

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF THE)	CASE NO.
PROPOSED POLE ATTACHMENT TARIFFS OF)	2022-00108
INCUMBENT LOCAL EXCHANGE CARRIERS)	

ORDER

On March 30, 2022, the Commission established the proceeding to, *inter alia*, investigate the proposed pole attachment tariffs of several incumbent local exchange carriers, including BellSouth Telecommunications, LLC d/b/a AT&T Kentucky (AT&T Kentucky). On December 28, 2022, the Commission issued an Order approving AT&T Kentucky's proposed pole attachment tariff; however, this proceeding remained open to consider other outstanding issues relating to incumbent local exchange carriers' pole attachment tariffs.

On February 8, 2023, AT&T Kentucky filed revisions to its Pole Attachment and Conduit Occupancy Rates.¹ AT&T Kentucky proposed to reduce the pole attachment annual rate from \$5.52 per foot of usable space to \$5.32 per foot of usable space, the full duct conduit occupancy annual rate from \$0.34 per foot to \$0.33 per foot, and the innerduct conduit occupancy rate from \$0.23 per foot to \$0.22 per foot. As the rates reflect a reduction, AT&T Kentucky requested that the rates go into effect on one days' notice on February 9, 2023. The initial AT&T Kentucky filing included the cover letter and the tariff page with no supporting documentation. Commission Staff, therefore, requested

¹ Attached as Appendix A to this Order.

supporting documentation for the proposed rates, which AT&T Kentucky provided on February 23, 2023.²

After reviewing the support for AT&T Kentucky's proposed rates, the Commission finds that the proposed rates are reasonable, should be approved, and should be effective as of the date of this Order.

IT IS THEREFORE ORDERED that:

1. AT&T Kentucky's request for a reduced time in which to reduce its rates for its pole attachment annual rate, full duct conduit occupancy annual rate, and the innerduct conduit occupancy rate is denied as moot.

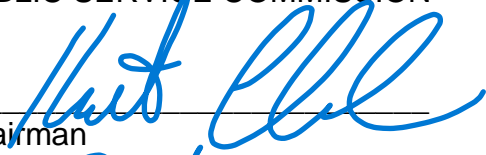
2. AT&T Kentucky's proposed rates for its pole attachment annual rate, full duct conduit occupancy annual rate, and the innerduct conduit occupancy rate are approved for service on and after the date of service of this Order.

3. Within 20 days of the date of service of this Order, AT&T Kentucky shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariff sheet showing the rates approved herein and reflecting the effective date and that they were authorized by this Order.

² Attached as Appendix B to this Order.

PUBLIC SERVICE COMMISSION

Chairman



Vice Chairman



Commissioner



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00108 DATED APR 14 2023

THREE PAGES TO FOLLOW



Eduardo Arellano
Area Manager
Regulatory Relations

773-230-2786
ea3126@att.com
www.att.com

February 8, 2023

Ms. Linda C. Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Post Office Box 615
Frankfort, KY 40602-0615

Dear Ms. Bridwell:

Re: Rate Reduction Necessitating Request for 1-day Notice, Pursuant to KRS 278.180(2), Subsequent to Commission Order dtd. 12/28/22--In the matter of: Electronic Investigation of the Proposed Pole Attachment Tariffs of Incumbent Local Exchange Carriers, Case No. 2022-00108

Dear Ms. Bridwell:

This filing by BellSouth Telecommunications, LLC d/b/a AT&T Kentucky ("AT&T"), effectuates a decrease in tariff rates within its General Subscriber Services Tariff, effective February 9, 2023; made subsequent to the submission, on January 23, 2023, of AT&T's conformed pole attachment tariff, per the Commission's December 28, 2022, Order in the above-referenced Case.

Notice of this rate reduction was originally sent to customers on October 24, 2022. However, the Commission suspended relevant pole attachment tariffs while Case No. 2022-00108 was proceeding, and until issuance of its final order on December 28, 2022.

Given that this filing effectuates a decrease in rates for which customers previously received notice, AT&T respectfully asks that the Commission allow, in this unique circumstance, a one-day notice period for effectuation. Specifically, the requested one-day notice is made pursuant to KRS 278.180(2), and is necessitated by the issuance of the Commission's Order on December 28, 2022.¹

1

278.180 Changes in rates, how made.

(1) Except as provided in subsection (2) of this section, no change shall be made by any utility in any rate except upon thirty (30) days' notice to the commission, stating plainly the changes proposed to be made and the time when the changed rates will go into effect. However, the commission may, in its discretion, based upon a showing of good cause in any case, shorten the notice period from thirty (30) days to a period of not less than twenty (20) days. The commission may order a rate change only after giving an identical notice to the utility. The commission may order the utility to give notice of its proposed rate increase to that utility's customers in the manner set forth in its regulations.

(2) The commission, upon application of any utility, may prescribe a less time within which a reduction of rates may be made.

Effective: July 15, 1986

History: Amended 1986 Ky. Acts ch. 300, sec. 2, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 82, sec. 22, effective July 15, 1982; and ch. 242, sec. 1, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 379, sec. 24, effective April 1, 1979. -- Amended 1976 Ky. Acts ch. 88, sec. 12, effective March 29, 1976. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 3952- 15

The revision is found on the following page:

PSC KY – Tariff 2A

First Revised Page 40

Should you have any questions or need additional information, please contact me.

Sincerely,

A handwritten signature in cursive script that reads "Eduardo Arellano".

Eduardo Arellano
Attachment

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

A5.13 Structure Access for Poles, Ducts, Conduits, and Rights-of-Ways

A5.13.1 Application of Tariff

This Tariff contains the terms and conditions, rates, and Service Agreements applicable to all territory served by BellSouth Telecommunications, LLC, d/b/a AT&T Kentucky, for Poles, Ducts, Conduits, and Rights-of-Ways.

A5.13.2 Terms and Conditions

The multi-state Service Agreement found in Section A5.13.4 incorporates the terms and conditions set forth in this tariff. Only agreements for customers within the state of Kentucky are subject to this tariff. All references to other states in the Service Agreement are included only because this is a multi-state agreement template. No attachment will be made to any AT&T Structure until Attaching Party has executed an agreement for attachment to AT&T Structure.

