#### COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

#### ELECTRONIC INVESTIGATION OF THE PROPOSED POLE ATTACHMENT TARIFFS OF RURAL LOCAL EXCHANGE CARRIERS

) ) CASE NO. 2022-00107 )

#### RURAL LOCAL EXCHANGE CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

Brandenburg Telephone Company, Inc. ("Brandenburg" or the "Company") by counsel,

files its responses to the Commission Staff's First Requests for Information, issued in the above-

captioned case on April 21, 2022.

FILED: May 5, 2022

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

REQUEST NO. 1: Refer to Duo County's proposed tariff, PSC KY No. 2A, Original Page

18- 15, 3. Payments, b. Payment of Make Ready Estimates. Explain what "<subsection (2)(b)(4) of this section>" refers to.

**<u>RESPONSE</u>**: The reference "<subsection 2(b)(4) of this section>" is a clerical error; the correct reference is to section 18.16(2)(d) of Duo County's proposed tariff. The RLECs jointly propose amending this section to specifically refer to "section 18.16(2)(d)" to avoid any confusion and Brandenburg will adopt Duo County's proposed tariff with such revision.

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**REQUEST NO. 2**: Refer to Duo County's proposed tariff, PSC KY No. 2A, Original Page 18-18 indicating that "[t]he make-ready cost, if any, for a pole that is not a red tagged pole to be replaced with a new Pole to accommodate the new Attacher's attachment shall be charged the Company's cost in accordance with the Company's tariff or a special contract regarding pole attachments between the Company and the new Attacher."

a. Identify where the treatment of such make-ready costs is addressed in the tariff.

b. Explain in detail who is responsible for such make-ready costs pursuant to the terms and conditions of the tariff.

**<u>RESPONSE</u>**: (a) The treatment of make-ready costs is addressed throughout Sections 18.16, 18.17, and 18.18 of the tariff. Consistent with the procedures required by 807 KAR 5:015, Brandenburg will provide invoices for estimated survey costs and estimated make-ready costs. Subsequently, as is required by 807 KAR 5:015 § 4(6), if the final costs are different than the estimated costs, Brandenburg will send a Final Invoice that includes a true-up to "the actual survey costs incurred" and the "actual make ready costs." 807 KAR 5:015 § 4(6)(a)(1)-(2). Consistent with 807 KAR 5:015 § 4(6) and the Commission's Statement of Consideration implementing 807 KAR 5:015, the tariff specifically provides that a new Attacher "shall be charged the Company's cost."

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

(b) Consistent with 807 KAR 5:015 § 4(6), the Commission's Statement of Consideration implementing 807 KAR 5:015, the language of the tariff, and the Commission's historical precedent, an Attacher is responsible for the make-ready costs as it is the entity causing the cost. The Attacher will be "charged the Company's cost."

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**REQUEST NO. 3:** Refer to Duo County's proposed tariff, PSC KY No. 2A, Original Page 18-28.

a. Provide support for the per pole survey fee for your system.

b. Explain whether the per pole survey fee is intended to be an estimate of the survey costs that will be trued up in a final bill.

c. Identify the tariff language that indicates when the per pole survey fee must be paid.

**<u>RESPONSE</u>**: (a) A spreadsheet documenting a computation of Brandenburg's per pole survey fee for Brandenburg's system is attached to this response.

(b) Yes. Pursuant to 807 KAR 5:015 § 4(2)(b)(6)(b), "If a utility's tariff requires prepayment of survey costs, the utility shall include a per pole estimate of costs in the utility's tariff and the payment of estimated costs shall satisfy any requirement that survey costs be prepaid." Pursuant to 807 KAR 5:015 § 4(6), a utility is required to send a "detailed, itemized final invoice of the actual survey charges incurred if the survey costs for an application differ from an estimate previously paid for the survey work."

(c) Section 18.16(1)(a) of the tariff requires that the per pole Survey Charge be paid by the Attacher when submitting an Application requesting new attachments. ("All requests for Pole Attachments must be made in writing by the new Attacher and include payment of the per pole Survey Charge ....").

