into consideration?

14 A Not to my knowledge, no.

15 Q But there is no doubt that the new poles extended
16 whatever life there would have been than the old poles
17 granted a whole new life expectancy?

18 MR. CRAYONE: I object to that question. It doesn't
19 -- could you rephrase it, Mr. Zahn?

20 BY MR. ZAHN:

21 Q What I'm saying is that you're putting new poles in
22 which have a new service life.

23 A Okay.

24 Q (Continuing) Which is greater than the service life
25 of -- the remaining service life of the poles that were

1 BY MR. ZAHN:

2 Q You stated that in the work that you performed that
3 you modified your electrical system for the reconstruction
4 of the bridge without having relocated its facilities
5 outside of the legal limits of the street. Would you
6 explain that; did you put new cables or wires in?

7 A Okay. Not entirely, some cables were replaced,
8 some were not. And the basis for it was, that the cable
9 that was not replaced is a new construction type cable that
10 is capable of withstanding, let's say, abuse. The other
11 cable that was replaced was an older cable that would have
12 been much more sensitive, and rather than risking danger to
13 construction crews or anything, if we replaced the cable --

14 Q Without going outside the legal limits of the
15 right-of-way; is that correct?

16 A Right. The cables were suspended, as I mentioned,
17 suspended beneath the bridge.

18 Q And can you tell us when they were first
19 installed?

20 A Well, again, if you look at that tabulation, that
21 gives you the installation date of all the facilities that
22 were there.

23 Q Panging from -- I see the earliest date, 1942?

24 A No. Well --

25 Q '29?

1 A '29.

2 Q Up to '81. 1981?

3 A Correct.

4 Q That's the latest date. And in 1981 what's that
5 item No. 4?

6 A That's No. 4 duplex, that's secondary wire.

7 Q But that was the only one that was replaced in '81?

8 A Right.

9 Q It appears mostly it is '42, '46, '66, around
10 there.

11 Q Were your customers affected by the replacement of
12 the facilities?

13 A You're saying as far as outage time?

14 Q Yes.

15 A Generally, in a situation like that what we try to
16 do is through switching and signaling to keep the
17 customers within service through other ^d fees.

18 Q Through other --

19 A Other networks, right.

20 Q And was it necessary for your company to relocate
21 its facilities on the bridge?

22 A Yes, it was.

23 Q They couldn't have -- your customers couldn't have
24 been serviced by these other routes?

25 A No.

1 MR. ZAHN: Thank you, sir.

2 THE WITNESS: You're quite welcome.

3 JUDGE CLEMENTS: Is there any other cross-examination
4 of this witness? Any redirect?

5 MR. CRAYONE: I have a couple brief questions,
6 hopefully.

7 CROSS-EXAMINATION

8 BY MR. CRAYONE:

9 Q Mr. Khalil, look at the last page of Exhibit A.

10 A Okay.

11 Q The top it speaks of the calculation of expired
12 service life. The service -- please explain what you mean
13 by service life?

14 A Okay. As I mentioned before, this is an accounting
15 figure. The service life is a figure that they use for
16 accounting purposes and for depreciation purposes, so on and
17 so forth.

18 Q Now, Mr. Khalil, have you ever encountered
19 electrical facilities which were in use for the period of
20 time which exceeded their service life?

21 A Oh, quite definitely.

22 Q And I presume you also encountered facilities which
23 did not reach their specific service life?

24 A Definitely.

25 MR. CRAYONE: No further questions.

1 JUDGE CLEMENTS: Any further questions of this
2 witness?

3 MR. ZAHN: No further.

4 JUDGE CLEMENTS: Let me ask one question. I don't
5 know if it is for this one witness or the other witness.
6 Are you in a position to give the total amount of monies
7 that Duquesne Light, if they had their way, would be
8 included in the Order in this matter?

9 THE WITNESS: I'm not in a position in that matter.

10 MR. CRAYONE: You aren't. I would like to make a
11 statement in that regard. Mr. Khalil has testified as to
12 the electrical part of work which Duquesne did, and we have
13 stated in response in his testimony, Question 15,
14 correction.

15 THE WITNESS: Question 11, you mean.

16 MR. CRAYONE: Right, Question 11. As Pell Telephone
17 also indicated, accounts also indicated, I think, that part
18 of the costs that are placed upon the utility is a legal
19 conclusion, and although we will not agree to bear any of
20 those costs, we will, of course, abide by whatever
21 determination is made by the Commission.

22 JUDGE CLEMENTS: I wasn't so worried about percentage,
23 just what figure itself was the total cost Duquesne Light
24 thinks should be assumed by others. I think it is split
25 between the two.

1 MR. CRAYONE: The total amount of Mr. Khalil's costs
2 for the electrical work --

3 THE WITNESS: 96. Last page.

4 MR. CRAYONE: -- are \$89,337.50.

5 JUDGE CLEMENTS: That is the figure I should use.

6 MR. CRAYONE: We have additional costs, which my next
7 witness will address.

8 JUDGE CLEMENTS: Okay, fine.

9 MR. CRAYONE: I would like to call Duquesne's next
10 witness, Mr. Schaukowitz.

11 JOHN ROBERT SCHAUKOWITZ, called as a witness, having
12 previously been duly sworn, was examined and testified as
13 follows:

14 DIRECT EXAMINATION

15 BY MR. CRAYONE:

16 Q Please state your full name, sir.

17 A John Robert Schaukowitz.

18 Q Would you spell that for the court reporter,
19 please.

20 A S-c-h-a-u-k-o-w-i-t-c-h.

21 Q And by whom are you employed, and in what capacity?

22 A I'm employed by Duquesne Light Company as a
23 Telecommunications Engineer with the System Operations and
24 Telecommunications Unit.

25 Q Are you authorized to give testimony in this

1 proceeding?

2 A Yes.

3 Q And have you prepared responses to certain
4 questions directed to Duquesne by the Commission in a letter
5 dated August 22, 1985?

6 A Yes, I have it.

7 Q If I were to ask you those questions here today,
8 would your response be as set forth in your prepared
9 testimony?

10 A Yes, it would.

11 MR. CRAYONE: Your Honor, I have distributed copies of
12 Mr. Schaukowitch's testimony to all the parties and to
13 yourself and the reporter. He is available for
14 cross-examination. Mr. Schaukowitch is here to address the
15 work done by Duquesne in connection with his communications
16 facilities which were on the bridge.

17 (Duquesne Statement No. 2 was produced and marked for
18 identification.)

19 JUDGE CLEMENTS: Very well. Mr. Zahn, have you had a
20 chance to read the testimony?

21 MR. ZAHN: Yes.

22 CROSS-EXAMINATION

23 BY MR. ZAHN:

24 Q Where on the bridge were these facilities?

25 A Shown underneath of the bridge.

1 Q Entire length of the bridge?

2 A And through the abutment.

3 Q Do these facilities extend beyond the bridge
4 itself?

5 A On both ends, yes.

6 Q How far beyond that?

7 A From Atlantic Avenue in McKeesport to Eliza Street,
8 Lutz La in West Mifflin.

9 Q And do those costs, do they include the costs for
10 that part of the system?

11 A No. The only costs addressed in that document that
12 you have are the costs accrued to date to relocate that
13 portion which was shown under the bridge.

14 Q Oh, the thing -- the jurisdictional limits to the
15 Commission?

16 A Right.

17 Q Do you have any indication here when these
18 facilities were installed?

19 A The relocated facility?

20 Q No, the original facility.

21 A No, I don't.

22 Q Pardon?

23 A No, I don't.

24 Q Do you have any idea when they were installed?

25 A No, I don't.

1 C A hundred years ago, fifty years ago; do you have
2 any idea?

3 A I have no idea. I'd have to pull the drawings to
4 find out.

5 MP. ZAHN: Well, counsel, I think we ought to have an
6 idea of when the facilities were installed.

7 MR. CRAYONE: Let me make a statement at this point,
8 Mr. Zahn. As the testimony prepared by Mr. Schaukowitch
9 indicates, that Duquesne has not completed its work. What
10 we have done is, we moved the communications facilities off
11 the bridge to a temporary location, and that cost is
12 \$9,280.00 set forth in Mr. Schaukowitch's testimony. I
13 understand that today the work is progressing to move these
14 facilities back on the bridge on a permanent basis and that
15 we expect the work to be done in a couple weeks.

16 At that point, we would then, what we call, close out
17 the job, have it analyzed and could submit to the Commission
18 a statement similar to the statement which is Exhibit A to
19 Mr. Khalil's testimony, which is, of course, submitted on
20 the PennDot form and would provide, for you, the
21 installation dates of communications facilities, the expired
22 service life, the salvage value of any material which was
23 salvaged, et cetera.

24 MP. ZAHN: So that as I understand it then, the
25 testimony of this witness is to recover the cost of

1 temporarily removing these facilities from the bridge?

2 MR. CRAYONE: We have indicated to you and to the
3 Commission the cost of temporarily relocating these
4 facilities from the bridge. We have also indicated that we
5 are not in a position, at this time, to give you a total
6 cost figure to close out this job. I plan on asking the
7 Judge for an opportunity to submit, as a late filed Exhibit,
8 an Exhibit which would be the final cost figures set forth
9 on the PennDOT form.

10 THE WITNESS: And it would include 9,200?

11 MR. CRAYONE: It would include \$9,280.00 plus we
12 estimate about \$6,000.00 more to go back on the bridge on a
13 permanent basis.

14 BY MR. ZAHN:

15 Q Sir, why has it taken so long for your company to
16 get back on to the bridge?

17 A Mainly manpower problems.

18 Q Manpower?

19 A Yes.

20 Q The fact that you have indicated that on this late
21 date, would the cost of labor have increased during the
22 time?

23 A Yes, it would.

24 Q Should it have been if it was installed as it
25 should have been?

1 A Yes, it would.

2 Q It was your labor problems, not the Department's,
3 right?

4 A That's correct.

5 MR. ZAHN: Well, in view of the fact that the figures
6 are not complete, I'll defer to counsel's request but
7 subject, of course, to further examination of any of the
8 witnesses who prepared it in the event the Department feels
9 that's necessary.

10 JUDGE CLEMENTS: You always have that option. If it
11 is relatively minor, we can have a telephonic hearing. If
12 you feel it is significant, we can have a major hearing. If
13 you don't feel it is necessary at all, we won't have any
14 hearing.

15 Is there any cross-examination of this witness this
16 morning from any counsel? No. Let the record show no
17 response.

18 MR. ZAHN: Of course, Your Honor, since the figures
19 weren't complete, I defer any possible cross-examination of
20 this witness.

21 JUDGE CLEMENTS: I understand that. Any redirect on
22 what's been done this morning?

23 MR. CRAYONF: I have none.

24 JUDGE CLEMENTS: Okay. Thank you very much, sir.

25 And you will submit something in writing to myself and

1 all parties of records once it is available, Mr. Crayone?

2 MR. CRAYONE: Yes, I will, Your Honor. I will submit
3 that as soon as it is available to me and at this time I
4 expect it to be available within 60 days.

5 JUDGE CLEMENTS: You will let me know, Mr. Zahn, if
6 you choose to have further cross-examination once you
7 receive it. Very well. Any objection to Duquesne Light's
8 Statement 1 or the Exhibits attached to it? Without
9 objection they are admitted.

10 (Duquesne Light Statement No. 1 was admitted into
11 evidence.)

12 JUDGE CLEMENTS: Any objection to Duquesne Light
13 Statement 2 as far as it goes? Without objection, it is
14 admitted.

15 (Duquesne Light Statement No. 2 was admitted into
16 evidence.)

17 JUDGE CLEMENTS: Does PennDOT have any objection?

18 MR. ZAHN: No objection, except it doesn't answer all
19 the questions about what it would have cost had they gone
20 privately.

21 JUDGE CLEMENTS: Mr. Crayone, do you have any response
22 to that? This is a new question that hasn't been on the
23 questions and procedures before, to my knowledge.

24 MR. CRAYONE: To the extent we did not address that
25 issue, we will address it in our subsequent filing.

1 JUDGE CLEMENTS: Very well.

2 MR. FOSNER: Since you just raised it, it isn't a new
3 question. It has been on our questions and procedures
4 through the questions I tried recently over -- about the
5 last year or so.

6 I would like to state for the record, it is a question
7 I feel particularly troublesome to the utilities in that, in
8 essence, it asks a witness to speculate as to give a
9 different set of circumstances, what would it cost.

10 In both this case and other cases, I have attempted to
11 elicit testimony from Bell's witnesses to answer that
12 question as best we possibly can, since it is propounded by
13 the Commission on one of -- whenever it's possible. It is a
14 highly speculative question directed to what a given cost
15 would be under a hypothetical set of circumstances.