A5.13.3 Rates and Charges

A. Pole Attachments

	Annual		
	Rate	USOC	
Per foot of usable space	\$5.32	NA	(R)

B. Conduit Occupancy

	Annual		
	Rate	USOC	
Per foot of duct occupied-Full Duct	\$0.33	NA	(R)
Per foot of duct occupied-Inner duct	0.22	NA	(R)

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2022-00108 DATED APR 14 2023

NINETEEN PAGES TO FOLLOW

Hinton, Daniel E (PSC)

From: ARELLANO, EDUARDO <ea3126@att.com>
Sent: Thursday, February 23, 2023 4:01 PM
To: Hinton, Daniel E (PSC)
Subject: RE: Status of Tariff Filings
Attachments: 2017-Data-KY.pdf; 2023-Data-KY.pdf; 2023 Pole-Conduit Rates - KY-P.xls; Pole-Conduit Rates - KY - IRD-P.xls

****CAUTION** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov for any assistance.**

This Message Originated from Outside the Organization

This Message Is From an External Sender.

Report Suspicious

Mr. Daniel E. Hinton,

AT&T has prepared responses to the questions you asked on February 14 as shown directly below. We are also providing copies of AT&T Kentucky's rate development support on a non-confidential basis.

Question 1: Explain whether Bellsouth used the methodology approved in the Commission's September 17, 1982 Order Administrative Case No. 251 when calculating its pole attachment rates. If not, explain why not.

Answer 1: AT&T Kentucky does not strictly follow the Commissions Administrative Case No. 251 Order. However, AT&T Kentucky largely complies with the 1982 order with slight necessary deviations explained further below. AT&T Kentucky's asset records do not track investment in poles by height and do not separately identify appurtenance investments. Therefore, AT&T Kentucky uses a single average net embedded cost of a bare pole, the FCC's conservative interpretation of the annual carrying charges (including an "equitable share of all operating and maintenance expenses, taxes, and depreciation and a cost of money return component")(Case 251 Order, p. 11), and the lowest (i.e., most conservative) usable space factor (0.0759) in the Commission's 1982 order (id., p. 15). AT&T Kentucky deviates from the 1982 order, adjusting the appurtenance factor from 78% to 95%, in recognition of AT&T Kentucky's elimination of separate charges for anchors in 2020 and consistent with long-standing FCC precedent for telecommunications firms (2 FCC Rcd 4387 (1987) Order FCC 87-209, ¶19 establishing a 5% rebuttable appurtenance reduction presumption: "telephone companies today generally attach cable and insulated wire directly to the pole instead of using crossarms, which constitute a significant portion of the appurtenances to be removed from the pole line account, the typical telephone company's investment in crossarms appears to be considerably less than that of the electric utility"). AT&T Kentucky's single average rate for pole attachments is also consistent with recent Commission precedent in the 2016 rate cases for Kentucky Utilities (KU) and Louisville Gas and Electric (LG&E) though we conservatively do not include all categories of cost included by KU and LG&E (e.g., Cash Working Capital and Common Plant and any associated return and tax allowances thereon). AT&T Kentucky's rates also include an adjustment required by the FCC in recognition of AT&T Kentucky's adoption of the use of GAAP accounting. This adjustment is effective for rates in 2020 forward for twelve years.

Question 2: Explain whether Bellsouth used the methodology approved in the Commission May 4, 1987 Order in Administrative Case No. 251 (sic) when calculating its conduit occupancy rates. If not, explain why not.

Answer 2: AT&T Kentucky does not follow the Commissions Administrative Case No. 304 Order. However, AT&T Kentucky is using embedded costs in our rate computations which complies with the intent of May 4 1987 Order as

explained further below. AT&T Kentucky is following the conservative FCC rule for developing conduit occupancy rates based on net investment, consistent with pole rate development. AT&T Kentucky includes annual carrying charges (including an “equitable share of all operating and maintenance expenses, taxes, and depreciation and a cost of money return component”)(Case 251 Order, p. 11). AT&T Kentucky does not include a fill factor which was determined to be inappropriate in Administrative Case 304 but instead utilize an FCC space usage factor assumption that reduces full duct rates by 50%. Further, we develop an inner duct rate reflective of an average placement of three inner ducts in a full duct, producing an even lower rate available to attachers. No cheaper innerduct rate was required by the Administrative Cases 251 or 304. AT&T Kentucky’s conduit occupancy rate development is largely consistent with recent Commission precedent in the 2016 rate cases for Kentucky Utilities (KU) and Louisville Gas and Electric (LG&E) which based their rates on net embedded investment and utilized a 50% space usage factor. As with our pole rate development, AT&T Kentucky conservatively does not include all categories of cost included by KU and LG&E (e.g., Cash Working Capital and Common Plant and any associated return and tax allowances thereon). AT&T Kentucky’s rates also include an adjustment required by the FCC in recognition of our adoption of the use of GAAP accounting. This adjustment is effective for rates in 2020 forward for twelve years.

Question 3: For the pole attachment rates, Bellsouth used 95 percent as the appurtenance factor. The Commission’s September 17, 1982 Order in Administrative Case No. 251 directed telephone utilities to use a bare pole factor of 78 percent to exclude investment attributable to appurtenances. Explain why Bellsouth has used 95 percent as the appurtenance factor instead of 78 percent.

Answer 3: See response to Question 1.

Question 4: Your last email contained information which you indicated was confidential. However, we have a process for how confidential information is to be filed. I’ve included a link below to our rules of procedure. Section 13(3) deals with confidential material filed outside of a formal case. The only change to that procedure is that we do not accept paper filings any more. So, the unredacted version of the confidential information should be emailed to psced@ky.gov

Answer 4: Upon further review AT&T Kentucky withdraws its request for confidential treatment and is providing our data without confidential markings.

Sincerely,

Eduardo Arellano
AT&T
Area Manager – Regulatory Relations
773-230-2786

From: Hinton, Daniel E (PSC) <dehinton@ky.gov>
Sent: Tuesday, February 14, 2023 2:13 PM
To: ARELLANO, EDUARDO <ea3126@att.com>
Cc: TYLER, JOHN T (Legal) <jt9523@att.com>
Subject: RE: Status of Tariff Filings

Mr. Arellano,

In reviewing the documents submitted last week, Staff has a couple of questions.

1. Explain whether Bellsouth used the methodology approved in the Commission’s September 17, 1982 Order Administrative Case No. 251 (see link below) when calculating its pole attachment rates. If not, explain why not.
2. Explain whether Bellsouth used the methodology approved in the Commission May 4, 1987 Order in Administrative Case No. 251 (see link below) when calculating its conduit occupancy rates. If not, explain why not.