#### Brandenburg Telephone Company KY PSC DATA REQUEST - ITEM 3

	Rate	Qty	Total
Field Survey (hr)	\$ 62.31	2	\$124.62
Office / Mapping (hr)	\$ 62.31	1	\$ 62.31
Truck depreciation (mi)	\$ 0.59	65	\$ 38.07
			\$225.00

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**REQUEST NO. 4**: Refer to Duo County's proposed tariff, PSC KY No. 2A, Original Page 18-28. Also refer to South Central Telephone's current tariff, PSC KY Tariff No. 4, Section 17, Original Sheet No. 16, 17.17 Rental Rate. Explain why the \$2.43 per linear foot of cable duct charge currently in South Central Telephone's tariff is not included in Duo County's proposed tariff.

**<u>RESPONSE</u>**: Brandenburg does not have knowledge or information sufficient to form a response to Request No. 4 as it appears to be directed exclusively to South Central Telephone. Brandenburg does not have cable duct for use.

Witness) Allison Willoughby

Brandenburg's Response to PSC No. 4 Page **1** of **1** 

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

REQUEST NO. 5: Refer to Duo County's proposed tariff, PSC KY No. 2A, Original Page

18-28. Explain why the rates for West Kentucky Rural Telephone Cooperative Corporation, Inc.

will only be developed upon request.

**<u>RESPONSE</u>**: Brandenburg does not have knowledge or information sufficient to form a response to Request No. 5 as it appears to be directed exclusively to West Kentucky Rural Telephone Cooperative Corporation, Inc.

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

#### **REQUEST NO. 6**:

a. Identify each account and subaccount in which the costs of utility poles in service are recorded.

b. Provide a narrative description of the costs that are recorded in each such account, including a description of the type and vintage of poles for which costs are recorded in the account and a description other plant, if any, for which costs are recorded in the account.

c. Provide a spreadsheet showing the plant in service balance of each such account at the end of each of the last three fiscal years.

**<u>RESPONSE</u>**: (a) The cost of utility poles placed in service are recorded in Account 2411.00.

(b) All costs associated with the installation of a pole including the cost of the poles, other necessary equipment, labor, and materials are included in a work order. The entire cost of the work order is placed into the Poles Fixed Asset Account. The poles in Brandenburg's system range from 25 feet to 55 feet, with the majority of the poles ranging from 30 to 40 feet. The poles are southern yellow pine, treated with wood preservative.

(c) Please see the spreadsheet showing the plant in service balance of each such account at the end of each of the last three fiscal years attached to this response.

Brandenburg Telephone Company Staff Inquiry Question 6c Account 2411.00 - Poles

12/31/2019 \$4,321,005 12/31/2020 \$4,485,496 12/31/2021 \$4,830,138

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

## **REQUEST NO. 7**:

a. Identify each account and subaccount in which accumulated depreciation for poles in service is recorded.

b. Provide a narrative description of how the accumulated depreciation in each such account is calculated.

c. Identify the corresponding plant account or accounts for each account in which accumulated depreciation for poles is recorded.

d. Provide a spreadsheet showing the balance of each such account at the end of each of the last three fiscal years.

**<u>RESPONSE</u>**: (a) Accumulated depreciation for poles is recorded in Account 3107.00.

(b) The accumulated depreciation is calculated using the straight-line method, broad group procedure, and the whole life technique, which allows Brandenburg to arrive at an Average Service Life and Average Net Salvage Parameter.

(c) The corresponding plant account is Account 2411.00.

(d) Please see the spreadsheet showing the balance of each such account at the end of each of the last three fiscal years attached to this response.

Brandenburg Telephone Company Staff Inquiry Question 7d Account 3107.00 Accumulated Depreciation – Poles

12/31/2019	\$3,977,515
12/31/2020	\$4,206,679
12/31/2021	\$4,463,760

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

#### **REQUEST NO. 8:**

a. Identify the depreciation rates currently used to calculate depreciation expense for each account containing utility pole costs.

b. Identify the case in which each such depreciation rate was set.

c. Identify the useful lives of the poles used to calculate each such depreciation rate.

<u>RESPONSE</u>: (a) Brandenburg has adopted the Commission's average depreciation rates. The post-1988 depreciation rate for Poles (Account 2411) is 5.6%. Please see the Commission's average depreciation schedule last provided for use by telecommunications utilities attached to this response.

(b) Brandenburg is a telecommunications utility that has adopted the Commission's average depreciation rates.

(c) In accordance with the Commission's average depreciation schedule, the useful life of the poles used to calculate the depreciation rate is 26.0 years.