16 JUDGE CLEMENTS: I fully understand that. On the
17 other hand, the Commission apparently may use the cost of
18 placement and private right-of-way as a factor of
19 determining allocation of costs. I don't believe the
20 Commission contemplates actually using the manpower and
21 resources to talk to property owners and get estimates,
22 costs. I don't really follow what you mean by these
23 questions.

24 MR. FOSNER: The only other possible problem with that
25 question, Your Honor, as phrased, it states its premise

1 is --

2 MR. ZAHN: Are we taking all this down for the
3 Record?

4 MR. POSNER: I don't see any reason why not.

5 MR. ZAHN: I'm going to object to it. I object to any
6 of this. The Commission has asked -- the utility had plenty
7 of time -- notice of this. If they had any objection they
8 could have raised it prior to this time and to come up at
9 this late date is just -- it's not proper.

10 MR. POSNER: Mr. Zahn, the interest of all parties at
11 this proceeding, I think, is to provide the Commission with
12 such input. The Commission exercises discretion under the
13 law to do discussions in these cases. What we are
14 discussing at this moment is -- what we have attempted is to
15 answer it.

16 MR. ZAHN: I don't see you have answered it.

17 JUDGE CLEMENTS: Be as it may, I permit counsel to
18 make a statement. I would state, if he wishes to raise the
19 matter specifically with the Commission at a specific point
20 in time, this might not be the best point, it might be best
21 to appeal. I certainly don't have a problem with you
22 mentioning it.

23 MR. POSNER: I only raised it because you raised it
24 initially. I just wanted to comment, again, the foundation
25 of No. 9 says it is not permitted to occupy public

1 right-of-way, that's a foundation for the question which is
2 unwarranted because public utilities, by law, are permitted
3 to occupy public right-of-way. Again, I'm only pointing out
4 it is a question which is a problem to answer, because its
5 foundations, in my view, are deficient -- deficient
6 foundation for questions.

7 MR. ZAHN: Other Administrative Law Judges have taken
8 this into consideration -- and namely Martin Fountaine, that
9 since the City is occupying the public right-of-way and they
10 had no cause to go out and acquire private right-of-way,
11 that that was a factor in making his determination of
12 allocation of cost, and I think it's reasonable.

13 MR. POSNER: We are not suggesting that should not
14 necessarily, in any case, be a factor. I'm simply saying,
15 Mr. Zahn, the way that question is posed, if it were posed
16 by a party rather than the Commission, I think there would
17 be a proper sustaining of an objection to it on the basis
18 that it uses as its foundation an improper premise, No. 1,
19 and No. 2, it calls for speculation, because the Commission
20 asks the questions. We attempted to endeavor to answer it
21 as best we can. That's all I'm commenting to.

22 JUDGE CLEMENTS: I think it raises an interesting
23 point. Maybe an appropriate case. Maybe the Commission
24 wouldn't view this or at least direct its staff to phrase
25 the question or try to get the same information to a

1 differently phrased question.

2 In any event, does the County have any testimony?

3 MR. OPSITWICK: Yes, sir. Mr. Frabik's testimony from
4 the seat.

5 JUDGE CLEMENTS: If the court reporter can hear it,
6 that's fine.

7 JOE HRABIK, called as a witness, having been
8 previously duly sworn, was examined and testified as
9 follows:

10 DIRECT EXAMINATION

11 BY MR. OPSITWICK:

12 Q Would you state your name for the record, please.

13 A My name is Joe Frabik.

14 Q Spell your last name.

15 A H-r-a-b-i-k.

16 Q Mr. Frabik, what's your position with Allegheny
17 County?

18 A I'm Chief Engineer of the Allegheny County
19 Department of Engineering and Construction.

20 Q Mr. Frabik, are you authorized to testify on behalf
21 of the County in this proceeding?

22 A Yes.

23 Q Mr. Frabik, has the County participated or expended
24 any monies in any of the construction or maintenance here to
25 Thompson Run Bridge?

1 A No, it has not.

2 Q Under the current 1982 Public Utility Commission
3 Order?

4 A No, it has not.

5 Q Is the County willing to bear any of the costs of
6 construction prior or for future maintenance to this
7 project?

8 A No. The County has no plans for that.

9 MR. OPSITNICK: I have no further questions.

10 JUDGE CLEMENTS: Is the County willing to maintain the
11 sidewalks?

12 THE WITNESS: No. The County has no plans to maintain
13 any portion of the bridge.

14 JUDGE CLEMENTS: Cross-examination?

15 CROSS-EXAMINATION

16 BY MR. ZAHN:

17 Q Do you know whether or not prior to the time this
18 bridge was turned over to the State, whether the County
19 collected any rental fees from any of the utilities'
20 attachment to the bridge?

21 A No, I do not.

22 MR. ZAHN: I have no further questions.

23 JUDGE CLEMENTS: Counsel for Bell Telephone?

24 MR. POSNEP: Nothing, Your Honor.

25 JUDGE CLEMENTS: Redirect?

1 MR. OPSITNICK: No redirect.

2 JUDGE CLEMENTS: Very well. Let me ask, again, is
3 there anyone here from the City of Duquesne? Well, let me
4 state for the record, at this time, that it's my
5 inclination, because the City of Duquesne hasn't shown up to
6 submit its testimony, which presumably talks about financial
7 problems of the cities in Mon Valley, it's my inclination at
8 this time to place the future maintenance costs of the
9 sidewalk upon the City of Duquesne absent some explanation
10 in the future as to why they didn't attend the hearing.

11 Is there anything else anybody wishes to raise at this
12 time? Let the record show no response.

13 Anyone wish to submit briefs in this matter?

14 MR. POSNER: Could we go off the record a minute?

15 JUDGE CLEMENTS: Off the record discussion.

16 (Discussion off the record.)

17 JUDGE CLEMENTS: Let's go in order since the parties
18 decided not to submit briefs. Perhaps we best give an
19 option to have a brief summary statement of their position.
20 If you would like to, counsel for Fell, since you started,
21 let's continue to put his position on the record.

22 MR. POSNER: Fine. Your Honor, it seems to me -- it
23 seems to Fell that the case most frequently cited by the
24 Commission rulings are cases that are entitled, Application
25 of City of Wilksbury at Docket A-101606, and then a Public

1 Utility Commission Order entered April 9th, 1981. In this
2 case, the Commission stated that the Commission is
3 considering the following four factors most significant in
4 reaching a conclusion regarding appropriate allocation of
5 cost.

6 One, the benefits received by ratepayers of the
7 particular utility. Two, the availability of State/Federal
8 funding for a project. Three, the placing of the costs upon
9 the party responsible for the situation, and four, the
10 equities of a particular situation.

11 This case before you, Judge Clements, is very typical
12 of this type of case. It seems to me that recently the
13 Commission has been approaching these cases on an
14 all-or-nothing basis, and frankly, has not been truly
15 evaluating the record created at the hearings in these
16 matters in accordance with their other criteria there.
17 Obviously, you are protective of Bell's cost. The
18 Commission could order Bell to bear anywhere from zero to
19 one hundred percent of those in the Commission's
20 discretion.

21 There has been considerable discussion on the record
22 here today, on testimony and cross-examination, with respect
23 to service life, expected service life, depreciable service
24 life, et cetera. I would not suggest that's not a factor
25 that you should consider. I would suggest that the fact

1 that portion -- that the anticipated service life of a
2 particular facility has expired should not necessarily
3 result in a reward of zero cost, and the facility should be
4 taken into account in that broad range of zero to 100
5 percent.

6 The utility puts a facility in. In the case of Bell
7 it uses FCC depreciation practice and depreciates a facility
8 over a particular period of time. There is no magic about
9 the expiration of that depreciation period. The utility
10 does not say -- Bell does not say we have depreciated that
11 conduit, let's go out and replace it.

12 I think the question we should properly look askance
13 at, a corporate policy which was adopted, that what Bell
14 says here, we have depreciated this property. It is still
15 used and useful. It's used and useful. You continue it in
16 place until it says it is to be used and useful or until it
17 has to be replaced because of a bridge project like this or
18 it is replaced because of technological innovation, for some
19 reason will enable the service to be provided efficiently
20 and more effectively. It has to be an economic decision for
21 replacing.

22 Mr. Zahn has referred to the facilities and to
23 facilities coming and extending the service life. I think
24 it is improper to face it that way. You pull out an old
25 facility, ended -- no service. You now put in a new

1 facility. You have no service life for those facilities.
2 You haven't extended anything. You would be speculating.
3 PennDot comes in to replace this bridge again or do some
4 work -- let's put it that way. Hope wouldn't replace five
5 years. This could be work from five years or ten years.
6 You again have to replace those facilities.

7 The fact that you have facilities in place, which are
8 used and useful, there would be no reason, as the witness
9 testified, to replace those facilities but for this
10 project.

11 The Commission has to decide then, what we have here,
12 an expense that comes along that you would not normally
13 have. Should the utility ratepayers bear that expense or is
14 it proper to look at this and say, who benefits from it?
15 This is a new bridge, the ^{highway} higher user benefits from it.

16 Who caused it? The bridge deteriorated because of
17 either of the conditions indicated by the witness and/or
18 through usage of the bridge. Again, how to allocate that,
19 who should bear part of that cost? You do have federal
20 funds involved in this proceeding. 80 percent federal
21 funding, and I believe it's in the City of Wilksbury's case
22 that excerpts about aleatory contracts involved in those
23 cases, and by that, I mean federal funds are only available
24 if under State Law they are payable to the utilities. They
25 are only payable if the Commission orders them.

1 And you're in a catch 22. If the Commission orders
2 it, PennDOT can go back and apply for it, and that's the
3 determination obviously that has to be made here.

4 In this case, Your Honor, since Pell's facilities were
5 there since 1929, I would suggest it appropriate for that
6 case, should us not receive 100 percent reimbursement. You
7 should give some consideration to the length of time of
8 those facilities. We are never suggesting that not be
9 considered. What I do encourage, though, you not look at
10 zero from 100 percent irrespective. Take that factor into
11 account and also take into account the fact -- the only
12 reason their work was done was to accommodate PennDot's need
13 in building a new bridge for the traveling public.

14 And the only benefit we receive out of that is, again,
15 you can take it into account, we don't -- do take some
16 benefit obviously being a service facility rather than
17 tunneling underneath, that's some benefit, and, again, no
18 objection to the Commission considering that and determining
19 the amount of reward. As far as what the percentage ought
20 to be, that's a difficult one to call on. That's your
21 difficult job to call that one. Thank you.

22 JUDGE CLEMENTS: Mr. Crayone, anything? I assume your
23 position is somewhat similar.

24 MR. CRAYONE: Yes, it is, Your Honor. I don't want to
25 prolong the hearing. I adopt the principles of law stated

1 by Mr. Posner in his statement as Ducquesne's Statement.

2 I do have a couple comments. One, I think I would
3 urge the Commission to the extent federal funds are
4 available. I'm not perhaps convinced about using that. It
5 might be in the best interest of ratepayers, particularly
6 when you have a bridge of a regional nature, which is used
7 by heavy industry, which is used by traffic, interstate
8 traffic, that it is perhaps not equitable to put all those
9 costs on local ratepayers. And, therefore, again in
10 accordance with the City of Wilksbury's case I think the
11 Commission should not be exercising decisions.

12 I don't mean too imply we have to get 100 percent in
13 all cases. I think there is some latitude in power. The
14 Commission has to weigh the equities and give the Commission
15 something that would be fair.

16 I often hear the argument, the utility occupies these
17 roads for free and it doesn't cost us anything. Well, it is
18 true we occupy the highways. We do not pay a rental.
19 However, I submit that determination;, that has been made by
20 the State of Pennsylvania. These highways are avenues of
21 commerce, and commerce doesn't just include vehicles, it
22 includes utility services.

23 And I suggest that is a very practical way to handle
24 the matter, because if we could not occupy highways, I don't
25 -- I don't think there is enough private property and I

1 don't think people would want these facilities on private
2 property or for the us to hire highways.

3 I have no additional comments, Your Honor.

4 JUDGE CLEMENTS: Does Union Railroad have any
5 particular position?

6 MR. MARINI: None other than the position stated by
7 our witness in direct testimony. He has no desire to
8 amplify on that.

9 JUDGE CLEMENTS: Does the County of Allegheny have a
10 statement?

11 MR. OPSITWICK: Just that the County has shown for the
12 record their involvement in both a legal responsibility and
13 proven fact is nonexistent and prefaces on the entire
14 proceeding.

15 JUDGE CLEMENTS: Mr. Zahn, would you like to make a
16 comment?

17 MR. ZAHN: Yes. I would like to answer some eloquent
18 statements of my opposing counsel. One is that the
19 Commonwealth of -- PennDOT is not in business to make a
20 profit. The public utility companies are profit-making
21 organizations and that certainly should be taken into
22 consideration.