3. For the pole attachment rates, Bellsouth used 95 percent as the appurtenance factor. The Commission's September 17, 1982 Order in Administrative Case No. 251 (see link below) directed telephone utilities to use a bare pole factor of 78 percent to exclude investment attributable to appurtenances. Explain why Bellsouth has used 95 percent as the appurtenance factor instead of 78 percent.
4. Your last email contained information which you indicated was confidential. However, we have a process for how confidential information is to be filed. I've included a link below to our rules of procedure. Section 13(3) deals with confidential material filed outside of a formal case. The only change to that procedure is that we do not accept paper filings any more. So, the unredacted version of the confidential information should be emailed to psced@ky.gov.

Responses to the above requests can be emailed to me at this address.

If you have any questions, please let me know.

Thanks.

Daniel

[19000251_09171982_1.pdf \(ky.gov\)](#)

[19000304_05041987.pdf \(ky.gov\)](#)

From: ARELLANO, EDUARDO <ea3126@att.com>

Sent: Thursday, February 9, 2023 3:16 PM

To: Hinton, Daniel E (PSC) <dehinton@ky.gov>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>

Subject: RE: Status of Tariff Filings

****CAUTION** PDF attachments may contain links to malicious sites. Please contact the COT Service Desk ServiceCorrespondence@ky.gov for any assistance.**

Mr. Daniel E. Hinton,

Please see the attached cover letter from AT&T Kentucky counsel along with the supporting documentation you requested regarding customer notification and the calculation used to arrive at new rates. As AT&T Kentucky counsel states in his cover letter, some of the information provided is confidential/proprietary and should not be made publicly available: please handle it accordingly.

Thanks for your time and attention.

Eduardo Arellano
AT&T

From: Hinton, Daniel E (PSC) <dehinton@ky.gov>

Sent: Wednesday, February 8, 2023 1:12 PM

To: ARELLANO, EDUARDO <ea3126@att.com>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>

Cc: FLEWALLEN, MICHAELA <mb8665@att.com>

Subject: RE: Status of Tariff Filings

Can you send us the notice that was provided in October and the calculation used to arrive at the new rates?

I've set the filing to amendment expected so you should be able to file directly into the filing you made earlier today (TFS2023-00091). If it does not give you that option, you can also email the information to us.

If you have any questions, please let us know.

Thanks.

Daniel

From: ARELLANO, EDUARDO <ea3126@att.com>
Sent: Tuesday, February 7, 2023 2:28 PM
To: Hinton, Daniel E (PSC) <dehinton@ky.gov>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>
Cc: FLEWALLEN, MICHAELA <mb8665@att.com>
Subject: RE: Status of Tariff Filings

Okay, Thanks Daniel.

From: Hinton, Daniel E (PSC) <dehinton@ky.gov>
Sent: Tuesday, February 7, 2023 1:26 PM
To: ARELLANO, EDUARDO <ea3126@att.com>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>
Cc: FLEWALLEN, MICHAELA <mb8665@att.com>
Subject: RE: Status of Tariff Filings

It would probably be best as a complete new filing.

From: ARELLANO, EDUARDO <ea3126@att.com>
Sent: Tuesday, February 7, 2023 2:24 PM
To: Hinton, Daniel E (PSC) <dehinton@ky.gov>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>
Cc: FLEWALLEN, MICHAELA <mb8665@att.com>
Subject: RE: Status of Tariff Filings

Mr. Daniel Hinton,

For TFS2023-00036, do I have to make a complete new filing, or can I revise the existing filing?

Ed

From: Hinton, Daniel E (PSC) <dehinton@ky.gov>
Sent: Tuesday, February 7, 2023 12:28 PM
To: ARELLANO, EDUARDO <ea3126@att.com>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>
Cc: FLEWALLEN, MICHAELA <mb8665@att.com>
Subject: RE: Status of Tariff Filings

Mr. Arellano,

I spoke with our Legal Staff about TFS2023-00036 and they indicated that we would not be able to stamp that one effective January 1 as the tariff was filed on January 24, well after the effective date. They suggested that Bellsouth refile the tariff and request for the reduced notice pursuant to KRS 278.180(2) and that Bellsouth make the effective date 1 day after making the revised filing. So, if it was filed tomorrow, the effective date could be February 9.

The other filing (TFS2023-00033) is still under review. If Staff does not note any issues with the filing, it will be stamped effective December 28, 2022 pursuant to the Order in Case No. 2022-00108.

If you have any questions, please let me know.

Thanks.

Daniel

From: ARELLANO, EDUARDO <ea3126@att.com>

Sent: Wednesday, February 1, 2023 4:48 PM

To: Hinton, Daniel E (PSC) <dehinton@ky.gov>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>

Cc: FLEWALLEN, MICHAELA <mb8665@att.com>

Subject: RE: Status of Tariff Filings

Mr. Daniel Hinton,

I just want to confirm that the following tariff filings have become effective:

- TFS2023-00033
- TFS2023-00036

Thank you,

Eduardo Arellano

From: ARELLANO, EDUARDO

Sent: Thursday, January 26, 2023 3:47 PM

To: Hinton, Daniel E (PSC) <dehinton@ky.gov>; Rogness, Benjamin (PSC) <benjamin.rogness@ky.gov>

Cc: FLEWALLEN, MICHAELA <mb8665@att.com>

Subject: Status of Tariff Filings

Mr. Daniel Hinton,

I just want to confirm that the following tariff filings have become effective:

- TFS2023-00033
- TFS2023-00036

Thank you,

Eduardo Arellano

AT&T

ea3126@att.com



Linda S. Vandeloop
AVP
Federal Regulatory

AT&T Services, Inc.
1120 20th Street, NW
Suite 1000
Washington, D.C. 20036

T: 202-457-3033
linda.vandeloop@att.com

August 30, 2019

Federal Communications Commission
Office of the Secretary
445 Twelfth Street, S.W.
Washington, DC 20554

RE: CC Docket No. 86-182

Report: Pole Attachment Data

Year of Data: 2017

Submission Number: 3

Dear Ms. Dortch,

Pursuant to the Commission's Order (DA14-1387), released September 24, 2014, AT&T is providing the attached amended Pole Attachment Data Report for the calendar year 2017.

COSAs: SWAR, SWKS, SWMO, SWOK, SWTX, MBMI, OBOH, WTWI, SCAL, SBFL, SBGA, SCKY, SCLA, SCMS, SBNC, SBSC, SCTN.

