

**Verizon New England Inc.  
d/b/a Verizon New Hampshire  
State of New Hampshire**

**Docket No. DT 07-011**

**Respondent:** John F. Nestor, III  
**Title:** Vice President - State  
Government Relations N.H.

**REQUEST:** OCA – Record Request

**DATED:** October 24, 2007

**ITEM:** OCA Describe FCC pole attachment rates and whether third party pole  
RR # 12 attachment fees include costs for maintenance (such as tree  
trimming).

**REPLY:** The FCC's maximum allowable annual pole attachment rates are  
calculated by the following formula:

$$\text{Maximum Rate} = \text{Space Factor} * \text{Net Cost of a Bare Pole} * \text{Carrying Charge Factor}$$

The Space Factor formulas differ for cable television system attachments that do not also provide telecommunications services and attachments that do provide telecommunications services. In either case, the space occupied by the attachment is presumed to be one foot. The Space Factor also takes into account that only a portion of any utility pole can be used for attachments; the remainder is used to support the pole in the ground and ensures proper clearance of all attachments above the ground.

The Carrying Charge Factor, in turn, recovers Depreciation, Return, Tax, Maintenance and Administration Costs associated with the space occupied on the pole. In developing rates, telecommunications utilities use data reported in ARMIS 43-01, Table III – Pole and Conduit Rental Calculation, while electric utilities use data from FERC Form 1 financial reports. In particular, the Maintenance Costs in the Carrying Charge Factor for telecommunications utilities include the following costs from ARMIS 43-01, Account 6411:

- Rearrangements and changes
- pole removals, and
- tree trimming.

To the extent that Verizon NH incurs tree trimming costs as a joint owner of poles, the costs are included in the calculation of the annual pole attachment rates for third parties, and a portion of the costs are recovered from the attaching entity. The majority of such costs, however, are not recovered from attaching entities, as the preponderance of all costs associated with the installation and maintenance of poles is borne by the pole owner.

Any tree trimming necessary at the time a third party initially attaches its facility to a pole (as opposed to “maintenance” tree trimming) is recovered as part of make-ready charges, addressed in the terms and conditions of Verizon New England’s pole attachment agreements.

The following table contains current annual pole attachment rates for Verizon NH. Where Verizon NH has knowledge of the pole attachment rates charged by New Hampshire electric utilities, those have been included in the table below as well:

Utility	Joint Use/Owned Rate	Solely Owned Rate
Ashland Electric Light Dept.	\$4.84	\$9.67
Littleton Water & Light Dept.	\$6.08	\$12.16
New Hampshire Elec. Co-op	\$7.00	\$14.00
PSNH – CATV and CATV/Cable Modem Service	\$4.43	\$8.86
PSNH – Telecom Service (non-urban)	\$10.11	\$20.22
PSNH – Telecom Service (urban)	\$6.71	\$13.41
PSNH – Private company (no longer available as of 8/1/07)	\$9.32	\$38.47
New Hampton Village El. Dept.	\$4.84	\$9.67
Unitil Energy Systems	\$2.99	\$7.97
Verizon NH	\$4.84	\$9.67
Wolfboro Municipal El. Dept.	\$4.84	\$9.67