23 Secondly, that when they talk about federal funds, we
24 have said many times, and I think that the Commission is
25 aware of the fact that Pennsylvania is only allotted a

1 certain amount of federal money to use in all of their
2 projects, and if the Commission allocates costs to the
3 Department for facilities that are in public right-of-way,
4 which the Department would not normally pay for, that that's
5 taken out of that pot, funds that can't be used on either
6 project. It's just not an unlimited source of funds when
7 you say federal funds are involved.

8 The third is that -- and I think that the utilities
9 recognize that there is a benefit to their ratepayers of
10 being in the public right-of-way, because they don't have to
11 pay any rentals or license fees and, secondly, they have
12 easy access to their facilities in the event they break down
13 and they don't have to go to all extremes in order to get to
14 them. They are right there off the highway and that's
15 certainly a benefit.

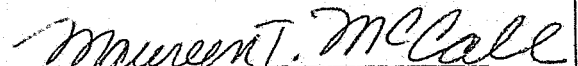
16 And as far as the equities of the situation are
17 concerned, I think that Mr. Posner stated that they don't
18 expect to be reimbursed a 100 percent, and I certainly say
19 my amens to that.

20 JUDGE CLEMENTS: Okay. If there is nothing else, I
21 will expect further information from Pugesne Light within
22 60 days, and Mr. Zahn or any party's request to whether they
23 wish to cross-examine on it, and absent anything like that,
24 we will close the Record at that time without the benefit of
25 that.

1 I thank everybody for cooperating and the hearing is
2 adjourned.

3 (Whereupon, at 1:00 p.m., the Hearing was adjourned).
4

5 I hereby certify that the proceedings and evidence are
6 contained fully and accurately in the notes taken by me
7 during the hearing of the within cause, and that this is a
8 true and correct transcript of the same.
9

10 
11 MAUREEN T. McCALL

12
13 The foregoing certification does not apply to the
14 reproduction of the same by any means unless under the
15 direct control and/or supervision of the certifying
16 reporter.
17

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19 HOLBERT ASSOCIATES
20 MAUREEN T. McCALL
21 Suite 401, Funkel Building
22 301 Market Street
23 Harrisburg, Pennsylvania 17101
24
25

RECORDED

NOV 12 1985

Penm DOT EXHIBIT NO. 1
FILE NO. C. 18922
DATE OF HEARING 10-24-85

PLANNING COMMISSION

TYPE _____ COPIES _____ FORM _____ FINAL CERTIFICATE FEDERAL BREAKDOWN # SHBA # _____ BOROUGH CITY DUESSENE

ROUTE LR 236 EXT SECTION 39 COUNTY ALLEGHENY TOWNSHIP

TOTAL ALL SHEETS 1 of 2 CONTRACTOR CANNERY CONSTRUCTION COMPANY IRS NO. 25-1204553

ITEM NUMBER	DESCRIPTION OF ITEM	UNIT	UNIT PRICE	CONTRACT		ADDITIONAL WORK		DEDUCTIONS		FINAL	
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
203-0001	CLASS I EXCAVATION	C.Y.	20.00	1225	25300.00	6493	1298.60			1329.93	26598.60
204-0100	CLASS III EXCAVATION	C.Y.	10.00	845	8450.00			124.2	1202.00	674.81	6743.20
204-0150	CLASS IV EXCAVATION	C.Y.	20.00	862	17240.00			334.32	6684.00	527.18	10545.00
205-0350	SEALING EXISTING EXCAVATION, STABILIZE BASEFILL, SLOPE 4:1 TO 6:1 (CONCRETE) (SEE CITY)	C.S.	-	952	20000.00			.06	1.200.00	3356.04	23352.25
350-0001	STURBANE 6" DEPTH	S.Y.	200	3315	23205.00	21.04	147.28			147.68	3692.00
430-0305	DRUMMOLE ALLENING COURSE ID. 2.2 DEPTH 12.4	S.Y.	25.00	127	3025.00	26.68	667.00				0.00
431-0500	DRUMMOLE BINDER COURSE ID. 2	TON	50.00	1	50.00	26.68	133.40			147.68	758.40
490-0001	REINFORCE AS EXISTING DRUMMOLE BINDER COURSE	S.Y.	5.00	121	605.00						0.00
501-0024	GRAVEL GENEUT COURSE 10" DEPTH	S.Y.	25.00	24	600.00	26.68	133.40			147.68	758.40
501-0202	GRAVEL GENEUT COURSE 10" DEPTH	S.Y.	30.00	2475	74350.00	156.34	4705.20			2651.84	79555.20
523-0001	JUSTICE CURVE AS REINFORCED GENEUT CURVE	S.Y.	200	2475	4920.00			2495	4990.00		0.00
504-0001	BRIDGE APPROACH PAVT	L.F.	75.00	92	6900.00					92.0	1200.00
505-0001	BRIDGE APPROACH PAVT	S.Y.	75.00	329	24675.00			1.63	122.25	324.37	24471.95
601-0052	REINFORCED GENEUT COURSE PVE CLASS III	L.F.	22.00	408	8916.00	14.90	327.80			422.90	9503.80
601-0122	REINFORCED GENEUT COURSE PVE CLASS V	L.F.	33.00	35	875.00			35	875.00		0.00
601-5700	CURVE APPROACH AS PVE TRUCK TRAILER	C.Y.	14.00	511	7154.00			445.75	4340.50	165.25	2313.50
604-0102	REINFORCED CURVE PVE (OPEN CURVE)	L.F.	22.00	213	4782.00			6.0	132.00	213.0	4644.00
605-1300	TYPE A MANHOLE	EA	150.00	1	150.00					1.0	1500.00
605-2001	TYPE C INLET	EA	1200.00	8	9600.00					8.0	9600.00
605-2002	TYPE C INLET SPECIAL	EA	1200.00	1	1200.00					1.0	1200.00

ITEM NUMBER	DESCRIPTION OF ITEM	UNIT	UNIT PRICE	CONTRACT		ADDITIONAL WORK		DEDUCTIONS		FINAL		
				QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	
1002-0054	CONCRETE CURB (45" HIGH, 12" DEPTH, 12' LONG)	LS	-	100	1,200.00			10	120.00	100%	1,250.00	
1003-0005	DOOR HOLES 12" DEPTH	EA	12.00					3.0	60.00		212.0	
1005-0111	DOOR HOLES 24" DEPTH	EA	20.00		4,500.00			6.10	1525.00		254.0	
1005-0014	DOOR HOLES 30" DEPTH	EA	25.00		7,975.00						930.60	
1012-0001	DESTROYING FINISH	LS	50.00		4,500.00			4.6	230.00		100%	200.000.00
1013-0053	REMOVE AND REINSTALL STRIP DRIVING	LS	-		200.00						100%	200.000.00
1018-0012	REMOVE CURB IN THE DRIVEWAY	LS	30.00		12,000.00			13.7	2740.00		6386.3	
1021-0003	REMOVE AND REINSTALL CURB IN DRIVEWAY	LS	150.00		4,950.00			12.4	1820.00		3196.6	
1026-0001	8" FAB STEEL FIBER CONCRETE STRIP 45" HIGH	LS	-		825.00						100%	825.000.00
1026-0130	REINFORCED STEEL WALL STEEL REBAR	LS	4.00		40.00			6.3453	25.38120		3,654.7	
1026-0350	DOORSTOPS	EA	10.00		800.00			114.8	19,716.00		665.2	
1026-0535	SPALLER SPECIAL	EA	15.00		24.00						14.0	
1028-0001	PAVING EXISTING DRIVEWAY 45" HIGH	LS	-		115.00						100%	125.000.00
1028-0074	RESET FIBER REBAR	EA	100.00		4.00						4.0	
1028-0101	PAVING DRIVEWAY REBAR	EA	10.00		10.00						100%	10.000.00
1028-0203	EXACT REBAR	EA	20.00		7.00			4.3	558.00		10.7	
1028-0300	PAVING REBAR	EA	10.00		6.00			600.0	6,000.00		6,420.00	
1028-0400	PAVING REBAR	EA	40.00		40.00			437.57	17,500.00		52,244	
1028-0001	CONCRETE REBAR	EA	40.00		1,000.00						22,477.60	
2000-0001	REMOVE EXISTING DRIVEWAY	EA	15.00		2,250.00			1,432.0	21,480.00		26,500.00	
2000-0003	REMOVE EXISTING DRIVEWAY	EA	15.00		1,100.00						100%	35,030.00
2000-0004	PAVING EXISTING DRIVEWAY	EA	20.00		4.00						4	
2000-0005	PAVING EXISTING DRIVEWAY	EA	90.00		1,000.00			54.05	48,645.00		325.95	
2000-0007	PAVING EXISTING DRIVEWAY	EA	90.00		54,200.00						176.1	
2000-0008	PAVING EXISTING DRIVEWAY	EA	90.00		6,920.00			3.7	148.00		7,054.00	
2000-0008	PAVING EXISTING DRIVEWAY	EA	90.00		12,500.00			.25	62.50		49.75	
2000-0008	PAVING EXISTING DRIVEWAY	EA	90.00		12,500.00			50.0	12,000.00		12,457.50	
2000-0008	PAVING EXISTING DRIVEWAY	EA	90.00		12,000.00			100.0	3,300.00		0.00	
2000-0011	PAVING EXISTING DRIVEWAY	EA	90.00		2,200.00			100.0	5,000.00		0.00	
2000-0011	PAVING EXISTING DRIVEWAY	EA	90.00		5,000.00			4,316.25	3,453.00		3,653.75	
2000-0011	PAVING EXISTING DRIVEWAY	EA	90.00		2,947.00						2,947.00	
1-041	PAVING EXISTING DRIVEWAY	EA	90.00		43,290.00			45.290	52.00		0.00	
2-041	PAVING EXISTING DRIVEWAY	EA	90.00		10,500.00						10,500.00	
3-041	PAVING EXISTING DRIVEWAY	EA	90.00		30,340.00			30.34	9,734.00		9,734.00	
4-041	PAVING EXISTING DRIVEWAY	EA	90.00		4,950.00			100%	4,950.00		4,950.00	
5-041	PAVING EXISTING DRIVEWAY	EA	90.00		3,051.00			100%	3,051.00		3,051.00	

C-0818925

URR EXHIBIT 1

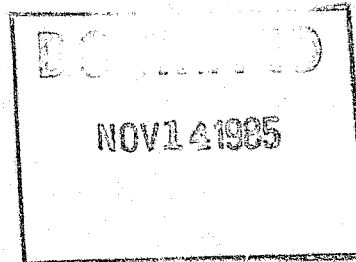
10/24/85
M. McCall

COSTS INCURRED INITIALLY BY URR FOR
WORK AND SAFETY MEASURES PERFORMED ON
THOMPSON RUN BRIDGE

NOV 12 1985

SECRETARY
Public Utility Commission

1,016 Standard Time Hours for Flagmen \$28.90 per hour	= \$29,362.40
78.90 Overtime Hours for Flagmen at \$39.40 per hour	= \$ 3,109.05
12 Standard Hours for Linemen at \$30.60 per hour	= \$ 367.20
.5 Hours Train Crew Switching	= \$ <u>40.50</u>
TOTAL COSTS INCURRED	<u>\$32,879.15</u>



D.P. 30		CITY OF DUVESNE ALLEGHENY		SHEET (CONV.) 1 OF 2	
PROJECT NO.	59003	DATE	12-16-82	PROJECT NAME	THOMPSON RAIN BRIDGE
CONTRACT NO.	LR 736 EXT	DATE	12-16-82	PROJECT NO.	59003
SECTION	SEC 37	DATE	12-16-82	PROJECT NAME	THOMPSON RAIN BRIDGE
DESIGNED BY	DR. J. J. J.	DATE	12-16-82	PROJECT NO.	59003
CHECKED BY	DR. J. J. J.	DATE	12-16-82	PROJECT NAME	THOMPSON RAIN BRIDGE
APPROVED BY	DR. J. J. J.	DATE	12-16-82	PROJECT NO.	59003
DATE	12-16-82	DATE	12-16-82	PROJECT NAME	THOMPSON RAIN BRIDGE
FILE NO.	142	DATE	12-16-82	PROJECT NO.	59003

50 PAIR COUNTS TRANSFERRING
 TERMINALS PLACED
 WORKING LINES TRANSFERRING
 SPECIAL FACILITIES
 DROPS TRANSFERRED
 TERMINALS TRANSFERRING

50 PAIR COUNTS OVER 95%
 TO BE RELIEVED
 PAIR PRESENT
 FILL AT COMPLETION
 4X REMOVE MH SOILD L.W.H.R.
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