This 2017 Submission 3 Data adjusts Submission 2 data for seventeen (17) of AT&T's twenty-one (21) COSAs to make minor corrections to amounts for accumulated depreciation for poles due to a previous clerical error. This affected results for ten COSAs. The second modification affects fourteen COSAs and reflects a true-up to the state-to-state allocation of non-current deferred operating taxes (Rows 404, 405, and 406).

Sincerely,

A handwritten signature in black ink that reads "Linda S. Vandeloop". The signature is written in a cursive style.

/s/ Linda Vandeloop

cc: Pam Arluk

CERTIFICATION

I certify that I am an officer of BellSouth Telecommunications, LLC, Southwestern Bell Telephone Company, Michigan Bell Telephone Company, Ohio Bell Telephone Company and Wisconsin Bell Inc.; I have examined these Pole and Conduit Rental Calculation Information Reports, and to the best of my knowledge, information, and belief, all statements of fact contained in the attached reports are true and these reports are accurate statements of the affairs of the above named respondents in respect to the data set forth herein for the period from 01/01/2017 to 12/31/2017, and Submission Number 3.

PRINTED NAME: Barbara A. Monte

POSITION: Director - Accounting

SIGNATURE: *Barbara Monte*

DATE: 08/20/2019

(Persons making willful false statements in this report can be punished by fine or imprisonment under the Communications Act, 47 U.S.C. 220 (e).)

CONTACT PERSON: Daniel Rhinehart

TELEPHONE NUMBER: 214-729-7948

EMAIL ADDRESS: dr3539@att.com

Pole and Conduit Rental Calculation Information

(Dollars in thousands & Operational Data in whole numbers)

COMPANY: AT&T / BELL SOUTH CORPORATION

STUDY AREA: KENTUCKY

PERIOD: From: Jan 2017 To: Dec 2017

COSA: SCKY

SUBMISSION: 3

Page 1 of 1

Row	Row Title (a)	Amount (b)
Financial Information (\$000)		2017
100	Telecommunications Plant-in-Service	3,512,156
101	Gross Investment - Poles	166,755
102	Gross Investment - Conduit	167,531
200	Accumulated Depreciation - Total Plant-in-Service	3,051,801
201	Accumulated Depreciation - Poles	157,865
202	Accumulated Depreciation - Conduit	72,679
301	Depreciation Rate - Poles	5.30
302	Depreciation Rate - Conduit	1.80
401	Net Current Deferred Operating Income Taxes - Poles	-
402	Net Current Deferred Operating Income Taxes - Conduit	-
403	Net Current Deferred Operating Income Taxes - Total	-
404	Net Non-Current Deferred Operating Income Taxes - Poles	1,020
405	Net Non-Current Deferred Operating Income Taxes - Conduit	1,025
406	Net Non-Current Deferred Operating Income Taxes - Total	21,491
501.1	Pole Maintenance Expense	2,055
501.2	Pole Rental Expense	8,433
501	Pole Expense	10,488
502.1	Conduit Maintenance Expense	706
502.2	Conduit Rental Expense	1
502	Conduit Expense	707
503	General & Administrative Expense	68,856
504	Operating Taxes	(49,818)
Operational Data (Whole numbers)		
601	Equivalent Number of Poles	320,990
602	Conduit System Trench Kilometers	2,158
603	Conduit System Duct Kilometers	12,518
700	Additional Rental Calculation Information	N/A
1	Rows 404, 405, 406 - Reflects true-up of allocated non-current deferred taxes.	



Linda S. Vandeloop
AVP
Federal Regulatory

AT&T Services, Inc.
1120 20th Street, NW
Suite 1000
Washington, D.C. 20036

T: 202-457-3033
linda.vandeloop@att.com

March 31, 2022

Federal Communications Commission
Office of the Secretary
45 L Street, N.E.
Washington, DC 20554

**RE: CC Docket No. 86-182, Report: Pole Attachment Data Year of Data: 2021
Submission Number: 1**

Dear Ms. Dortch,

Pursuant to the Commission's Order (DA14-1387), released September 24, 2014, AT&T is providing the attached Pole Attachment Data Report for the calendar year 2021.

COSAs: SWAR, SWKS, SWMO, SWOK, SWTX, PTCA, PTNV, LBIL, NBIN, MBMI, OBOH, WTWI, SCAL, SBFL, SBGA, SCKY, SCLA, SCMS, SBNC, SBSC, SCTN.

PRINTED NAME: Linda Vandeloop – Assistant Vice President-External Affairs/Regulatory

A handwritten signature in black ink that reads "Linda S. Vandeloop". The signature is written in a cursive, flowing style.

SIGNATURE/DATE: March 31, 2022

cc: Pam Arluk

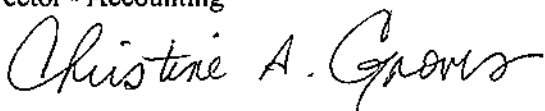
CERTIFICATION

I certify that I am an officer of BellSouth Telecommunications, LLC, Southwestern Bell Telephone Company, Pacific Bell Telephone Company, Nevada Bell Telephone Company, Illinois Bell Telephone Company, LLC, Indiana Bell Telephone Company, Incorporated, Michigan Bell Telephone Company, Ohio Bell Telephone Company and Wisconsin Bell, Inc.; I have examined these Pole and Conduit Rental Calculation Information Reports, and to the best of my knowledge, information, and belief, all statements of fact contained in the attached reports are true and these reports are accurate statements of the affairs of the above named respondents in respect to the data set forth herein for the period from 01/01/2021 to 12/31/2021, and Submission Number 1.

PRINTED NAME: Christine A. Groves

POSITION: Director - Accounting

SIGNATURE:



DATE: 03/18/2022

(Persons making willful false statements in this report can be punished by fine or imprisonment under the Communications Act, 47 U.S.C. 220 (e).)

