COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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	AUG 23 2018
	PUBLIC SERVICE COMMISSION

THE APPLICATION OF TILLMAN INFRASTRUCTURE LLC A DELAWARE LIMITED LIABILITY COMPANY, AND NEW CINGULAR WIRELESS PCS, LLC. A DELAWARE LIMITED LIABILITY COMPANY, D/B/A AT&T MOBILITY FOR ISSUANCE OF A CERTIFICATE OF PUBLIC) CASE NO.: 2017-00435 CONVENIENCE AND NECESSITY TO CONSTRUCT A WIRELESS COMMUNICATIONS FACILITY IN THE COMMONWEALTH OF KENTUCKY IN THE COUNTY OF MARSHALL

SITE NAME: HANSEN

In the Matter of:

APPLICANTS' FILING OF AFFIDAVIT OF GRAM MEADORS IN RESPONSE TO AFFIDAVIT OF JASON SILBERSTEAIN

Tillman Infrastructure LLC ("Tillman"), a Delaware limited liability company, and New Cinquiar Wireless PCS, LLC, a Delaware limited liability company, d/b/a AT&T Mobility ("AT&T") (collectively, "Applicants"), by counsel, file the attached and incorporated Affidavit of Gram Meadors in Response to the Affidavit of Jason Silverstein previously filed in this proceeding as Public Comment. Gram Meadors is an Assistant Vice President – Sourcing on behalf of Applicant New Cingular Wireless PCS, LLC d/b/a AT&T Mobility. Based on his extensive experience with negotiations with SBA Communications Corporation ("SBA"), he is well-qualified to respond to the previously filed Affidavit of Jason Silberstein of SBA.

REQUEST FOR RELIEF

WHEREFORE, Applicants request that the PSC:

- (a) Accept the Affidavit of Gram Meadors for filing and consider it in relation to the Jason Silberstein Affidavit and the entire record of this proceeding;
- (b) Grant the Confidentiality Treatment previously requested for Responses to Public Service Commission Staff Data Requests;
- (c) Grant the requested Certificate of Public Convenience and Necessity for construction of a new cellular tower; and
- (d) Grant Applicants any other relief to which they are entitled.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this 23rd day of August 2018, the foregoing was hand-delivered to the offices of the Kentucky Public Service Commission in Frankfort, Kentucky. No natural person or entity has been granted intervention in this proceeding. Accordingly, no other service of this Motion has been made.

Respectfully submitted,

David A. Pike

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Attorney for Applicants

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF)
TILLMAN INFRASTRUCTURE LLC)
A DELAWARE LIMITED LIABILITY COMPANY, AND	ÿ
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D/B/A AT&T MOBILITY)
FOR ISSUANCE OF A CERTIFICATE OF PUBLIC) CASE NO.: 2017-00435
CONVENIENCE AND NECESSITY TO CONSTRUCT)
A WIRELESS COMMUNICATIONS FACILITY)
IN THE COMMONWEALTH OF KENTUCKY) -
IN THE COUNTY OF MARSHALL)

SITE NAME: HANSEN

AFFIDAVIT OF GRAM MEADORS IN RESPONSE TO AFFIDAVIT OF JASON SILBERSTEIN

STATE OF GEORGIA COUNTY OF FULTON

Comes the Affiant Gram Meadors, Assistant Vice President - Sourcing Operations, on behalf of applicant New Cingular Wireless PCS, LLC, d/b/a AT&T Mobility, ("AT&T Mobility") and being duly sworn, states as follows:

1. My business address is:

Gram Meadors, Assistant Vice President - Sourcing Operations AT&T Mobility, Tower Strategy 1025 Lenox Park Blvd. N.E., Suite D882 Atlanta, GA 30319 Nonetheless, I request that any correspondence to me in connection with this matter be sent to the address for counsel of record for Applicants in this proceeding.