CHARGE ALL TIME & MATERIAL TO K.C.O. F 5006

REPLACE 2,445 DU. FT. OF CEMENT
 DUCTS w/ 2,445 DU. FT. OF PLAST DUCTS
 REP. 12-16-82 R.O. GRAY #3536

4X CONSTRUCT NEW MH SOILD L.W.H.R.
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

4X REMOVE MH SOILD BRICK
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

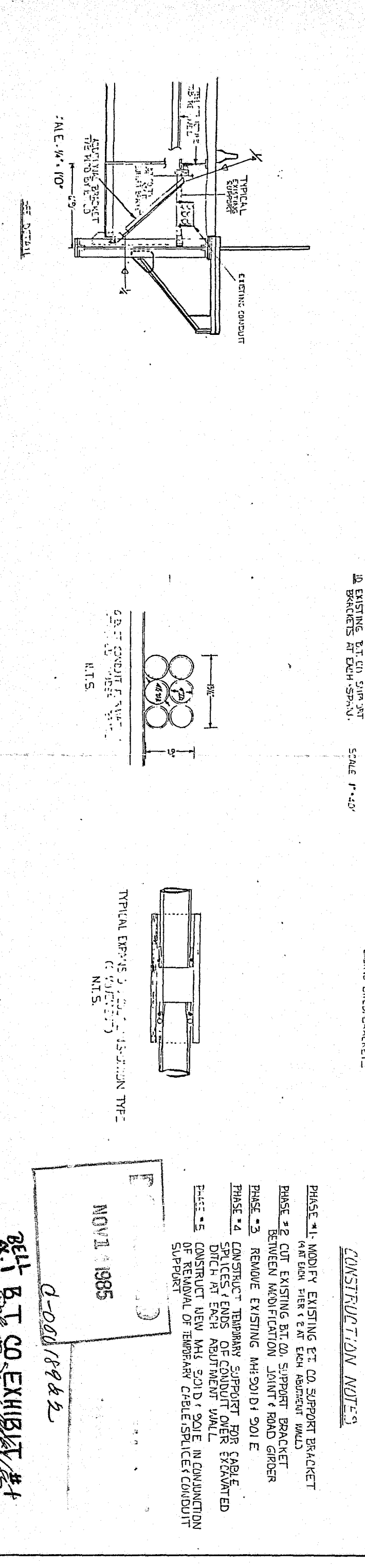
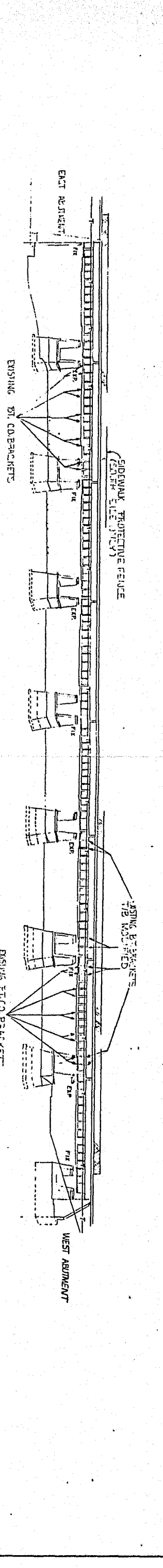
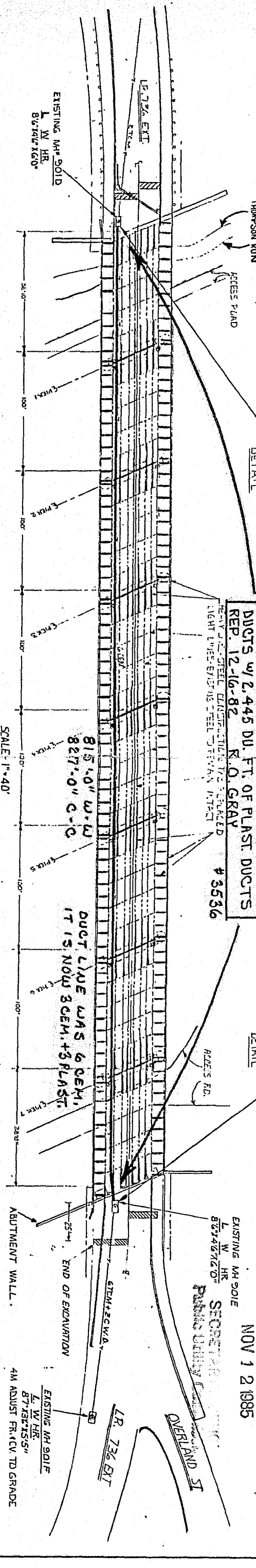
4X CONSTRUCT NEW MH SOILD L.W.H.R.
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

4X CONSTRUCT NEW MH SOILD L.W.H.R.
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

4X REMOVE MH SOILD BRICK
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

4X CONSTRUCT NEW MH SOILD L.W.H.R.
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537

4X REMOVE MH SOILD BRICK
 PRECAST 12' X 6' X 7'
 INTERCEPT EXISTING DUCTS
 REP. 12-16-82 R.O. GRAY #3537



CONSTRUCTION NOTES

- PHASE #1- MODIFY EXISTING ET CO. SUPPORT BRACKET (PART EACH PIER & AT EACH ABUTMENT WALL)
- PHASE #2 CUT EXISTING BT. CO. SUPPORT BRACKET BETWEEN MODIFICATION JOINT & ROAD GRADER
- PHASE #3 REMOVE EXISTING MH SOILD SOLE
- PHASE #4 CONSTRUCT TEMPORARY SUPPORT FOR CABLE SPLICES & ENDS OF CONDUIT OVER EXCAVATED DITCH AT EACH ABUTMENT WALL
- PHASE #5 CONSTRUCT NEW MH SOILD SOLE IN CONJUNCTION OF REMOVAL OF TEMPORARY CABLE SPLICES & CONDUIT SUPPORT

NOV 1 1985
 D-00018982

BELT BT CO EXHIBIT #1



EXHIBIT #2 McColl
PRELIMINARY ESTIMATE

FOR

UTILITY RELOCATION

K.C.O. F-5006 - File No. 98262
Bell of Pa. Highway File No. 143

County Allegheny

Route Thompson Run Bridge

P.U.C. C-00018922

Fed. Project No. Law File #-7-4978

Utility Bell of Pennsylvania

Address 201 Stanwix Street, 9th floor, Pittsburgh, Pa. 15222

Signature Barry L. Collins Manager

Date October 24, 1985

A. PRELIMINARY ENGINEERING
(Consultant; See 9.03, Utility Manual)

- 1. Labor
 - (a) Salaries and Wages
 - (b) Additives (If Consultant: _____ Percentage Used)

- 2. Supplies, Transportation, Administration, Indirect Overhead and Supervision

3. TOTAL

RECEIVED

NOV 12 1985

SECRETARY
Public Utility Commission

B. RIGHT OF WAY ACQUISITION

- 1. Property Costs
- 2. Labor, Transportation, Administration, Indirect Overhead and Supervision
- 3. TOTAL

C. TEMPORARY CONSTRUCTION

- 1. Labor
 - (a) Salaries and Wages
 - (b) Contract (See 9.18, Utility Manual)
- 2. Material (See 5.12.4B, Utility Manual)
 - (a) New Material
 - (b) Salvage, less Depreciation
- 3. Equipment
 - (a) Company Owned
 - (b) Rented (See 9.18, Utility Manual)

4. TOTAL

NOV 12 1985

D. PERMANENT CONSTRUCTION

- 1. Labor
 - (a) Salaries and Wages, Administration and Supervision
 - (b) Contract (See 9.18, Utility Manual)
- 2. Material (See 5.12.4B, Utility Manual)
- 3. Equipment
 - (a) Company Owned
 - (b) Rented (See 9.18, Utility Manual)

4. TOTAL

\$35,002.59

\$7,344.29

\$42,346.88

\$42,346.88

E. REMOVAL COSTS

1. Labor, Salaries and Wages _____

2. Transportation, Administration, Indirect Overhead and Supervision _____

3. TOTAL \$5,255.82

F. CONSTRUCTION ENGINEERING AND INSPECTION

1. Labor, Salaries and Wages _____

2. Transportation, Administration, Indirect Overhead and Supervision _____

3. TOTAL \$3,128.68

G. CONNECTING COSTS (Connecting Proposed to Present Facilities)

1. Labor, Salaries and Wages _____

2. Administration, Indirect Overhead and Supervision _____

3. TOTAL _____

H. ACCOUNTING (Including Preparation of Estimate and Billing)

1. Labor, Salaries and Wages _____

2. Administration, Indirect Overhead and Supervision _____

3. TOTAL _____

I. TOTAL ESTIMATED CONSTRUCTION COST \$50,731.38

J. LESS CREDITS (See 5.12.10, Utility Manual)

1. Betterment _____

2. Salvage _____

3. Expired Service Life _____

4. TOTAL CREDITS _____

K. TOTAL NET ESTIMATED COST \$50,731.38

L. UTILITY SHARE OF ITEM K 0.00 % \$ _____

M. STATE SHARE OF ITEM K 100.00 % \$ 50,731.38

N. SACRIFICED LIFE (VALUE OF FACILITIES REMOVED FROM PRIVATE RIGHT OF WAY AND NOT FUNCTIONALLY REPLACED. Totally Reimbursable. Attach Detailed Estimate) \$ _____

TOTAL ESTIMATED AMOUNT OF REIMBURSEMENT (Add Items M & N) \$ 50,731.38

Use supplemental sheets for scope of work and explanation for any unusual charge.

CONTRACTS

The items of work, so indicated in this Preliminary Estimate, are to be accomplished by contract because the utility may not be adequately staffed or equipped to perform this work with its own forces at the time of the relocation. The following contractual method will be used for the items indicated.

1. Continuing Contracts

The following Preliminary Estimate Items will be performed by the listed qualified contractors who normally perform such work for the Utility at reasonable costs under existing written continuing contracts.

- A. Item _____ Contractor _____
- B. Item _____ Contractor _____
- C. Item _____ Contractor _____
- D. Item _____ Contractor _____
- E. Item _____ Contractor _____

The Commonwealth approved the method used to enter into continuing contracts on _____

2. Invitation to Bid:

The following qualified contractors will be invited to bid on Items _____ of the Preliminary Estimate.

- A. Cameron Construction Company
- B. Casper Colosimo & Son Inc.
- C. _____

3. Open Advertisement for Bids:

Bids will be solicited by open advertisement in publications for Items _____ of the Preliminary Estimate.

4. Contractor Hired without Competitive Bidding:

Item _____ of the Preliminary Estimate, the total cost of which will not exceed \$2,000.00, is of a minor nature and, for the reasons outlined in the attached justification, it would be impractical to solicit bids; the utility requests approval to hire _____ to accomplish this item of relocation.

-----UTILITY COMPANIES OR CORPORATIONS-----

The continuing contractors and contractors from whom bids are invited are, in the opinion of the utility company, professionally qualified and financially capable of promptly and efficiently effecting their portion of this relocation.

Prior to the award of any contract for which bids were openly advertised, the Department shall be furnished a list of bidders and the total amounts bid, along with assurance that the contract shall be awarded to the lowest bidder, which in the judgment of the utility company, is professionally qualified, properly equipped and financially able to promptly effect completion of the proposed work.

-----MUNICIPALITY OR MUNICIPAL AUTHORITY OWNED UTILITIES-----

Prior to solicitation of bids, the municipality or municipal authority shall furnish the Department with a copy of its bid proposal and receive approval thereof. Subsequent to its receipt of bids, the Municipality or Authority shall submit to the Department a list of bidders and the total amounts bid by each. This submission shall designate the apparent successful contractor, along with assurance that he is the lowest bidder which is professionally qualified, properly equipped and financially able to promptly effect completion of the proposed work. Such contracts shall not be awarded until receipt of the Department's concurrence in such award.

-----ALL UTILITIES-----

Preliminary Estimates requesting approval to hire a contractor without competitive bidding (Item 4 above) shall, in addition to the written justification therefor, be supplemented by certification that the contractor to be hired is professionally qualified, properly equipped and financially able to promptly effect completion of the proposed work.

ATLANTIC PIPELINE CORP.
FRITZTOWN ROAD
P.O. BOX 2086
SINKING SPRING, PA 19608

C-00018922
Atlantic Exhibit #1
Pg 10/24/85
M. McCall

October 16, 1985

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OCT 23 1985

PITTSBURGH OFFICE OF A.L.J.
PUBLIC UTILITY COMMISSION

RECEIVED

NOV 12 1985

Judge John K. Clements
Administrative Law Judge
1103 Pittsburgh State Office Building
300 Liberty Avenue
Pittsburgh, Pa. 15222

Re: Pennsylvania Public Utility Commission v Department of
Highways of Commonwealth of Pennsylvania, Union Railroad
Company, City of Duquesne, County of Allegheny, The Bell
Telephone Company of Pennsylvania, Carnegie Natural Gas
Company, Duquesne Light Company, Equitable Gas Company
and Keystone Pipe Line Company; Docket No. C-00018922

Dear Judge Clements:

This letter is in response to the Notice of Hearing and Questions submitted by the Pennsylvania Public Utility Commission to ARCO Pipeline Company on August 22, 1985. Please be advised that Atlantic Pipeline Company purchased the assets of ARCO Pipeline Company, formerly Keystone Pipeline Company on September 30, 1985. This included the 8" Hays Spur Line under the Thompson Run Bridge. Accordingly, listed below are Atlantic's responses to questions 5 through 10 submitted by the PUC.