CONTACT PERSON: Christine A. Groves

TELEPHONE NUMBER: (630) 347-6803

EMAIL ADDRESS: cg1379@att.com

Pole and Conduit Rental Calculation Information

Pole Attachment Data

(Dollars in thousands; Operational Data in actual units)

COMPANY: AT&T / BELLSOUTH CORPORATION

STUDY AREA: KENTUCKY

PERIOD: From: Jan 2021 To: Dec 2021

COSA: SCKY

SUBMISSION: 1

Page 1 of 1

Row	Row Title (a)	Amount (b)
Financial Information (\$000)		2021
100	Telecommunications Plant-in-Service	2,109,459
101	Gross Investment - Poles	132,748
102	Gross Investment - Conduit	91,568
200	Accumulated Depreciation - Total Plant-in-Service	1,194,078
201	Accumulated Depreciation - Poles	56,982
202	Accumulated Depreciation - Conduit	19,772
301	Depreciation Rate - Poles	3.30
302	Depreciation Rate - Conduit	2.31
401	Net Current Deferred Operating Income Taxes - Poles	
402	Net Current Deferred Operating Income Taxes - Conduit	
403	Net Current Deferred Operating Income Taxes - Total	
404	Net Non-Current Deferred Operating Income Taxes - Poles	19,364
405	Net Non-Current Deferred Operating Income Taxes - Conduit	13,357
406	Net Non-Current Deferred Operating Income Taxes - Total	307,708
501.1	Pole Maintenance Expense	3,004
501.2	Pole Rental Expense	9,967
501	Pole Expense	12,971
502.1	Conduit Maintenance Expense	71
502.2	Conduit Rental Expense	0
502	Conduit Expense	71
503	General & Administrative Expense	58,107
504	Operating Taxes	47,106
601	Equivalent Number of Poles	324,516
602	Conduit System Trench Kilometers	2,587
603	Conduit System Duct Kilometers	15,004
700	Additional Rental Calculation Information	0

Kentucky Pole Attachment Rate Development
2023 Rate

I. Summary - Rate Development				
Line #	Description	State	Kentucky	Source
1	Space Factor (see section II below)		7.59%	[9]
	Use Gross or Net? (If Net is negative, use gross)		Net	
2	Cost per Bare Pole (see section III below)	\$	165.11	[17] or [18]
3	Carrying Charge Rate (see section IV below)		40.15%	[19]
4	Calculated Pole Rate	\$	5.03	[1] * [2] * [3]
5	Implementation Rate Difference	\$	0.29	47 C.F.R §1.1409(g)
6	Published Pole Rate (per foot)	\$	5.32	[4] + [5]

II. Space Factor				
Line #	Description			Source
7	Space Occupied		1.0	State Default
8	Usable Space		13.17	Default
9	Space Factor		7.59%	[7] / [8]

III. Cost Per Bare Pole				
Line #	Description			Source
10	Gross Investment - Poles	\$	132,748	Attachment Data - Row 101
11	Accumulated Depreciation - Poles	\$	56,982	Attachment Data - Row 201
12	Net Current Deferred Operating Income Taxes - Poles	\$	-	Attachment Data - Row 401
13	Net Non-Current Deferred Operating Income Taxes - Poles	\$	19,364	Attachment Data - Row 404
14	Net Investment - Poles	\$	56,402	[10] - { [11] + [12] + [13] }
15	Equivalent Number of Poles	\$	324,516	Attachment Data - Row 601
16	Appurtenance Factor		0.95	Default
17	Gross Cost Per Bare Pole	\$	388.61	[10] / [15] * [16] * 1,000
18	Net Cost per Bare Pole	\$	165.11	[14] / [15] * [16] * 1,000
			Net Cost per Bare Pole	
	Use Gross or Net? (If Net is negative, use gross)			

IV. Carrying Charge Rate				
Line #	Description			Source
	Basis of Carrying Charge Rate (Gross or Net)		Net	
19	Total Carrying Charge Rate		40.15%	[22] + [25] + [29] + [32] + {[33] or [34]}
20	General & Administrative Expense	\$	58,107	Attachment Data - Row 503
21	Investment - Total Plant in Service	\$	607,673	[A1] or [A5]
22	General & Administrative Rate		9.56%	[20] / [21]
23	Maintenance Expense - Poles	\$	3,004	Attachment Data - Row 501.1
24	Investment - Poles	\$	56,402	[10] or [14]
25	Maintenance Rate		5.33%	[23] / [24]
26	Depreciation Rates - Poles		3.30%	Attachment Data - Row 301
27	Gross Investment - Poles	\$	132,748	[10]
28	Net Investment - Poles	\$	56,402	[14]
29	Depreciation Rate for Rate Development		7.76%	Max({[26] * [27] / [28]} and [26])
30	Operating Taxes	\$	47,106	Attachment Data - Row 504
31	Investment - Total Plant in Service	\$	607,673	[A1] or [A5]
32	Tax Rate		7.75%	[30] / [31]
33	Rate of Return (Cost of Capital)		9.750%	Default
34	Rate of Return if Net Plant-Poles is negative		N/A	Max({[33] * [14] / [10]} and -[33])

V. Intermediate Calculations				
Line #	Description			Source
A1	Telecommunications Plant in Service	\$	2,109,459	Attachment Data - Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$	1,194,078	Attachment Data - Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$	-	Attachment Data - Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$	307,708	Attachment Data - Row 406
A5	Net Investment Plant in Service	\$	607,673	[A1] - { [A2] + [A3] + [A4] }

Kentucky Conduit Occupancy Rate Development
2023 Rate

I. Summary - Rate Development				
Line #	Description	State	Kentucky	Source

	Use Gross or Net? (If Net is negative, use gross)		Net	
1	Cost per Conduit Duct Foot (see section III below)	\$	1.19	[16] or [17]
2	Carrying Charge Rate (see section III below)		30.80%	[18]
3	Calculated Inner Duct Rental Rate per foot	\$	0.12	[1] * [2] / 3
4	Implementation Rate Difference	\$	0.10	47 C.F.R §1.1409(g)
5	Published Inner Duct Rental Rate per foot	\$	0.22	[3] + [4]
6	Calculated Full Duct Rental Rate per foot	\$	0.18	[1] * [2] / 2
7	Implementation Rate Difference	\$	0.15	47 C.F.R §1.1409(g)
8	Published Full Duct Rental Rate per foot	\$	0.33	[6] + [7]

II. Cost per Conduit Duct Foot			
Line #	Description	Value	Source

9	Gross Investment - Conduit	\$	91,568	Attachment Data - Row 102
10	Accumulated Depreciation - Conduit	\$	19,772	Attachment Data - Row 202
11	Net Current Deferred Operating Income Taxes - Conduit	\$	-	Attachment Data - Row 402
12	Net Non-Current Deferred Operating Income Taxes - Conduit	\$	13,357	Attachment Data - Row 405
13	Net Investment - Conduit	\$	58,439	[9] - { [10] + [11] + [12] }
14	Conduit System Duct Kilometers		15,004	Attachment Data - Row 603
15	Conduit System Duct Feet		49,225,573	[14] * 3,280.83
16	Gross Cost Per Duct Foot	\$	1.86	[9] / [15] * 1,000
17	Net Cost per Duct Foot	\$	1.19	[13] / [15] * 1,000
	Use Gross or Net? (If Net is negative, use gross)		Net Cost per Duct Foot	

III. Carrying Charge Rate			
Line #	Description	Value	Source

18	Basis of Carrying Charge Rate (Gross or Net)		Net	
	Total Carrying Charge Rate		30.80%	[21] + [24] + [28] + [31] + {[32] or [33]}
19	General & Administrative Expense	\$	58,107	Attachment Data - Row 503
20	Investment - Total Plant in Service	\$	607,673	[A1] or [A5]
21	General & Administrative Rate		9.56%	[19] / [20]
22	Maintenance Expense - Conduit	\$	71	Attachment Data - Row 502.1
23	Investment - Conduit	\$	58,439	[9] or [13]
24	Maintenance Rate		0.12%	[22] / [23]
25	Depreciation Rates - Conduit		2.31%	Attachment Data - Row 302
26	Gross Investment - Conduit	\$	91,568	[9]
27	Net Investment - Conduit	\$	58,439	[13]
28	Depreciation Rate for Rate Development		3.61%	Max({[25] * [26] / [27]} and [25])
29	Operating Taxes	\$	47,106	Attachment Data - Row 504
30	Investment - Total Plant in Service	\$	607,673	[A1] or [A5]
31	Tax Rate		7.75%	[29] / [30]
32	Rate of Return (Cost of Capital)		9.750%	Default
33	Rate of Return if Net Plant-Conduit is negative		N/A	Max({[32] * [13] / [9]} and -[32])

IV. Intermediate Calculations			
Line #	Description	Value	Source

A1	Telecommunications Plant in Service	\$	2,109,459	Attachment Data - Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$	1,194,078	Attachment Data - Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$	-	Attachment Data - Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$	307,708	Attachment Data - Row 406
A5	Net Investment Plant in Service	\$	607,673	[A1] - { [A2] + [A3] + [A4] }

Kentucky Pole Attachment Rate Development - IRD
Implementation Rate Difference

I. Summary - Rate Development			
Line #	Description		Source
1	Space Factor (see section II below)	7.59%	[9]
	Use Gross or Net? (If Net is negative, use gross)	Net	
2	Cost per Bare Pole (see section III below)	\$ 186.83	[17] or [18]
3	Carrying Charge Rate (see section IV below)	17.04%	[19]
4	Computed 2019 GAAP based Pole Attachment Rate	\$ 2.42	[1] * [2] * [3]
5	Computed 2019 MR based Pole Attachment Rate	\$ 2.71	see additional workpaper
6	Implementation Rate Difference	\$ 0.29	[5] - [4]

II. Space Factor			
Line #	Description		Source
7	Space Occupied	1.0	Default
8	Usable Space	13.17	Default
9	Space Factor	7.59%	[7] / [8]

III. Cost Per Bare Pole			
Line #	Description		Source
10	Gross Investment - Poles	\$ 116,422	Table III Row 101
11	Accumulated Depreciation - Poles	\$ 44,709	Table III Row 201
12	Net Current Deferred Operating Income Taxes - Poles	\$ -	Table III Row 401
13	Net Non-Current Deferred Operating Income Taxes - Poles	\$ 8,586	Table III Row 404
14	Net Investment - Poles	\$ 63,127	[10] - { [11] + [12] + [13] }
15	Equivalent Number of Poles	\$ 320,990	Table III Row 601
16	Appurtenance Factor	0.95	Default
17	Gross Cost Per Bare Pole	\$ 344.56	[10] / [15] * [16] * 1000
18	Net Cost per Bare Pole	\$ 186.83	[14] / [15] * [16] * 1000
	Use Gross or Net? (If Net is negative, use gross)	Net Cost per Bare Pole	

IV. Carrying Charge Rate			
Line #	Description		Source
	Basis of Carrying Charge Rate (Gross or Net)	Net	
19	Total Carrying Charge Rate	17.04%	[22] + [25] + [29] + [32] + {[33] or [34]}
20	General & Administrative Expense	\$ 72,644	Table III Row 503
21	Investment - Total Plant in Service	\$ 867,187	[A1] or [A5]
22	General & Administrative Rate	8.38%	[20] / [21]
23	Maintenance Expense - Poles	\$ 2,852	Table III Row 501.1
24	Investment - Poles	\$ 63,127	[10] or [14]
25	Maintenance Rate	4.52%	[23] / [24]
26	Depreciation Rates - Poles	3.85%	Table III Row 301
27	Gross Investment - Poles	\$ 116,422	[10]
28	Net Investment - Poles	\$ 63,127	[14]
29	Depreciation Rate for Rate Development	7.10%	Max({[26] * [27] / [28]} and [26])
30	Operating Taxes	\$ (115,617)	Table III Row 504
31	Investment - Total Plant in Service	\$ 867,187	[A1] or [A5]
32	Tax Rate	-13.33%	[30] / [31]
33	Rate of Return (Cost of Capital)	10.375%	Default
34	Rate of Return if Net Plant-Poles is negative	N/A	Max({[33] * [14] / [10]} and -[33])

V. Intermediate Calculations			
Line #	Description		Source
A1	Telecommunications Plant in Service	\$ 1,893,914	Table III Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$ 887,051	Table III Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$ -	Table III Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$ 139,676	Table III Row 406
A5	Net Investment Plant in Service	\$ 867,187	[A1] - { [A2] + [A3] + [A4] }