- 2. I am certifying that the within statements are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.
- 3. I have reviewed the Affidavit of SBA Communications Corporation ("SBA") representative Jason Silberstein filed in this proceeding.
- 4. For approximately the last two years, I have been involved in negotiations, meetings, and other communications with representatives of SBA on a national basis as to location and/or modification of AT&T Mobility wireless communications facilities on SBA towers.
- During this two-year period, AT&T Mobility's national proposals as to reasonable rent and charges for equipment and/or antenna modifications, additions, and/or exchanges on SBA towers have not been accepted by SBA.
- 6. Numerous factors are included in pricing of collocation on an SBA-controlled tower. Base rent is not the only factor. SBA imposes a variety of additional site-specific equipment charges depending on the specific antenna and/or equipment configuration involved in the initial installation as well as in subsequent modifications.
- 7. The affidavit of SBA representative Jason Silberstein references a sevenyear-old rate sheet and references that "all additions at the Marshall County Tower ... were priced in accordance with that rate sheet." The business

issue is not whether rates demanded for the subject existing Marshall County site are consistent with the national practices of SBA. In fact, the Marshall County site rates are illustrative of what AT&T Mobility sees as unreasonable rates charged by SBA across the country and for many other Kentucky sites. The rate sheet comments are not evidence of a solution, but, instead are evidence of the problem. For empirical evidence as to the impact of SBA rental policies and practices, the Public Service Commission may review the rent information on the other SBA sites in the 50-mile radius as provided in the AT&T Mobility Responses to the Commission Staff's Data Requests.

- 8. SBA pricing proposals are not consistent with a real-estate-rights model in which AT&T Mobility pays a predictable rent amount for a specified amount of vertical real estate and tower loading and is granted the right to operate a communications facility within such parameters. Instead, the SBA model causes unpredictability and incremental increased charges whenever AT&T Mobility seeks to upgrade its service at a particular site. As technology changes, the need for equipment modifications to meet customer-service needs results in ongoing "stair-stepping" of rent. Such approach has put AT&T Mobility in the position of paying much higher than market rents to SBA for multiple sites as identified in the Responses to Data Requests previously filed with the Public Service Commission in this proceeding.
- 9. The affidavit of Jason Silberstein does not detail the depth of past discussions between SBA and AT&T Mobility on these pricing issues

involving new and amended collocations. My experience leads me to conclude the two companies are not at a stage where further discussions regarding the Marshal County Tower will be fruitful in light of the the core differences I describe above. Further negotiations with SBA on these matters in advance of a new national level agreement and final decision on the pending Application for construction of a new tower will be an exercise in futility.

- 10. The affidavit of Jason Silberstein presents a binary model of a market for vertical real estate with SBA as lessor and AT&T Mobility as lessee in which SBA offers to reduce its rental rate to "... the prevailing market rate between the *Parties* in the Kentucky market." (Silberstein Affidavit, Para. 10). (The "Parties" are defined in Paragraph 2 of the Silberstein Affidavit as only AT&T Mobility and SBA.) My experience tells me the proper market analysis should include Tillman Infrastructure, LLC ("Tillman"), as a potential lessor to make any determination as to reasonableness of rent for location of a communications facility since business decisions are properly made in regard to the marginal cost of alternatives. The supplementary information on the Tillman rent submitted in the Response to the Commission Staff's Data Requests provides empirical evidence on the substantial disparity between SBA rental rates and the much lower rates now offered by Tillman Infrastructure, LLC.
- 11. Further, the undersigned affiant sayeth naught

IN WITNESS WHEREOF, the undersigned affiant executes this instrument as a

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true act and deed and with the intent to be bound thereby.
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GRAM MEADORS ASSISTANT VICE PRESIDENT - SOURCING OPERATIONS
ON BEHALF OF NEW CINGULAR WIRELESS PCS, LLC, D/B/A AT&T MOBILITY
STATE OF GORGIA
COUNTY OF Fulton
This instrument was subscribed, swom to, and acknowledged before me by GRAM MEADORS in the capacity of Assistant Vice President – Sourcing Operations for applicant New Cingular Wireless PCS, LLC, d/b/a AT&T Mobility on this day of, 2018. My Commission expires:
NOTARY PUBLIC, STATE AT LARGE:
Print Name: Clauseonce A. Rose
Print Name: Clauseance A. Rose
Include Seal
WRENCE TO THE REAL PROPERTY OF THE PARTY OF

This instrument prepared by:

David A. Pike

Pike Legal Group, PLLC

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(502) 955-4400

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