Question No. 5 - To the best of our knowledge, because of the negligible amount of work on this project, ARCO Pipeline Company did not accumulate a record of cost for this work. Therefore, no submission is being made for reimbursement.

Question No. 6 - To the best of our knowledge, ARCO Pipeline Company will bear any costs that have already been incurred in connection with this project. Atlantic does not agree to pay any future costs of relocation of its facilities. We have no claims for reimbursement against other parties nor do we agree to bear any cost for their work.

Question No. 7 - Our existing facilities were not affected by the construction to the extent that a relocation was proposed. A plan showing our 8" diameter petroleum products pipeline is attached as Exhibit A.

October 16, 1985

Page 2

Question No. 8 - Atlantic Pipeline Corporation's pipeline was installed in 1935 by virtue of an agreement from Carnegie-Illinois Steel Corporation dated October 14, 1935. Atlantic holds a permit issued October 3, 1935 by the Pa. Department of Highways. The anticipated service life of our existing facilities is indefinite. No relocated facilities were constructed; therefore, the last two requests are not applicable.

Question No. 9 - Not applicable. No relocation was proposed or required; therefore, no cost estimate was prepared.

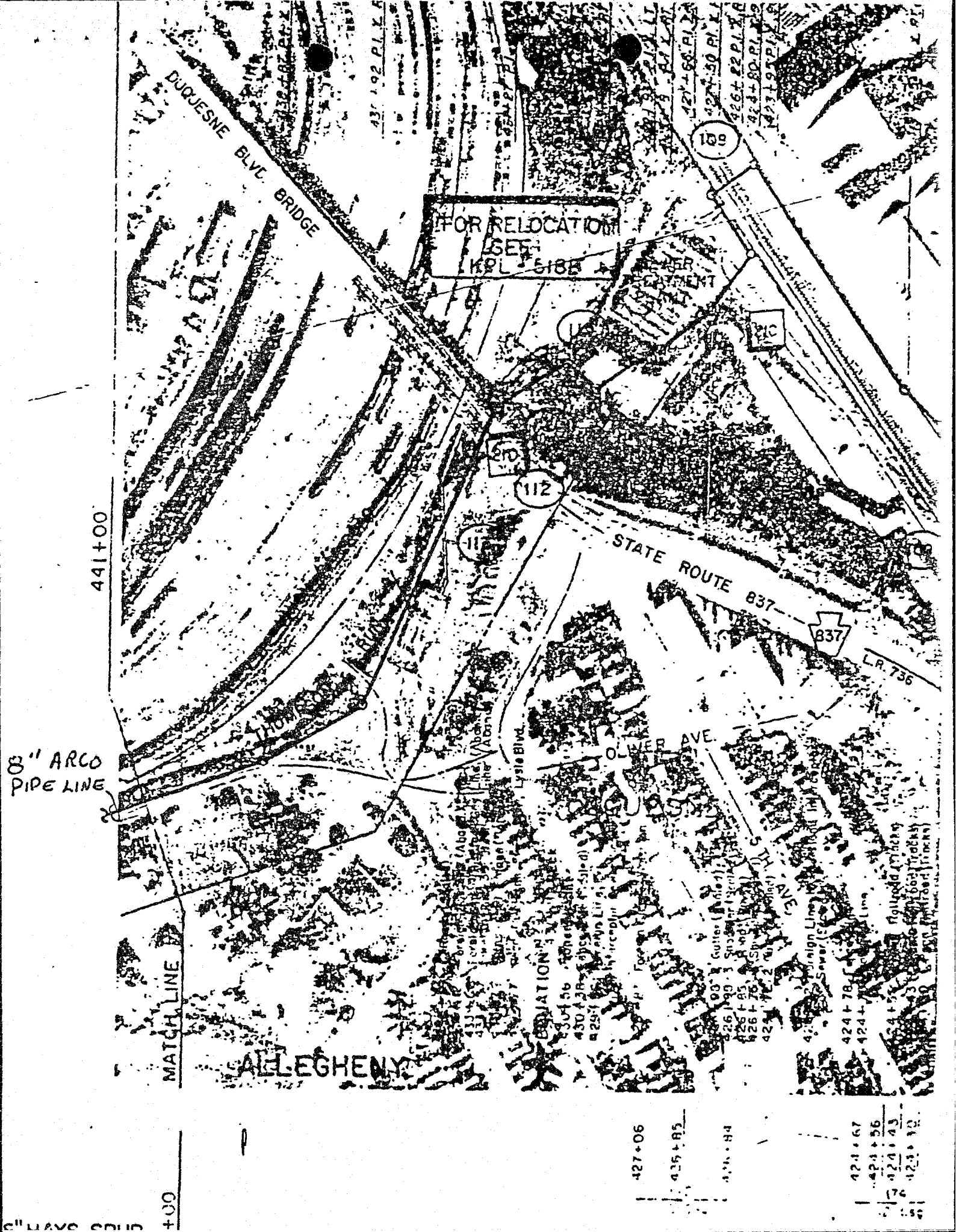
Should you have any questions on these responses, please feel free to contact me.

Respectfully,

Alan A. Symonette
Attorney for Atlantic Pipeline Corp.
(215) 557-3266

AAS/mb1

cc: Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17123



FOR RELOCATION
 (SEE
 KPL SIDE)

441+00

3" ARCO
 PIPE LINE

MATCH LINE

+00

427+06
 425+85
 424+84

423+67
 423+56
 424+43
 423+40

100

112

837

L.R. 736

ALEGHENY

430+56
 430+28
 429+51

426+93
 426+76
 425+42

424+78
 424+71

424+54
 423+63
 423+50

DUQUESNE BLVD. BRIDGE

STATE ROUTE 837

OLIVER AVE.

LYSIA BLVD.

ABRAHAM LINCOLN BLVD.

W. 11th St.

W. 10th St.

W. 9th St.

W. 8th St.

W. 7th St.

W. 6th St.

437 192 P.L. X.F.

428+28 P.L. X.F.

427+28 P.L. X.F.

427+50 P.L. X.F.

426+22 P.L. X.F.

424+80 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

423+95 P.L. X.F.

Equitable Statement No. /
Docket No. C-00018922
Witness: Martin M. Mlinarich
Date: October 24, 1985

M. M. Mlinarich

DIRECT TESTIMONY OF MARTIN M. MLINARICH

RECORDED

1. Q. STATE YOUR NAME AND BUSINESS ADDRESS.

A. Martin M. Mlinarich, 420 Boulevard of the Allies, Pittsburgh, Pennsylvania 15219.

NOV 12 1985

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Public Utility Commission

2. Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. Equitable Gas Company as Manager of Civil Engineering Division.

3. Q. STATE YOUR EDUCATIONAL BACKGROUND.

A. I graduated from Tri-State College in 1962 with a BSEE degree, and I am a registered Professional Engineer in the State of Pennsylvania.

4. Q. ARE YOU AUTHORIZED TO TESTIFY ON BEHALF OF EQUITABLE GAS COMPANY IN THE PRESENT PROCEEDING?

A. Yes.

5. Q. IN RESPONSE TO QUESTION NO. 5 OF THE COMMISSION'S QUESTIONS AND PROCEDURE APPLICABLE TO C-18922, DID EQUITABLE GAS COMPANY PREPARE AN ITEMIZED FINAL COST STATEMENT FOR THE WORK PERFORMED BY THEM IN PUBLIC AND PRIVATE RIGHT-OF-WAY IN COMPLIANCE WITH THE COMMISSION'S ORDER ENTERED MARCH 25, 1982?

A. Yes. Attached hereto as Equitable Exhibit No. 1 is Equitable's detailed itemized final cost statement for the work performed by it in this proceeding. The state-

NOV 1 1985

SECRET

ment was prepared by Equitable's Valuation and Property Records Department at my request.

6. Q. REFERRING TO EXHIBIT NO. 1, PLEASE DESCRIBE ITS CONTENTS.

A. The document lists the various costs incurred by Equitable for renewing its facilities within the construction area of this project. Equitable's total expenditure was \$20,472.82. Listed separately are labor, material, transportation, equipment and overhead costs. A listing of the material used is also shown.

7. Q. IN RESPONSE TO QUESTION NO. 6 OF THE COMMISSION'S QUESTIONS AND PROCEDURE, WHAT PORTION OF THE CONSTRUCTION COSTS AND FUTURE MAINTENANCE COSTS DOES EQUITABLE AGREE TO BEAR?

A. Equitable does not agree to bear any of the construction costs associated with this proceeding since Equitable would not have renewed its facilities if it were not for this project. The Pennsylvania Department of Transportation should bear the costs incurred by Equitable since this was a Pennsylvania Department of Transportation construction project. However, Equitable does agree to bear any future maintenance costs on its facilities.

8. Q. IN RESPONSE TO QUESTION NO. 7 OF THE COMMISSION'S QUESTIONS AND PROCEDURES, HAVE YOU PREPARED A MAP SHOWING EQUITABLE'S FACILITIES?

A. Yes.

9. Q. REFERRING TO THE MAP WHICH IS DESIGNATED "EQUITABLE GAS COMPANY FACILITIES MAP" AND ATTACHED HERETO AS EQUITABLE EXHIBIT NO. 2, PLEASE DESCRIBE EQUITABLE'S EXISTING AND RENEWED FACILITIES.

A. Equitable's existing facility, noted in red, is an 8" wrought iron low pressure distribution main located on the west side of the bridge. The main is attached to the bridge structure by hangers located under the sidewalk.

Due to the Pennsylvania Department of Transportation's construction of new back walls on the north and south approaches to the bridge, it was necessary for Equitable to remove sections of the 8" main from service that were located within the construction area of the back walls. However, removing these sections of main would have isolated the remaining portion of the main, located on the bridge, without a gas feed. This action would have cut off service to a customer, Union Railroad, being fed from the main on the bridge. Therefore, in order to keep Union Railroad in service during construction it was necessary for Equitable to install approximately 170 feet of 2" steel temporary main between the 8" main at the intersection near Overland Avenue and Union Railroad's service line. This line was placed outside the construction area and is noted in blue on the map. During construction of the back walls, 5 feet of 12" steel pipe was placed in each wing wall as a sleeve for

the 8" main renewal. The sections of 8" main taken out of service during construction, approximately 85 feet of 8" steel pipe on the south approach and 173 feet of 8" steel pipe on the north approach, were renewed before resurfacing of the approaches. These renewals are noted in red on the map. The temporary line was removed from service. Since the renewal was with the same size pipe, there is no increase or decrease in capacity of the system. Therefore, there is no betterment or improvement to Equitable or its ratepayers as a result of the renewal.

10. Q. IN RESPONSE TO QUESTION NO. 8 OF THE COMMISSION'S QUESTIONS AND PROCEDURE, WHEN WERE EQUITABLE'S EXISTING FACILITIES INSTALLED AND UNDER WHAT PERMISSION OR AUTHORITY?

A. Equitable's existing facilities were installed in 1928. Equitable was granted permission to place its facilities on the bridge by the Allegheny County's Department of Public Works Chief Engineer's approval of Equitable's proposed construction plans. This approval was granted on December 6, 1927.

A copy of the proposed construction plan and approval by Allegheny County Department of Public Works Chief Engineer authorizing such installation is attached hereto as Exhibit No. 3.

11. Q. IN FURTHER RESPONSE TO QUESTION NO. 8 OF THE COMMISSION'S QUESTIONS AND PROCEDURE, WHAT WAS THE EXPECTED SERVICE LIFE OF THE EXISTING FACILITIES AND WHAT IS THE EXPECTED LIFE OF THE RENEWED FACILITIES?

A. According to Equitable's Valuation and Property Records Department, Equitable uses a composite rate for all its distribution main, based upon the latest rate case study, to determine the average service life rather than unit rate depreciation. In 1982, when the 8" main was renewed, the average service life of Equitable's distribution main was 54.8 years. Any pipe installed in 1982 or prior to 1982 would be depreciated in 54.8 years. However, exceeding the average service life does not require the renewal of pipe since the renewal of pipe is determined by the condition of the pipe and not the age of the pipe. As previously noted in my testimony, the existing main would not have had to be replaced were it not for this proceeding and the renewed facilities have not resulted in any increase or improvement in Equitable's system capacity over what previously existed.