COMMONWEALTH OF KENTUGKY PUBLIC SERVICE COMMISSION 730 SCHENKEL LANE POST OFFICE BOX 615 FRANKFORT, KY, 40602 (502) 564-3940

October 2, 1997

TO: All Incumbent Local Exchange Telephone Utilities ("LEC") under the jurisdiction of the Public Service Commission of Kentucky who are eligible to consider the Commission's 1997 Average Depreciation Schedule.

RE: 1997 Average Depreciation Schedule

#### Gentlemen:

As you are aware, 807 KAR 5:064, Section 8, of the Commission's Regulations specifies that the Commission issue a proposed Average Depreciation Schedule for consideration by all LEC's who do not normally perform their own depreciation studies. Our records indicate that your utility is eligible to accept the 1997 Average Schedule which has been accepted by the Commission and is attached for your consideration.

This schedule is based upon utilizing the Straight-Line Method, Broad Group Procedure, and the Whole Life Technique to arrive at Average Service Life and Average Net Salvage Parameters. If your utility chooses to accept this schedule, the effective booking date will be January 1, 1998. If you choose to reject this schedule you have the option of either retaining your existing depreciation rates and waiting for the next average schedule to be issued, or conducting your own depreciation study according to the guidelines set out in the subject regulation.

For those LEC's choosing to accept this schedule, the depreciation rates for each account/subaccount will remain in effect for at least three years (e.g., you will only be allowed to accept a schedule one time in any three-year period). Moreover, no depreciation rate for any of your accounts/subaccounts may be higher than those specified in the schedule. You may, however, choose to use depreciation rates for individual accounts/subaccounts which are lower than those shown on the schedule. You are also required to separate your accounts/subaccounts to correspond to those indicated on the schedule.

Please notify this office, in writing, of your decision to either accept or reject the proposed schedule by November 14, 1997. Further, if you accept this schedule, you must provide a summary statement showing each of your plant accounts/subaccounts, the gross investment and reserve for each, and the resulting annual expense accrual for

AN EQUAL OPPORTUNITY EMPLOYER M/F/D

Brandenburg Telephone Company Case No. 2022-00107 Response to PSC No. 8(a) each category. Investments and reserve amounts should be based upon your most currently available information.

Should you have any questions relative to this matter, please contact Wayne Bates of our Engineering Division at (502) 564-3940, Ext. 416.

Sincerely.

Don Mills Executive Director

#### Attachments

ALLTEL Kentucky, Inc. CC: Ballard Rural Telephone Cooperative Corporation, Inc. Brandenburg Telephone Company, Inc. Duo County Telephone Cooperative Corporation, Inc. Foothills Rural Telephone Cooperative Corporation, Inc. Harold Telephone Company, Inc. Highland Telephone Cooperative, Inc. Leslie County Telephone Company, Inc. Lewisport Telephone Company, Inc. Logan Telephone Cooperative, Inc. Mountain Rural Telephone Corporation North Central Telephone Cooperative, Inc. Peoples Rural Telephone Cooperative Corporation, Inc. Salem Telephone Company South Central Rural Telephone Cooperative Corporation, Inc. Thacker-Grigsby Telephone Company, Inc. West Kentucky Rural Telephone Cooperative Corporation, Inc.

> Brandenburg Telephone Company Case No. 2022-00107 Response to PSC No. 8(a)

	1949			
22.0	∞ -10.0	5.0	Crossbar	2215.2
15.7	-10.0	7.0	Step By Step	2215.1
			Electromechanical Switching	2215.0
7.5	3.0	13.0	Digital Electronic Switching	2212.0
11.7	5.0	8.1	Analog Electronic Switching	2211.0
15.8	7.0	5.9	General Purpose Computers	2124.0
15.0	10.0	6.0	Official Communications Equipment	2123.2
7.5	10.0	12.0	Office Support Equipment	2123.1
			Office Equipment	2123.0
8.7	6.0	10.8	Furniture	2122.0
2.7	-1.0	38.0	Buildings	2121.0
7.5	3.0	13.0	Special Vehicles and Other Work Equipment	2116.0
10.1	15.0	8.4	Motor Vehicles - Heavy	2112.2
12.1	15.0	7.0	Motor Vehicles - Light	2112.1
1*)			Motor Vehicles	2112.0
	8		14	
Depreciation Rate (%)	Average Net Salvage (%)	Average Service Life (Years)	Plant Category	Account Number

**1997 AVERAGE DEPRECIATION SCHEDULE** 

Brandenburg Telephone Company Case No. 2022-00107 Response to PSC No. 8(a) PAGE 1

