

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE CATV POLE ATTACHMENT) ADMINISTRATIVE
TARIFFS OF THE UNION LIGHT,) CASE NO. 251-27
HEAT AND POWER COMPANY)

O R D E R

Procedural Background

On June 1, 1983, the Commission issued an Order rejecting the CATV pole attachment tariff filing of the Union Light, Heat and Power Company ("ULH&P") and directing ULH&P to file revised rates, rules and regulations governing CATV pole attachments. On June 24, 1983, the Kentucky Cable Television Association, Inc., ("KCTA") filed a petition to rehear, reconsider and modify paragraph 4 of the Order of June 1, 1983. On July 1, 1983, ULH&P filed a revised pole attachment tariff and supporting workpapers. On July 8, 1983, ULH&P filed a memorandum in opposition to KCTA's petition for rehearing.

FINDINGS

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

1. In finding 4 of the June 1, 1983, Order the Commission found that, as ULH&P does not segregate the cost of ULH&P's major appurtenances, 22 percent should be deducted

from its pole account in calculating its bare pole cost. KCTA's petition argues that 35 percent should be deducted in calculating ULH&P's bare pole cost. The Commission's Orders of August 12, 1982, and September 17, 1982, in Administrative Case No. 251, The Adoption of a Standard Methodology for Establishing Rates for CATV Pole Attachments, established uniform methods of estimating bare pole costs for telephone utilities and electric utilities that do not account separately for all appurtenances. For telephone utilities, the method consisted of deducting 22 percent for all appurtenances. For electric utilities, the method consisted of excluding 15 percent for minor appurtenances and deducting \$12.50 per ground. KCTA correctly argues that electric utilities make much greater use than telephone utilities of cross-arms and other appurtenances. Therefore, deducting 22 percent for all appurtenances is not adequate for electric utilities.

The Commission's Order of August 12, 1982, did not provide for electric utilities that do not segregate the cost of major appurtenances. ULH&P did not petition for reconsideration of that Order regarding ULH&P's failure to maintain separate records for all major appurtenances in account no. 364. The Amended Order of September 17, 1982, again did not provide for electric utilities that do not segregate the cost of major appurtenances. Therefore, to conform to the Commission's Amended Order of September 17, 1982, ULH&P should reconstruct separate cost records for

major appurtenances, such as anchors, cross-arms and braces, and estimate bare pole costs by deducting the cost of the major appurtenances plus 15 percent for minor appurtenances, such as aerial cable clamps and pole top pins, plus \$12.50 for ground wires.

2. ULH&P's rules and regulations governing CATV pole attachments conform to the principles and findings of the Commission's Order of June 1, 1983, and would be approved, except for the following objections:

a. In No. 2 the statement, "The Company shall have the sole right to determine the availability of such pole for joint use and shall be under no obligation to grant permission for its use by attachee," should be deleted along with the phrase "in the company's opinion" which is in the last sentence.

b. In No. 5 the statement, "if the company and other attachees or permittees are willing to make such rearrangement," should be deleted.

c. In Nos. 7 and 8 there should be a statement to the effect that ULH&P is liable for any negligence on its part whether or not it causes damages to CATV equipment.

d. In No. 11 there should be a statement which makes ULH&P liable for damage to CATV equipment when the damage is due to ULH&P's negligence.

e. In No. 15 the tariff may be subject to previously granted rights but shall not be subject to subsequently granted rights.

II IS THEREFORE ORDERED that ULH&P's CATV pole attachment tariff filed with the Commission on June 29, 1983, be and it hereby is rejected.

IT IS FURTHER ORDERED that ULH&P shall file revised rates, rules and regulations governing CATV pole attachments with the Commission within 30 days from the date of this Order, and that the revised rates, rules and regulations shall conform to the findings of this Order.

IT IS FURTHER ORDERED that ULH&P shall file detailed workpapers supporting its revised rates at the same time it files its revised rates, rules and regulations.

Done at Frankfort, Kentucky, this 14th day of July, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary