

Exhibit 2

**Excerpts of the
Hickman-Fulton Deposition**

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

The Petition of the Kentucky Cable)
Telecommunications Association for)
a Declaratory Order that the) Case No. 2012-00544
Commission Has Jurisdiction to)
Regulate the Pole Attachment Rates,)
Terms, and Conditions of Cooperatives))
That Purchase Electricity from)
the Tennessee Valley Authority)

DEPOSITION FOR PETITIONER

*** *** ***

DEPONENT: DEBRA WEATHERFORD, CR 30.02(6) Designee of
 Hickman-Fulton Counties Rural Electric
 Cooperative Corporation

TAKEN: MARCH 11, 2015

BY: LINDSEY N. McMICHAEL, Certified Reporter

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COUNSEL and Co-Counsel only.

1 A. (Witness reviews documents.) I have not seen
2 Exhibit 12 before today.

3 Q. Okay.

4 A. I have seen Exhibit 13.

5 Q. Okay. Exhibit 13 is the operative document. So,
6 you're prepared to answer questions in the areas covered in
7 the attachment to Exhibit 13?

8 A. As best as I can.

9 Q. Okay. What did you do to prepare for this
10 deposition?

11 A. I did meet with the lawyer on Friday just to go
12 over legal terms that would be used in the deposition.

13 Q. What do you mean, to go over the legal terms?

14 A. Just what an objection would be.

15 Q. The process?

16 A. Yes.

17 Q. Okay. This was Mr. Depp?

18 A. Yes.

19 Q. And this was in association with other
20 representatives of cooperatives?

21 A. Yes.

22 Q. Okay. And were there representatives of each of
23 the five TVA cooperatives there?

24 A. I am not sure.

25 Q. Okay. So, did you review documents?

1 A. No.

2 Q. Other than your meeting with the lawyer on
3 Friday, have you discussed the subjects of the deposition
4 with anyone?

5 A. No.

6 Q. Have you made any effort to educate yourself
7 regarding the topics of the deposition?

8 A. No.

9 Q. Now, you understand that you're the cooperative
10 representative in all of the areas covered by the attachment
11 to Exhibit 13?

12 A. Yes.

13 Q. You believe that you know those areas so well
14 that you don't need to spend anymore time to educate yourself
15 regarding them?

16 A. No.

17 Q. So, you were not advised that you would have an
18 obligation to be able to answer questions in those areas?

19 A. Yes.

20 Q. You were or were not?

21 A. I knew -- I saw this this morning. Not this
22 morning. Yesterday morning.

23 Q. Okay. By this, you mean Exhibit 13?

24 A. Yes.

25 Q. So, the first time that you had seen the

1 Deposition Notice and the subjects that you will be examined
2 on was yesterday morning?

3 A. Yes.

4 Q. After your meeting with the other cooperatives
5 and counsel?

6 A. Yes.

7 Q. All right. Well, I'm not going to fill the
8 record with my views of what the obligations are in
9 connection with a 30.02(6) type deposition, but we'll see how
10 far we go. What's your current position?

11 A. On March 2nd, I was made interim president and
12 CEO.

13 Q. Okay. And what are your duties as interim
14 president and CEO?

15 A. To oversee the operations of the electric coop
16 and to provide safe, reliable electricity to the members.

17 Q. And prior to March 2nd, were you also employed by
18 Hickman-Fulton?

19 A. Yes.

20 Q. What was your position?

21 A. Business and member services manager.

22 Q. And what were your responsibilities as business
23 and member services manager? Is that what you said?

24 A. Yes. To oversee the accounting process and the
25 customer service process.

1 expressed terms of its wholesale Power Contract with Hickman-
2 Fulton, close quote. Do you see that?

3 A. Yes.

4 Q. Can you tell me what rates and services are
5 covered by this sentence or what rates and services mean?

6 A. I am not sure.

7 Q. Okay. Are you familiar with the wholesale Power
8 Contract of Hickman-Fulton?

9 A. No, I am not.

10 Q. Okay. Do you know whether Hickman-Fulton has
11 determined what the costs associated with pole attachment
12 rentals are?

13 A. Repeat the question, please.

14 Q. Do you know whether Hickman-Fulton has determined
15 what the costs associated with pole attachment rentals are?

16 A. We go by the Joint Use Agreement with TVPPA.

17 Q. Yeah, that's what the charge is based on, right?

18 A. That's correct.

19 Q. But I'm -- What I'm asking you is about the costs
20 that would --

21 A. No. No, I do not.

22 Q. Okay. Are you aware of any analysis by Hickman-
23 Fulton of what revenues are required to offset the cost of
24 providing pole attachments?

25 A. I am not.

1 A. Do what?

2 Q. Exhibit D. It's at the very end of the -- of the
3 AT&T agreement following the diagrams of a pole. Do you see
4 that? Do you see the payment provision --

5 A. Yes.

6 Q. -- in Exhibit D?

7 A. Yes.

8 Q. Okay. What were the rates between AT&T and
9 Hickman-Fulton prior to 2011?

10 A. I do not know.

11 Q. Do you know how much of an increase it was
12 between 2010 and 2011?

13 A. I do not know.

14 Q. Okay. Do you know whether either of these
15 agreements were approved by the TVA?

16 A. I do not know.

17 Q. Do you know whether the TVA approved any of the
18 rates in these agreements?

19 A. I do not know.

20 Q. Do you know whether the TVA would take into
21 account pole revenues in any way different from any other
22 revenues or costs?

23 A. I do not know.

24 Q. To the best of your knowledge, does TVA control
25 the amounts of state and local taxes paid by Hickman-Fulton?

1 A. I do not think so.

2 Q. Pardon me?

3 A. I do not think so.

4 Q. Okay. Do you know what the procedures are
5 between Hickman-Fulton and TVA to raise retail electric
6 rates?

7 A. No.

8 Q. Take a look at Exhibit 14 again, please. Turn to
9 item nine. I think you said that you were familiar with the
10 parties anyway that were reflected in the -- on this response
11 to this item, correct?

12 A. Yes.

13 Q. So, these are the -- Are these the only parties
14 that attach to Hickman-Fulton's poles?

15 A. Yes.

16 Q. Does Hickman-Fulton attach to any other parties'
17 poles?

18 A. We attach to AT&T's.

19 Q. Is that the only pole owner that you attach to?

20 A. Yes.

21 Q. Okay. And let's -- Let's look at this chart,
22 item nine. So, West Kentucky, is that West Kentucky RECC?

23 A. Rural Electric. Yes.

24 Q. And so West Kentucky attaches to some of Hickman-
25 Fulton's poles?

1 A. They did until -- In 2011, they removed all of
2 their attachments.

3 Q. Okay. Now, can you tell me why Windstream paid a
4 lower rate in 2010 than Zito Media or AT&T?

5 A. I am not sure.

6 Q. Can you tell me why West Kentucky paid a
7 different rate?

8 A. I am not sure.

9 Q. Can you tell me why Zito Media paid more than
10 AT&T in 2012?

11 A. AT&T, we're paying back -- The money we collected
12 in 2012 is -- is for December -- was for -- was actually for
13 the revenue for 2011, I believe. And Zito, what we collected
14 in 2012 was actually for the pole rental use in 2012.

15 Q. Okay. I didn't quite understand that. Let's
16 look at AT&T, 2012. The 2012 rate is 61 cents higher than
17 2011, correct?

18 A. Correct.

19 Q. And that was the rate that was charged to AT&T
20 for 2012?

21 A. That's correct.

22 Q. And 2013, the AT&T rate -- rate went to \$30.11.

23 A. That's correct.

24 Q. And that was the rate that AT&T paid in 2013,
25 right?

1 A. That's correct.

2 Q. Now, Zito Media is shown here as paying \$31.00
3 for 2012, which is higher than AT&T paid in 2012 according to
4 this.

5 A. I am not sure if the amount showed under AT&T is
6 for the calendar year 2010 when they were actually attached
7 to the poles or for the -- the time when we actually
8 collected the money, because AT&T attaches -- we bill them
9 backwards. So, they use the poles from January to December
10 and we bill them in the January of the next year. The
11 other --

12 Q. Okay. So, you pay them -- You charge them in
13 arrears?

14 A. That's correct.

15 Q. And you charge Zito Media in arrears?

16 A. No.

17 Q. Okay. So, you charge Zito Media in advance?

18 A. That's correct.

19 Q. Do you know whether Hickman-Fulton advised the
20 TVA that it was charging some companies different rates?

21 A. I do not know.

22 Q. Do you know if there's anything that would
23 prevent Hickman-Fulton and -- and KCTA from agreeing on a
24 rate that's different from the one that TVA and -- excuse me,
25 that AT&T and TVPPA have agreed to?

1 A. I do not know.

2 Q. So, as -- Just so it's clear, is Zito Media a
3 successor in interest to Galaxy?

4 A. Yes.

5 Q. So, they're operating under the Galaxy agreement?

6 A. Yes.

7 Q. Are you aware of any documents that would consist
8 of an order or directive or communication from TVA regarding
9 pole attachment rates?

10 A. I am not.

11 Q. Do you know whether TVA requires any information
12 on Hickman-Fulton's pole rates to be submitted to the TVA?

13 A. I do not know.

14 Q. Do you know whether Hickman-Fulton provides
15 information on Hickman-Fulton's pole rates to the TVA?

16 A. I do not know.

17 Q. Do you know whether Hickman-Fulton provides pole
18 related expenses to the TVA?

19 A. I do not know.

20 Q. Okay. I'd like marked, as Exhibit No. 19, a
21 series of reports submitted by Hickman-Fulton to the TVA for
22 2010 through 2013.

23 (WHEREAS, EXHIBIT NO 19 WAS ENTERED)

24 Q. Ms. Weatherford, are you familiar with these
25 reports?