Kentucky Conduit Rate Development - IRD
Implementation Rate Difference

I. Summary - Rate Development			
Line #	Description		Source
	Use Gross or Net? (If Net is negative, use gross)	Net	
1	Cost per Conduit Duct Foot (see section III below)	\$ 1.24	[16] or [17]
2	Carrying Charge Rate (see section III below)	10.16%	[18]
3	Computed 2019 GAAP based Full Duct Rate	\$ 0.06	[1] * [2] / 2
4	Computed 2019 GAAP based Inner Duct Rate	\$ 0.04	[1] * [2] / 3
5	Computed 2019 MR based Full Duct Rate	\$ 0.21	see additional workpaper
6	Computed 2019 MR based Inner Duct Rate	\$ 0.14	see additional workpaper
7	Implementation Rate Difference - Full Duct	\$ 0.15	[5] - [3]
8	Implementation Rate Difference - Inner Duct	\$ 0.10	[6] - [4]
II. Cost per Conduit Duct Foot			
Line #	Description		
9	Gross Investment - Conduit	\$ 67,969	Table III Row 102
10	Accumulated Depreciation - Conduit	\$ 12,172	Table III Row 202
11	Net Current Deferred Operating Income Taxes - Conduit	\$ -	Table III Row 402
12	Net Non-Current Deferred Operating Income Taxes - Conduit	\$ 5,013	Table III Row 405
13	Net Investment - Conduit	\$ 50,784	[9] - { [10] + [11] + [12] }
14	Conduit System Duct Kilometers	12,518	Table III Row 603
15	Conduit System Duct Feet	41,069,430	[14] * 3,280.83
16	Gross Cost Per Duct Foot	\$ 1.65	[9] / [14] * [15] * 1000
17	Net Cost per Duct Foot	\$ 1.24	[13] / [14] * [15] * 1000
	Use Gross or Net? (If Net is negative, use gross)	Net Cost per Duct Foot	
III. Carrying Charge Rate			
Line #	Description		Default Source
18	Basis of Carrying Charge Rate (Gross or Net) Total Carrying Charge Rate	Net 10.16%	[21] + [24] + [28] + [31] + {[32] or [33]}
19	General & Administrative Expense	\$ 72,644	Table III Row 503
20	Investment - Total Plant in Service	\$ 867,187	[A1] or [A5]
21	General & Administrative Rate	8.38%	[19] / [20]
22	Maintenance Expense - Conduit	\$ 707	Table III Row 502.1
23	Investment - Conduit	\$ 50,784	[9] or [13]
24	Maintenance Rate	1.39%	[22] / [23]
25	Depreciation Rates - Conduit	2.50%	Table III Row 302
26	Gross Investment - Conduit	\$ 67,969	[9]
27	Net Investment - Conduit	\$ 50,784	[13]
28	Depreciation Rate for Rate Development	3.35%	Max{([25] * [26] / [27]) and [25]}
29	Operating Taxes	\$ (115,617)	Table III Row 504
30	Investment - Total Plant in Service	\$ 867,187	[A1] or [A5]
31	Tax Rate	-13.33%	[29] / [30]
32	Rate of Return (Cost of Capital)	10.375%	Default
33	Rate of Return if Net Plant-Conduit is negative	N/A	Max{([32] * [13] / [9]) and -[32]}
IV. Intermediate Calculations			
Line #	Description		Source
A1	Telecommunications Plant in Service	\$ 1,893,914	Table III Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$ 887,051	Table III Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$ -	Table III Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$ 139,676	Table III Row 406
A5	Net Investment Plant in Service	\$ 867,187	[A1] - { [A2] + [A3] + [A4]}

Pole and Conduit Rental Calculation Information

(Dollars in thousands & Operational Data in whole numbers)

COMPANY: AT&T / BELLSOUTH CORPORATION

STUDY AREA: KENTUCKY

PERIOD: From: Jan 2017 To: Dec 2017

SUBMISSION: **NON-PUBLIC**

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GAAP

Row	Row Title (a)	Amount (b)
Financial Information (\$000)		2017
100	Telecommunications Plant-in-Service	1,893,914
101	Gross Investment - Poles	116,422
102	Gross Investment - Conduit	67,969
200	Accumulated Depreciation - Total Plant-in-Service	887,051
201	Accumulated Depreciation - Poles	44,709
202	Accumulated Depreciation - Conduit	12,172
301	Depreciation Rate - Poles	3.85
302	Depreciation Rate - Conduit	2.5
401	Net Current Deferred Operating Income Taxes - Poles	
402	Net Current Deferred Operating Income Taxes - Conduit	
403	Net Current Deferred Operating Income Taxes - Total	
404	Net Non-Current Deferred Operating Income Taxes - Poles	8,586
405	Net Non-Current Deferred Operating Income Taxes - Conduit	5,013
406	Net Non-Current Deferred Operating Income Taxes - Total	139,676
501.1	Pole Maintenance Expense	2,852
501.2	Pole Rental Expense	8,433
501	Pole Expense	11,285
502.1	Conduit Maintenance Expense	707
502.2	Conduit Rental Expense	1
502	Conduit Expense	708
503	General & Administrative Expense	72,644
504	Operating Taxes	(115,617)
Operational Data (Whole numbers)		
601	Equivalent Number of Poles	320,990
602	Conduit System Trench Kilometers	2,158
603	Conduit System Duct Kilometers	12,518
700	Additional Rental Calculation Information	N/A

Kentucky Pole Attachment Rate Development - Rate Delta
Rate Delta

I. Summary - Rate Development			
Line #	Description		Source
1	Space Factor (see section II below)	7.59%	[7]
	Use Gross or Net? (If Net is negative, use gross)	Net	
2	Cost per Bare Pole (see section III below)	\$ 23.29	[15] or [16]
3	Carrying Charge Rate (see section IV below)	153.12%	[17]
4	Computed 2019 MR based Pole Attachment Rate	\$ 2.71	[1] * [2] * [3]
II. Space Factor			
Line #	Description		Source
5	Space Occupied	1.0	Default
6	Usable Space	13.17	Default
7	Space Factor	7.59%	[5] / [6]
III. Cost Per Bare Pole			
Line #	Description		Source
8	Gross Investment - Poles	\$ 166,755	Table III Row 101
9	Accumulated Depreciation - Poles	\$ 157,865	Table III Row 201
10	Net Current Deferred Operating Income Taxes - Poles	\$ -	Table III Row 401
11	Net Non-Current Deferred Operating Income Taxes - Poles	\$ 1,020	Table III Row 404
12	Net Investment - Poles	\$ 7,870	[8] - {[9] + [10] + [11]}
13	Equivalent Number of Poles	\$ 320,990	Table III Row 601
14	Appurtenance Factor	0.95	Default
15	Gross Cost Per Bare Pole	\$ 493.53	[8] / [13] * [14] * 1000
16	Net Cost per Bare Pole	\$ 23.29	[12] / [13] * [14] * 1000
	Use Gross or Net? (If Net is negative, use gross)	Net Cost per Bare Pole	
IV. Carrying Charge Rate			
Line #	Description		Source
	Basis of Carrying Charge Rate (Gross or Net)	Net	
17	Total Carrying Charge Rate	153.12%	[20] + [23] + [27] + [30] + {[31] or [32]}
18	General & Administrative Expense	\$ 68,856	Table III Row 503
19	Investment - Total Plant in Service	\$ 438,864	[A1] or [A5]
20	General & Administrative Rate	15.69%	[18] / [19]
21	Maintenance Expense - Poles	\$ 2,055	Table III Row 501.1
22	Investment - Poles	\$ 7,870	[8] or [12]
23	Maintenance Rate	26.11%	[21] / [22]
24	Depreciation Rates - Poles	5.30%	Table III Row 301
25	Gross Investment - Poles	\$ 166,755	[8]
26	Net Investment - Poles	\$ 7,870	[12]
27	Depreciation Rate for Rate Development	112.30%	Max{([24] * [25] / [26]) and [24]}
28	Operating Taxes	\$ (49,818)	Table III Row 504
29	Investment - Total Plant in Service	\$ 438,864	[A1] or [A5]
30	Tax Rate	-11.35%	[28] / [29]
31	Rate of Return (Cost of Capital)	10.375%	Default
32	Rate of Return if Net Plant-Poles is negative	N/A	Max{([31] * [12] / [8]) and -[31]}
V. Intermediate Calculations			
Line #	Description		Source
A1	Telecommunications Plant in Service	\$ 3,512,156	Table III Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$ 3,051,801	Table III Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$ -	Table III Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$ 21,491	Table III Row 406
A5	Net Investment Plant in Service	\$ 438,864	[A1] - {[A2] + [A3] + [A4]}