12. Q. IN RESPONSE TO QUESTION NO. 9 OF THE COMMISSION'S QUESTIONS AND PROCEDURE, IF EQUITABLE WERE NOT PERMITTED TO OCCUPY PUBLIC RIGHT-OF-WAY OR THE CROSSING STRUCTURE, DOES EQUITABLE KNOW WHAT THE COST WOULD BE FOR RIGHT-OF-WAY ACQUISITION AND CONSTRUCTION TO RELOCATE ITS FACILITIES?

A. No. In order to estimate the costs for right-of-way acquisition and construction to relocate its facilities, it would be necessary for Equitable to perform various system studies to determine the most economically feasible alternate route and/or changes in existing pipeline systems that would permit Equitable to maintain adequate service to its customers in the affected area. Some factors to be considered in the selection of the alternate route are: 1) availability of private right-of-way; 2) cost of private right-of-way; and 3) ease of ingress and egress for the purpose of maintaining the facilities. Since these studies are time-consuming and expensive, they are not performed unless it is absolutely necessary.

13. Q. IN RESPONSE TO QUESTION NO. 10 OF THE COMMISSION'S QUESTIONS AND PROCEDURE, WHY WOULD EQUITABLE CHOOSE TO PLACE THEIR RENEWED OR RELOCATED FACILITIES IN PUBLIC RIGHT-OF-WAY?

A. In most cases, public right-of-way is the most direct and economically feasible route.

14. Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?

A. Yes.

EQUITABLE GAS CO.

EQUITABLE GAS COMPANY - PENNSYLVANIA DIVISION
 Construction Order No. 5333
 P.U.C. Jurisdiction (Docket No.C-00018922)

EXHIBIT # 1

Scope of Work:

Renew 8 inch steel distribution main on Thompson Run Bridge (L.R. 736 Ext.), between Spring Street and Overland Avenue, Duquesne, Allegheny County, Pa., in conjunction with Pa. Dept. of Transportation's resurfacing of bridge.
 Install 2 inch steel pipe as temporary distribution main.

Installation Costs:

Material:

170' - 2" Temporary Line w/ftgs.)	\$	5,859.11
258' - 8" Steel Pipe w/ftgs.)		
2 ea - 8" Insulated Coupler		257.20
1 ea - Test Station		45.81
1 ea - 8" Rutterfly Valve		707.69
2 ea - 2" Blow-Off		580.18

Total Material	\$	7,449.99
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Installation:

Company Labor	5,109.39
Contract	-

Total Installation	5,109.39
--------------------	----------

Labor Overheads:

Taxes Associated with Payroll	692.73
Insurance Associated with Payroll	1,855.95
Small Tools Expense	633.94

Total Labor Overheads	3,182.62
-----------------------	----------

Other Costs:

Company Transportation	162.46
Use of Construction Equipment	1,377.44
Miscellaneous Expense	-

Total Other Costs	1,539.90
-------------------	----------

Indirect Construction Overheads

3,190.92

Cost of New Installation	\$	20,472.82
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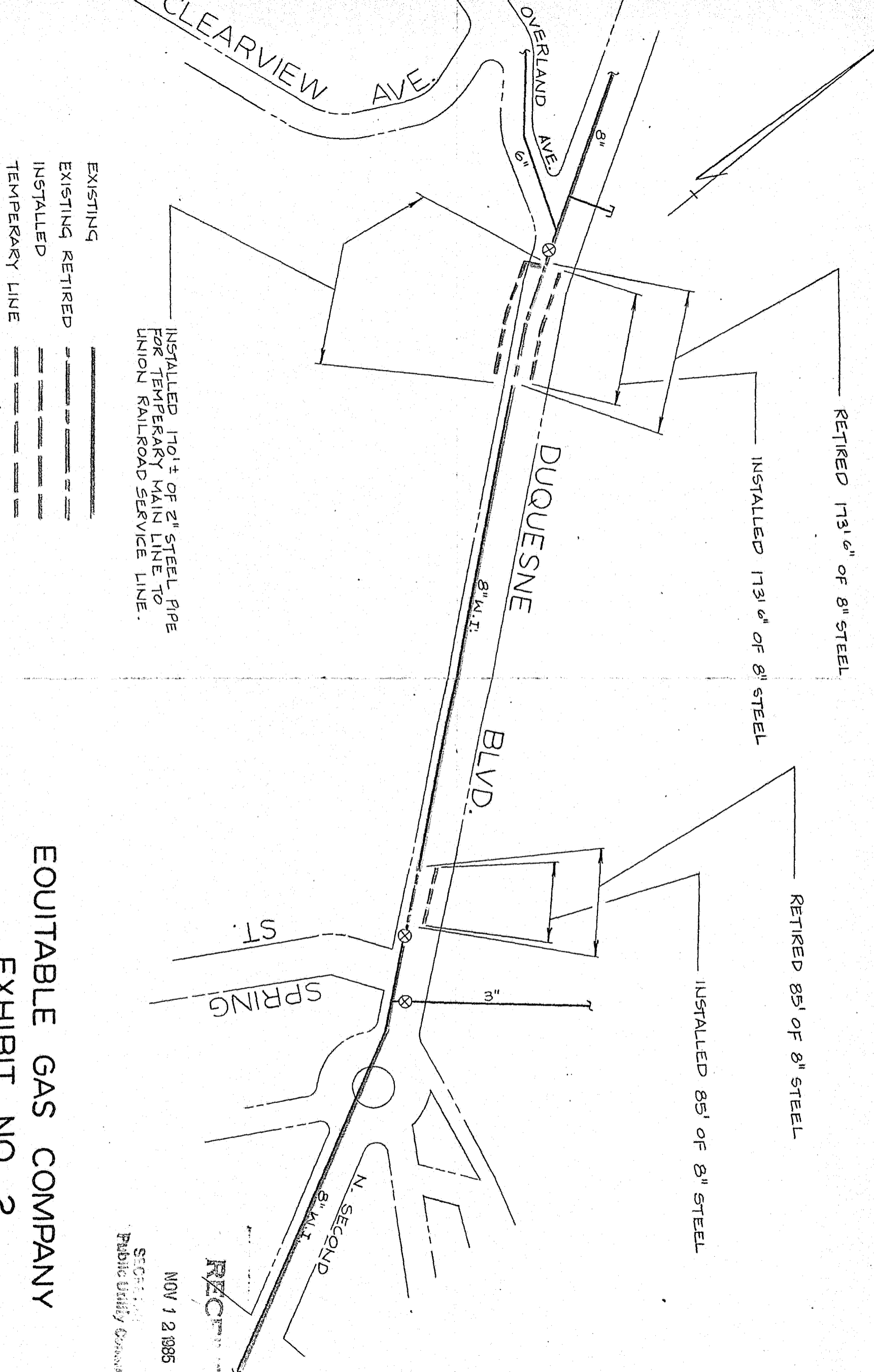
Cost of Removal (Old Installation):

Plus: Cost of Removal	-
Less: Salvage (258' of 8" steel pipe & 170' of 2" temp. line - Abandoned)	-

Net Cost of Removal	-
---------------------	---

Total Cost of Installation	\$	20,472.82
----------------------------	----	-----------

EQUITABLE GAS COMPANY'S FACILITIES MAP



INSTALLED 170' ± OF 2" STEEL PIPE FOR TEMPORARY MAIN LINE TO UNION RAILROAD SERVICE LINE.

- EXISTING
- EXISTING RETIRED
- INSTALLED
- TEMPERARY LINE

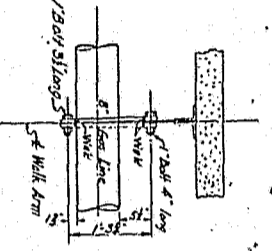
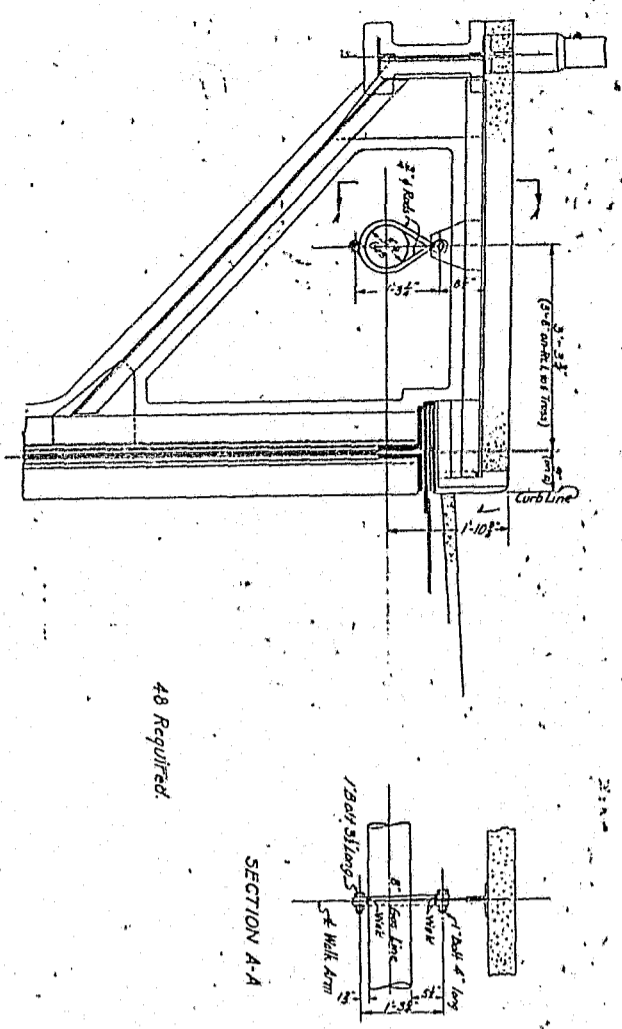
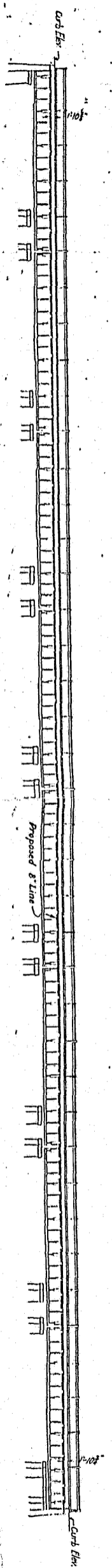
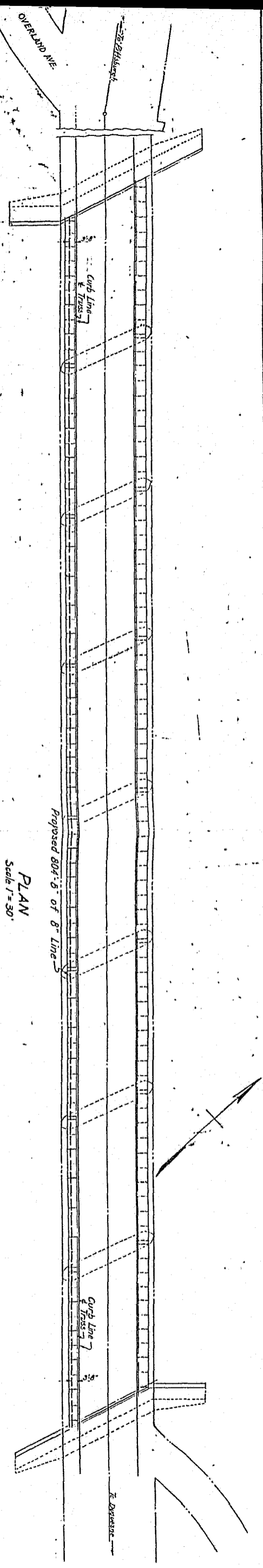
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Public Utility Commission

NOV 12 1985

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EQUITABLE GAS COMPANY
EXHIBIT NO. 2