Z351.0  Public Telephone  0.0  0.0  0.0    2351.0  Public Telephone  0.0  0.0  0.0	2421.1Metallic17.017.0-13.02421.2Fiber22.022.021.0-13.02422.0Underground Cable
7.11	0.0 15.8 5.6 6.6 5.1 5.0 5.0
	Poles  26.0  445.0    Aerial Cable  17.0  -45.0    Metallic  17.0  -13.0    Fiber  22.0  -13.0    Underground Cable  25.0  -13.0    Fiber  25.0  -25.0    Fiber  22.0  -10.0
2362.0 Other Terminal Equipment 6.0 5.0 15.8	Aerial Cable  17.0  -13.0    Metallic  17.0  -13.0    Fiber  22.0  -13.0    Underground Cable  22.0  -13.0    Metallic  22.0  -13.0    Fiber  22.0  -13.0    Buried Cable  25.0  -25.0    Buried Cable  22.0  -10.0
Other Terminal Equipment6.05.0Poles26.0-45.0	Metallic  17.0  -13.0    Fiber  22.0  -13.0    Underground Cable  22.0  -13.0    Metallic  25.0  -25.0    Fiber  22.0  -25.0    Buried Cable  22.0  -10.0
Other Terminal Equipment6.05.0Poles26.0-45.0Aerial Cable0	Fiber  22.0  -13.0    Underground Cable
Other Terminal Equipment6.05.0Poles26.0-45.0Aerial Cable17.0-13.0	Underground Cable25.0-25.0Metallic25.0-25.0Fiber22.0-10.0Buried Cable100
Other Terminal Equipment  6.0  5.0    Poles  26.0  -45.0    Aerial Cable  17.0  -13.0    Fiber  22.0  -13.0	Metallic  25.0  -25.0    Fiber  22.0  -10.0    Buried Cable  10.0  10.0
Other Terminal Equipment  6.0  5.0    Poles  26.0  -45.0    Aerial Cable  17.0  -13.0    Fiber  22.0  -13.0    Underground Cable  22.0  -13.0	Fiber 22.0 -10.0 -10.0 Buried Cable
Other Terminal Equipment  6.0  5.0    Poles  26.0  45.0    Aerial Cable  17.0  -45.0    Metallic  17.0  -13.0    Fiber  22.0  -13.0    Metallic  22.0  -13.0    Metallic  22.0  -13.0	
Other Terminal Equipment  6.0  5.0    Poles  26.0  45.0    Aerial Cable  17.0  -13.0    Metallic  17.0  -13.0    Fiber  22.0  -13.0    Metallic  25.0  -25.0    Fiber  25.0  -25.0	

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**1997 AVERAGE DEPRECIATION SCHEDULE** 

Account Number

Plant Category

Average Service Life (Years)

Average Net Salvage (%)

Brandenburg Telephone Company Case No. 2022-00107 Response to PSC No. 8(a)

Depreciation Rate (%)

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PAGE 3

**1997 AVERAGE DEPRECIATION SCHEDULE** 

		Account Number
		lant Category
	(Years)	Average Service Life
×	Salvage (%)	Average Net
	(%)	Depreciation Rate

-8.0	50.0	Conduit Systems	2441.0
 -31.0	14.0	Aerial Wire	2431.0
-1.0	20.0	Fiber	2426.2
-1.0	20.0	Metallic	2426.1
		Intra-Building Network Cable	2426.0
-1.0	27.0	Submarine Cable	2424.0
-2.0	20.0	Fiber	2423.2
 -10.0	20,0	Metallic	2423.1

Rates accepted by the Public Service Commission of Kentucky for use on and after January 1, 1998.

Brandenburg Telephone Company Case No. 2022-00107 Response to PSC No. 8(a)

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#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**REQUEST NO. 9:** Identify the total number of distribution poles in your system, and provide a breakdown of those poles based on the year they were installed.

**<u>RESPONSE</u>**: Brandenburg does not have "distribution poles" or "transmission poles," which are terms specific to the electric industry. The total number of poles currently in service in Brandenburg's system is 11,858.

RUS does not require that Brandenburg maintain records regarding date of installation of poles, and poles are depreciated on a group asset basis. Brandenburg replaces poles as needed through daily observations in the field and through biannual inspections.

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**<u>REQUEST NO. 10</u>**: Identify the total number of transmission poles in your system, and

provide a breakdown of those poles based on the year they were installed.

**<u>RESPONSE</u>**: Please see Brandenburg's Response to Commission Staff's Request for

Information No. 9.

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**<u>REQUEST NO. 11</u>**: Describe in detail the current plan or policy regarding the inspection

and replacement of aging or damaged poles in your system, and provide a copy of any such plan

or policy that has been memorialized in writing.

# **<u>RESPONSE</u>**: Please see Brandenburg's Pole Inspection Policy provided with this

response.

# **Brandenburg Telephone Company Pole Inspection Policy**

#### PURPOSE

To guide Brandenburg Telephone Company (BTC) employees in performing inspections and safety awareness of BTC owned poles. Preventative maintenance of BTC plant will be conducted daily as well. All BTC staff is encouraged, during daily operations, to observe and correct minor maintenance issues and report more extensive maintenance issues to the Engineering Department.

#### 1. Inspection cycle

BTC will inspect all standing poles bi-annually for stability.

#### 2. Inspection methods

Test each pole by one or more of the following methods:

- 1. Pike pole test
- 2. Prod and sounding test
- 3. Handline test
- 4. Boring test

#### 3. Pole Inspection Rating System

Upon inspection, poles shall be rated based on the following table and logged on an inspection sheet. The inspection sheet must be turned in daily to the Engineering department.

Inspection Priority	Pole Condition	Flagging To Be Used	Replacement Time
1	Priority Reject	2 Orange Ribbons	0-48 hours
2	Reject	1 Orange Ribbon	18-24 Months

#### 4. Definitions

Priority Reject (PR) - A pole identified as unsafe to employees or the public and in need of immediate attention. These poles <u>must be</u> reported to BTC immediately.

Reject (R) – A pole that is not an immediate danger to employees or the public, but does need to be removed from the plant.

#### 5. Procedure

BTC Engineering shall ensure that any required pole maintenance is complete. Records shall be kept in binders per exchange in the Engineering department. These records shall be retained for 4 years. No employee shall ladder or climb a pole with an orange ribbon.

#### 6. Training

All outside personnel shall receive this policy and shall be instructed to never climb or ladder a pole with an orange ribbon. Newly hired employees shall receive this policy with their new hire packet.

#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

#### **REQUEST NO. 12:**

a. Explain how filing a tariff that simply incorporates another utility's tariff by reference complies with 807 KAR 5:015, Section 3; KRS 278.160; and KRS 278.180.

b. If Duo County amended its tariff, would that constitute an amendment of the tariffs of every utility that incorporated it by reference, or would each utility have to file a subsequent amendment?

<u>RESPONSE</u>: (a) Pursuant to longstanding Commission practice, Brandenburg has adopted the Duo County Tariff since at least 1999, and such adoption has been consistently approved by the Commission. This longstanding practice is also consistent with practice at the federal level, where Brandenburg (along with the other RLECs who have adopted the Duo Tariff) has adopted the NECA, JSI, and/or Moss Adams Tariffs.

(b) Consistent with historical practice of Brandenburg's adoption of the Duo County Access tariff, it is anticipated that amendments applicable to all RLECs would constitute an amendment of the tariffs of every utility that incorporated it by reference, and any utility-specific rate sheets or information, including exceptions to such information, would be reflected in the amended filing for the specific utility.

### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

**<u>REQUEST NO. 13</u>**: For Ballard Rural Telephone Cooperative Corporation, Inc. only:

Describe the timetable for decommissioning and removing your current poles.

## **<u>RESPONSE</u>**: Commission Staff's Request No. 13 is not directed to Brandenburg and

no response is requested.

Witness) Allison Willoughby

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#### RURAL LOCAL EXCHANGES CARRIERS' RESPONSES TO THE COMMISSION STAFF'S FIRST REQUESTS FOR INFORMATION

#### VERIFICATION

I, Allison Willoughby, verify, state, and affirm that the information request responses filed with this verification for which I am listed as a witness are true and accurate to the best of my knowledge, information, and belief formed after a reasonable inquiry.

Name: Allison Willoughby

Title: General Manager

COMMONWEALTH OF KENTUCKY

COUNTY OF FAYETTE

) ss:

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SUBSCRIBED AND SWORN TO before me by Allison Willoughby on this the 3rd day of May, 2022.

My commission expires: March 14, 2026

N. Hell

Notary Public



ASHLEY HALL Notary Public, Kentucky State At Large My Commission Expires March 14, 2026 Notary ID# KYNP46927