Kentucky Conduit Rate Development - IRD
Implementation Rate Difference

I. Summary - Rate Development			
Line #	Description		Source
	Use Gross or Net? (If Net is negative, use gross)	Net	
1	Cost per Conduit Duct Foot (see section III below)	\$ 2.28	[12] or [13]
2	Carrying Charge Rate (see section III below)	18.68%	[14]
3	Computed 2019 MR based Full Duct Rate	\$ 0.21	[1] * [2] / 2
4	Computed 2019 MR based Inner Duct Rate	\$ 0.14	[1] * [2] / 3
II. Cost per Conduit Duct Foot			
Line #	Description		Source
5	Gross Investment - Conduit	\$ 167,531	Table III Row 102
6	Accumulated Depreciation - Conduit	\$ 72,679	Table III Row 202
7	Net Current Deferred Operating Income Taxes - Conduit	\$ -	Table III Row 402
8	Net Non-Current Deferred Operating Income Taxes - Conduit	\$ 1,025	Table III Row 405
9	Net Investment - Conduit	\$ 93,827	[5] - { [6] + [7] + [8] }
10	Conduit System Duct Kilometers	12,518	Table III Row 603
11	Conduit System Duct Feet	41,069,430	[10] * 3,280.83
12	Gross Cost Per Duct Foot	\$ 4.08	[5] / [10] * [11] * 1000
13	Net Cost per Duct Foot	\$ 2.28	[9] / [10] * [11] * 1000
	Use Gross or Net? (If Net is negative, use gross)	Net Cost per Duct Foot	
III. Carrying Charge Rate			
Line #	Description		Source
	Basis of Carrying Charge Rate (Gross or Net)	Net	
14	Total Carrying Charge Rate	18.68%	[17] + [20] + [24] + [27] + {[28] or [29]}
15	General & Administrative Expense	\$ 68,856	Table III Row 503
16	Investment - Total Plant in Service	\$ 438,864	[A1] or [A5]
17	General & Administrative Rate	15.69%	[15] / [16]
18	Maintenance Expense - Conduit	\$ 706	Table III Row 502.1
19	Investment - Conduit	\$ 93,827	[5] or [9]
20	Maintenance Rate	0.75%	[18] / [19]
21	Depreciation Rates - Conduit	1.80%	Table III Row 302
22	Gross Investment - Conduit	\$ 167,531	[5]
23	Net Investment - Conduit	\$ 93,827	[9]
24	Depreciation Rate for Rate Development	3.21%	Max({[21] * [22] / [23]} and [21])
25	Operating Taxes	\$ (49,818)	Table III Row 504
26	Investment - Total Plant in Service	\$ 438,864	[A1] or [A5]
27	Tax Rate	-11.35%	[25] / [26]
28	Rate of Return (Cost of Capital)	10.375%	Default
29	Rate of Return if Net Plant-Conduit is negative	N/A	Max({[28] * [9] / [5]} and -[28])
IV. Intermediate Calculations			
Line #	Description		Source
A1	Telecommunications Plant in Service	\$ 3,512,156	Table III Row 100
A2	Accumulated Depreciation - Total Plant in Service	\$ 3,051,801	Table III Row 200
A3	Net Current Deferred Operating Income Taxes - Total	\$ -	Table III Row 403
A4	Net Non-Current Deferred Operating Income Taxes - Total	\$ 21,491	Table III Row 406
A5	Net Investment Plant in Service	\$ 438,864	[A1] - { [A2] + [A3] + [A4] }

Pole and Conduit Rental Calculation Information

(Dollars in thousands & Operational Data in whole numbers)

COMPANY: AT&T / BELLSOUTH CORPORATION

STUDY AREA: KENTUCKY

PERIOD: From: Jan 2017 To: Dec 2017

COSA: SCKY

SUBMISSION: 3

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Row	Row Title (a)	Amount (b)
Financial Information (\$000)		2017
100	Telecommunications Plant-in-Service	3,512,156
101	Gross Investment - Poles	166,755
102	Gross Investment - Conduit	167,531
		-
200	Accumulated Depreciation - Total Plant-in-Service	3,051,801
201	Accumulated Depreciation - Poles	157,865
202	Accumulated Depreciation - Conduit	72,679
		-
301	Depreciation Rate - Poles	5.30
302	Depreciation Rate - Conduit	1.80
		-
401	Net Current Deferred Operating Income Taxes - Poles	-
402	Net Current Deferred Operating Income Taxes - Conduit	-
403	Net Current Deferred Operating Income Taxes - Total	-
		-
404	Net Non-Current Deferred Operating Income Taxes - Poles	1,020
405	Net Non-Current Deferred Operating Income Taxes - Conduit	1,025
406	Net Non-Current Deferred Operating Income Taxes - Total	21,491
		-
501.1	Pole Maintenance Expense	2,055
501.2	Pole Rental Expense	8,433
501	Pole Expense	10,488
		-
502.1	Conduit Maintenance Expense	706
502.2	Conduit Rental Expense	1
502	Conduit Expense	707
		-
503	General & Administrative Expense	68,856
504	Operating Taxes	(49,818)
Operational Data (Whole numbers)		
601	Equivalent Number of Poles	320,990
602	Conduit System Trench Kilometers	2,158
603	Conduit System Duct Kilometers	12,518
700	Additional Rental Calculation Information	N/A

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