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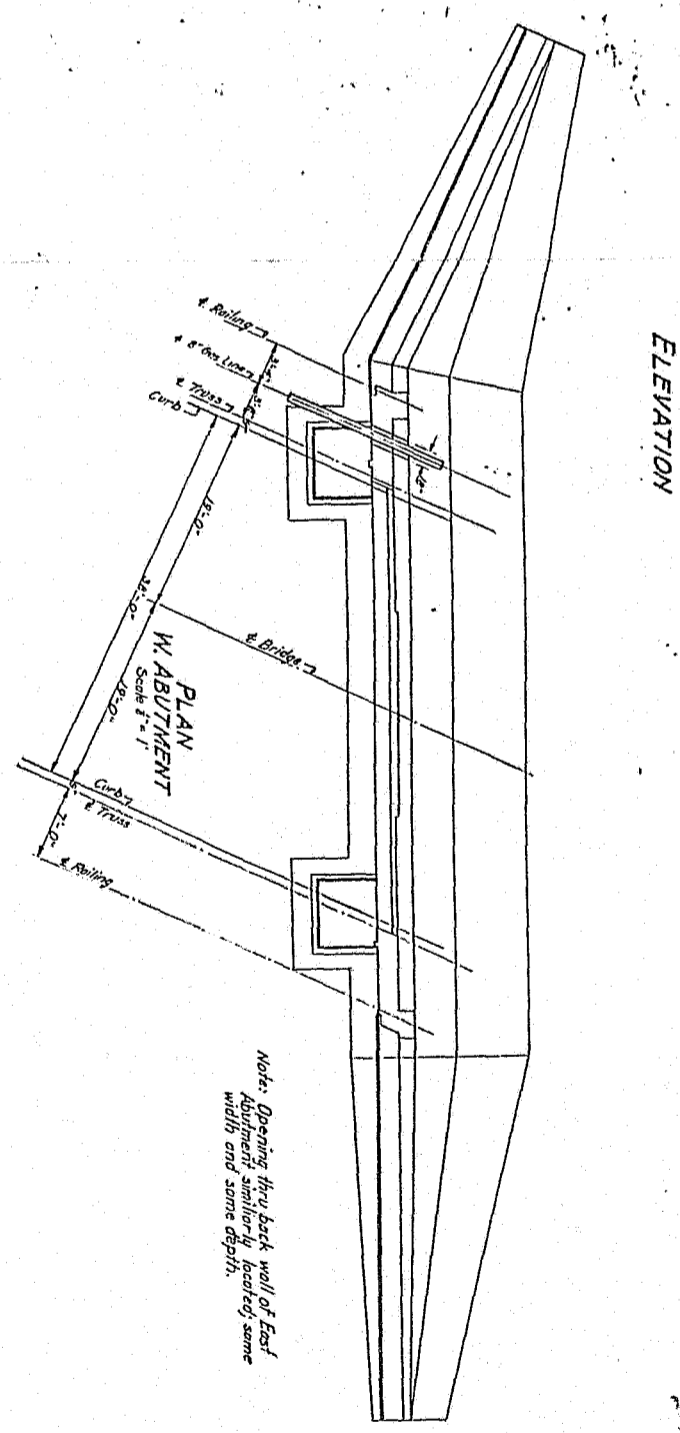


WALK ARM BRACKET PIPE SUPPORT

Scale 1/2" = 1'

48 Required

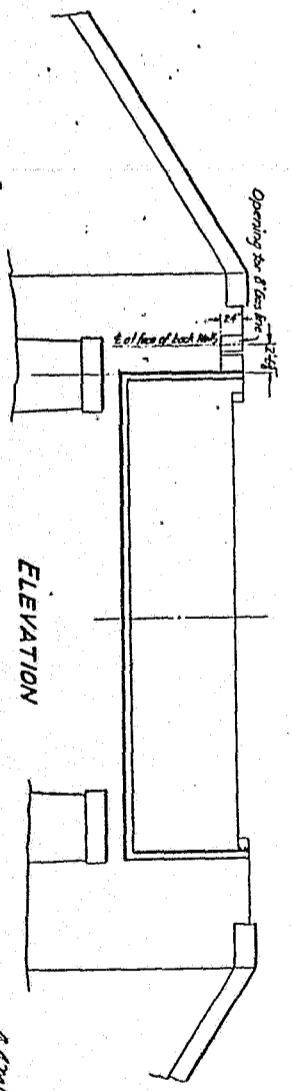
SECTION A-A



Note: Opening thru back wall of East Abutment similarly located, same width and same depth.

Approved Dec. 4, 1927
 J. R. ...
 Chief Engineer

RECORDED
 NOV 12 1985
 SECRETARY
 Public Utility Commission



ELEVATION

PLAN & PROFILE
 SHOWING LOCATION
 EQ GAS COS 8" LINE
 THOMPSONS RUN BRIDGE
 Duquesne Bureau
 Allegheny County Pa
 DATE Dec 5, 1927
 F-402-A

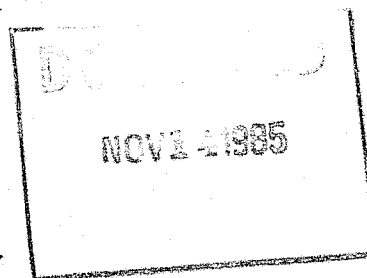
C-00015922
Duquesne St #1
Recd. 10/24/85
M. McCall

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

October 24, 1985

Testimony of John Khalil

Witness for Duquesne Light Company



1. Q. What is your name?

A. John Edward Khalil

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2. Q. What is your business address?

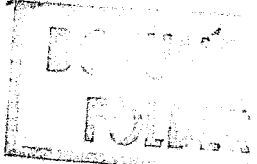
NOV 12 1985

A. Duquesne Light Company
One Oxford Centre
301 Grant Street
Pittsburgh, PA 15279

Public Utility Commission

3. Q. By whom are you employed and in what capacity?

A. I am employed by Duquesne Light Company as a Supervisor of Distribution Engineering in the Customer Services Group.



4. Q. Are you authorized to give testimony in this proceeding on behalf of Duquesne Light Company?

A. Yes.

5. Q. Would you please describe generally the facilities of Duquesne Light Company at or in the vicinity of the crossing referred to in this proceeding.

A. Duquesne Light Company has a combined overhead and underground electrical system. This system consists of poles and overhead wire along with associated equipment terminating into an underground electrical system. The underground electrical system consists of manholes, conduit, 23kV cable, 4kV cable and street lighting circuits traversing the said crossing by being suspended beneath the existing bridge with messenger wire.

6. Q. Please describe the work which was performed by Duquesne in compliance with the Commission's order directing relocation of its facilities to permit construction of the improvement.
- A. Duquesne Light Company modified its electrical system to permit reconstruction of the bridge without having relocate its facilities outside of the legal limits of the street. These modifications consisted of underground duct reconstruction and replacement of cable to permit reconstruction of the bridge. These relocated facilities remained on the bridge during reconstruction.
7. Q. Will you please provide us with a summary of all costs which were incurred by Duquesne in furnishing material and performing work to permit construction of the improvement?
- A. I would like to submit a summary of costs, dated October 23, 1985. I have marked this summary as Duquesne Exhibit A. Please note that this cost does not include work associated with relocation of communication facilities. These costs will be submitted by others.
8. Q. Did any of the work previously described as attributable to the crossing improvement increase the quantity or quality of electric service to Duquesne Light Company's customers?
- A. No.
9. Q. Did any of the work previously described as attributable to the crossing improvement provide additional capacity with which Duquesne Light Company may serve its customers?
- A. No.
10. Q. Why did Duquesne choose to maintain its facilities on the newly reconstructed bridge?
- A. This was the most cost effective method of construction.
11. Q. Please state which items of costs Duquesne agrees to bear.

- A. Duquesne will not agree to bear the costs of adjusting its facilities to accommodate the reconstruction of the Thompson Run Bridge and requests that the Commission make a determination as to whether, in all the circumstances of this case, Duquesne and its ratepayers or the Pennsylvania Department of Transportation should bear the costs of adjusting Duquesne's facilities.
12. Q. Have you prepared for the record a detailed plan indicating the location of Duquesne's new facilities and the location of its previous facilities, with specific reference as to whether the facilities are in public or private right-of-way.
- A. Yes. I would like to submit Duquesne Light Company Drawings E-24294, Sheets 1, 2, and 3 which I have marked Duquesne Exhibit B. All facilities fall within the legal limits of the street.
13. Q. Please identify when Duquesne's previous facilities were installed and under what permission or authority; the anticipated service life of those facilities when they were installed; the expected service life of the new facilities; and provide us with a comparison of the capacity of the previous facilities versus the new facilities.
- A. The summary of costs submitted to the PUC as Exhibit A contains an itemized breakdown by date of when our facilities were installed and their expected service life. The facilities were installed under a City of Duquesne permit. The service life of the new facilities are the same as the service life of the old facilities. The capacity of the old facilities is the same as the capacity of the new facilities.
14. Q. Would any such work have been necessary for any reason other than for the purpose of accommodating the improvement in this proceeding?
- A. No.
15. Q. Please state what portion of the maintenance of the completed improvement Duquesne Light Company will agree to perform and what maintenance costs it will agree to assume.
- A. Duquesne Light Company will maintain at its own cost its own facilities as adjusted but will not agree to maintain or assume maintenance costs with respect to any other portion of the completed improvement.

Bureau of Design
Utility Relocation Unit

SUMMARY OF BILLING

DISCUSSION AND EXPLANATION OF SUMMARY FORM

1. All final billing shall be prepared in accordance with the Bureau of Public Roads Policy and Procedure Memorandum 30 - 4, the Utility Standard Accounting and Work Order Procedures and the Department's Design Manual Part 5.
2. All final and complete billing of costs incurred shall be submitted by the Utility at the earliest practicable date after completion of the work.
3. The Summary of Billing Form 4181 - B will follow as closely as possible the order of the items in the Estimate Form 4181-A and as stated in the Agreement between the State and the Utility, i. e., the items for Preliminary Engineering, Right of Way, Construction, Labor, Transportation, Equipment, Material, Handling and other services shall be shown in such a manner as will permit comparison with the approved Plan and Estimate Form 4181-A.
4. Supporting Data sheets shall accompany the Final Billing Form 4181-B showing an itemized list of materials removed and installed by quantity, type and unit cost, in accordance with Design Manual Part 5.
5. Each individual payment of Right of Way shall be supported in accordance with Design Manual Part 5.
6. Work performed under contracts, entered into by bidding, having had the prior approval of the State, and as indicated on the Estimate Form 4181-A, must be substantiated by the total amounts of each bid received from the actual bidders.
7. The term "additives" for the purpose of this billing form shall mean and include items of Workmen's Compensation, Social Security, Unemployment Compensation, and other similar items. The total cost and percentage used to determine the lump sum shall be shown under the (b) Additives on the Summary Form 4181-B.
8. The Item Administration, Indirect Overhead and Supervision shall be shown as a Percentage in accordance with P. P. M. 30 - 4: "So that each relocation shall bear its equitable proportion of such costs, all overhead construction costs not chargeable directly to work order or construction accounts such as, general engineering and supervision, general office salaries and expenses, construction engineering and supervision by other than the accounting utility, legal expense, insurance, relief and pensions and taxes shall be charged to the relocation on the basis of the amount of such overhead costs reasonably applicable thereto. The instructions contained herein shall not be interpreted as permitting the addition to utility accounts of arbitrary percentages or amounts to cover assumed overhead costs, but as accepting assignment to the relocation of actual and reasonable overhead costs."
9. Under D. - Permanent Construction and/or C. - Temporary Construction, the Item - Handling shall be shown as a Percentage in accordance with P.P.M. 30-4: "The costs of supervision, labor, and expenses incurred in the operation and maintenance of the storerooms and material yards, including storage, handling and distribution of materials and supplies, and costs of purchasing, and the costs of testing and inspection, are reimbursable. Costs determined by a rate, or other equitable method of distribution which is representative of the costs to the utility, may be reimbursed."
10. Credits for Expired Service Life, Betterment and Salvage shall be documented in accordance with Design Manual Part 5, Utility Relocation.
11. A charge for Sacrificed Life made in the amount of the computed value of facilities which were removed from private Right of Way and not functionally replaced shall be documented in accordance with Design Manual Part 5.
12. If there is a substantial difference between the total estimated cost and the total actual cost billed, or a substantial difference for individual items of cost, i. e., Preliminary Engineering, Right of Way, Construction, etc., an explanation shall be attached to the Summary of Billing Form 4181-B.
13. All billing shall be certified by the Company's Auditor or person directly responsible for its accuracy and conformance to Bureau of Public Roads Policy and Procedure Memorandum 30-4, the Utility's Standard Accounting and Work Order Procedures and the Department's Design Manual Part 5.

SUMMARY OF BILLING
FOR
UTILITY RELOCATION

County Allegheny
State Route 736
Route City Of Duquesne
Agreement No. _____
Federal Project No. _____

Utility Duquesne Light Company
Address One Oxford Centre, 301 Grant Street, Pittsburgh, PA 15279

Invoice may be Audited at (Address) Same As Above

Date of First Billed Expense (including Preliminary Engineering) May, 1983

Date of Actual Construction Start by the Utility April, 1983

Date of Last Billed Expense (including accounting) _____

A. PRELIMINARY ENGINEERING (Performed by _____)

- 1. Labor
 - (a) Salaries and Wages _____
 - (b) Additives (_____ Percentage Used) _____
- 2. Supplies _____
- 3. Transportation _____
- 4. Administration, Indirect Overhead and Supervision (_____ Percentage Used) _____
- 5. TOTAL -0-

B. RIGHT OF WAY ACQUISITION

- 1. Property Costs _____
- 2. Labor
 - (a) Salaries and Wages _____
 - (b) Additives (_____ Percentage Used) _____
- 3. Supplies _____
- 4. Transportation _____
- 5. Administration, Indirect Overhead and Supervision (_____ Percentage Used) _____
- 6. TOTAL -0-

C. TEMPORARY CONSTRUCTION

- 1. Labor
 - (a) Salaries and Wages _____
 - (b) Additives (_____ Percentage Used) _____
 - (c) Contract (Performed by _____) _____
- 2. Material
 - (a) New Material _____
 - (b) Handling (_____ Percentage Used) _____
 - (c) Depreciation _____
 - (d) Salvage _____

3. Equipment			
(a) Utility Owned	_____		
(b) Rented (Owner _____)	_____		
4. Administration, Indirect Overhead and Supervision (_____ Percentage Used)	_____		
5. TOTAL			<u>-0-</u>

D. PERMANENT CONSTRUCTION

1. Labor			
(a) Salaries and Wages	16,938.41		
(b) Additives (21.4 Percentage Used)	3,625.73		
(c) Contract (Performed by <u>Joseph Fay</u>)	17,032.32	\$	37,596.46
2. Material			
(a) New Material	24,439.39		
(b) Handling (_____ Percentage Used)	3,218.43		27,657.82
3. Equipment			
(a) Utility Owned	_____		
(b) Rented (Owner _____)	_____		
4. Administration, Indirect Overhead and Supervision (21.799 Percentage Used)			14,224.89
5. TOTAL		\$	<u>79,479.17</u>

E. REMOVAL COSTS

1. Labor			
(a) Salaries and Wages	5,517.49		
(b) Additives (_____ Percentage Used)	1,235.71	\$	6,753.20
2. Supplies			
3. Transportation			2,094.97
4. Administration, Indirect Overhead and Supervision (16.93 Percentage Used)			1,497.98
5. TOTAL		\$	<u>10,346.15</u>

F. CONSTRUCTION ENGINEERING AND INSPECTION

1. Labor			
(a) Salaries and Wages	_____		
(b) Additives (_____ Percentage Used)	_____		
2. Supplies			
3. Transportation		\$	5,092.73
4. Administration, Indirect Overhead and Supervision (21.799 Percentage Used)			1,110.17
5. TOTAL		\$	<u>6,202.90</u>

G. CONNECTING COSTS (Connecting Proposed to Present Facilities)

1. Labor			
(a) Salary and Wages	_____		
(b) Additives (_____ Percentage Used)	_____		
2. Administration, Indirect Overhead and Supervision (_____ Percentage Used)	_____		
3. TOTAL			

H. SACRIFICED LIFE (VALUE OF FACILITIES REMOVED FROM PRIVATE RIGHT OF WAY AND NOT FUNCTIONALLY REPLACED. See 5.12.8, Utility Manual)

I. ACCOUNTING (Including Preparation of Estimate and Billing)

1. Labor

(a) Salaries and Wages

(b) Additives (____ Percentage Used)

2. Supplies

3. Administration, Indirect Overhead and Supervision (____ Percentage Used)

4. TOTAL

J. TOTAL CONSTRUCTION COST

K. LESS CREDITS (See 5.12.10, Utility Manual)

1. Betterment

2. Salvage

3. Expired Service Life

4. TOTAL CREDITS

L. TOTAL NET COST

UTILITY SHARE

STATE SHARE

*To Be Determined At A Later Date.

I hereby certify that to the best of my knowledge and belief this bill is true and correct and that all costs included herein are properly chargeable to the State as a result of adjusting our facilities to conform to the above-named highway project as shown by this Utility's Plan and Highway Plan and Estimate, and in accordance with the terms of the approved agreement on file with the Commonwealth of Pennsylvania, Department of Highways.

I further certify that all work billed hereon has been completed in accordance with the Department's Design Manual Part 5, with the current Policy and Procedure Memorandum 30-4 of the Bureau of Public Roads and in accordance with work order accounting procedure prescribed by the applicable Federal or State Regulatory Board, and that no collusion exists or has existed between members or employees of this firm and other persons, firms or corporations in order to establish an unjust basis for any part of the costs covered by this invoice.

Duquesne Light Company

Utility

Donald J. Clayton Manager V.P.R.S. 10/23/85
(Name and Title) (Date)

THOMPSON RUN BRIDGE
 Replace Conduits & Cable
CO 3185

Material Used:

<u>Description</u>	<u>Quantity Installed</u>	<u>Unit Price</u>	<u>Total</u>
Arms, Cross - Wood - 17' & Under	10	26.88	\$ 268.81
Guys	1	17.80	17.80
Pole, 55' - Wood	2	237.46	474.93
Rack, #358	2	8.09	16.18
1/C 350 MCM RC 23KV Aerial	3,000'	2.90	8,712.17
18M ALWD Messenger	1,000'	.3264	326.41
Lightning Arrester, 4KV	6	60.76	364.57
Switch, Disconnecting - 4KV	6	84.216	505.30
1/C 350 MCM RC 23KV Cable UG	3,951'	2.983	11,787.92
4/0 Bare Neutral Wire	1,317'	.918	1,209.08
1/C 4/0 25KV T-18 Terminal	6	126.036	<u>756.22</u>
Total Material			<u>\$ 24,439.39</u>

CO 3185

SALVAGE

Salvage is charged to the construction order by means of our Reclaim Material Reports. Copies of the following list of RMR's will be sent upon request.

RECLAIM MATERIAL REPORTS

<u>Number</u>	<u>\$</u>
488183	204.00
490558	1,740.00
491457	<u>18.00</u>
TOTAL	<u><u>1,962.00</u></u>

File No. E-24294
C.O. No. 2185

Calculation of Expired Service Life Credit in Accordance
With Bureau of Public Roads P.M. 304 Form 48181-1 Rev. 4-68
COMMISSION OF FEDERAL HIGHWAYS
Department of Highway, Bureau of Design

Quantity	Description of Item	Date of Installation	Date of Retirement	Age At Retirement	Remaining Life Expectancy Years	Total Life Expectancy Years	Expired Service Life Ratio	Original Cost Dollars	Expired Service Life Credit Dollars	Life Charge Dollars	Account Number
1	Pole 40' wood 293524	1946	1985	39	29	68	.4285	121991	51779	113860	8247
1	4' x 4' 196	1946		39	16	55	.2909	82144	23720	12594	
1	8' x 8' 128963	1946		39	16	55	.2909	17288	5047	1120	
1	Accession	1946		39	24	63	.3810	7570	2845	4228	
24	5x5x5 Adoloid & Luce	1929		36	5	41	.1180	91805	10793	8593	717
1	↓	1942		35	11	46	.2443	4420	1033	3447	
1	↓	1945		34	24	58	.4444	4684	2068	2472	
4	Class Posts 17' x Under	1942		36	11	47	.2345	10152	2384	2618	
3	↓	1942		36	13	49	.2700	7614	2071	2618	
2	Rack	1948		34	5	39	.1200	2594	311	213	
1	↓	1942		34	10	44	.2250	1217	273	268	
2	↓	1946		32	13	45	.2500	2574	640	448	
1	Pole 50' wood 128963	1942		34	16	50	.3125	11969	3705	4240	8247
3	Lighting Apparatus 4K V	1942		34	9	43	.1768	68	11969	7045	1451
3	↓	1944		32	11	43	.2000	8120	164	1874	
1	15' wood 1/2 diameter	1942		34	6	40	.1200	5705	678	887	
12	↓	1947		31	36	67	.4141	1641	678	4713	
17	#4 Dalk.	1941		34	36	70	.4685	12637	5931	10831	
390	#6 W.P.E	1929		36	5	41	.1180	2712	3299	223	
3471	↓	1946		32	11	43	.1900	2701	524	594	
1050	300L 1/2 350 R.O. 23KV	1946	1984	38	11	49	.2250	11800	2677	3730	367
420	1/2 500 L.O. 5KV	1946		32	12	44	.2727	22000	5993	8951	
853	4/2 500 L.O. 4KV	1946		32	13	45	.3000	25057	7457	10578	
140	1/2 wood 4/2 poles	1945		33	7	40	.1517	18859	2896	3443	
58	↓	1947		31	24	55	.3200	6204	2051	2445	
343	PARIS 3/2 4/2 L.C. 10KV	1949		35	5	40	.1180	11807	1393	1749	3731
159	1/2 4/2 L.C. 13KV	1945		34	10	44	.2270	4928	1120	1401	
1	Luminaire Metal	1946		34	12	46	.2490	11290	2811	3515	
1	Barrel V	1946		34	12	46	.2490	441	2544	1607	
Totals								712368	472873	310496	

OVERSIZE DOCUMENT(S)

STATEMENT No. 1 (Exhibit B)
(DUQUESNE LIGHT COMPANY)

C-00018922
Duquesne ST # 2
11/24/85
M. McCall

THOMPSON RUN BRIDGE - C-00018922

Testimony of John R. Schaukowitch

RECEIVED

Witness for Duquesne Light Company

NOV 12 1985

1. Q. What is your name?

A. John R. Schaukowitch.

SECRETARY'S
PUBLIC UTILITY COMMISSION

2. Q. What is your business address?

A. Duquesne Light Company
2839 New Beaver Avenue
Pittsburgh, PA 15233
Mail Drop N2-SOT

NOV 14 1985

3. Q. By whom are you employed and in what capacity?

A. Duquesne Light Company
Telecommunications Engineer
Telecommunications Department
System Operations and Telecommunications Unit

NOV 14 1985

4. Q. Are you authorized to give testimony in this proceeding on behalf of Duquesne Light Company?

A. Yes.

5. Q. Would you please describe generally the facilities of Duquesne Light Company at or in the vicinity of the crossing referred to in this proceeding, as they previously existed.

A. The Duquesne Light Company owned, operated and maintained (1) 26 pair 19 gage communications cable between the McKeesport Customer Operations Headquarters at 139 Atlantic Avenue, McKeesport and a terminal box on Pole No. 13915 at the intersection of Shady Lane and Eliza Street in West Mifflin via a bridge hanger arrangement on the Thompson Run Bridge. The facilities are used for the operations and control of Duquesne Light Company's electrical system.

6. Q. Will you please state the scope and cost of all relocations or other adjustments to the facilities of Duquesne Light Company which were required to accommodate the reconstruction of the Thompson Run Bridge.

A. As a temporary measure, Duquesne Light Company installed 1,805 feet of 25 pair, 19 gage, figure 8 communications cable bypassing the Thompson Run Bridge by utilizing the Carnegie Natural Gas Company pipeline which spans the tracks of the Union Railroad parallel to the northeast side of the Thompson Run Bridge. Approximately 1,296' of 26 pair, 19 gage

cable was removed from the bridge and scrapped. One 15 unit load coil and one 15 unit build out capacitor were installed to compensate for the increased cable length. As a permanent measure, Duquesne Light Company will reinstall approximately 1,296' of 25 pair, 19 gage, figure 8 cable on the bridge utilizing new sleeves provided in the bridge abutments. The 1,805' of temporary cable will then be removed and the cable loading readjusted. To date, the permanent cable is not installed. The temporary cable is installed and operating. As of the end of July, \$9,208 has been spent for relocation work. All work is expected to be completed by the end of the year and within the budgeted amount of \$15,700..

7. Q. What costs were incurred in the temporary relocation of the facilities of Duquesne Light Company to accommodate the work at this particular crossing?
- A. As Stated earlier, all work to date has been performed for temporary cable relocation. Only figures to the end of July are available and amount to \$9,208.
8. Q. Did any of the work previously described as attributable to the crossing reconstruction provide additional capacity with which Duquesne Light Company may serve its customers.
- A. No. The new facility will represent a net loss of one cable pair or a decrease in capacity of approximately 4%.
9. Q. Would any such work have been necessary for any reason other than the purpose of accommodating the reconstruction of the Thompson Run Bridge?
- A. No.
10. Q. Will you please state what portion, in your opinion, of the cost of temporarily and permanently adjusting its facilities Duquesne Light Company should bear.
- A. Duquesne Light Company will not agree to bear the costs of adjusting its facilities to accommodate the reconstruction of the Thompson Run Bridge and requests that the Commission make a determination as to whether, in all the circumstances of this case, Duquesne Light Company and its rate payers or the Pennsylvania Department of Transportation should bear the costs of adjusting Duquesne Light Company's facilities. Duquesne Light Company's actual cost figures should be available by the end of this year.
11. Q. Please state what portion of the maintenance of the completed improvements Duquesne Light Company will agree to perform and what maintenance costs it will agree to assume.
- A. Duquesne Light Company will maintain at its own cost its own facilities as adjusted, but will not agree to maintain or assume maintenance costs with respect to any other portion of the completed improvements.

October 24, 1985