

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

**In the Matter of:**

**ELECTRONIC INVESTIGATION OF THE    )**  
**PROPOSED POLE ATTACHMENT TARIFFS OF                                    ) CASE NO. 2022-00107**  
**RURAL LOCAL EXCHANGE CARRIERS    )**

**RURAL LOCAL EXCHANGE CARRIERS' RESPONSES TO THE COMMISSION**  
**STAFF'S SECOND REQUESTS FOR INFORMATION**

Highland Telephone Cooperative, Inc. (“Highland” or the “Company”) by counsel, files its responses to the Commission Staff’s Second Requests for Information, issued in the above-captioned case on May 19, 2022.

**FILED: June 2, 2022**

ELECTRONIC INVESTIGATION OF THE PROPOSED POLE ATTACHMENT TARIFFS OF  
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CASE NO. 2022-00107

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**REQUEST NO. 1:** Describe your recent efforts, if any, to reduce the number of above ground lines, and identify the number of poles that have been eliminated in your system in each of the last ten years because the lines previously attached to those poles were placed underground.

**RESPONSE:** Due to the hilly and rocky terrain of Highland's service territory, Highland has not made any efforts to reduce the number of above ground lines in its service territory as it is typically not economical or feasible to do so.

Witness) G.M. Patterson

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**REQUEST NO. 2:** Other than identifying specific defective poles through inspections that require replacement, state whether you have a policy or practice of replacing poles on a periodic basis or as they reach the end of their useful lives and, if so, describe that policy or practice in detail, including how and when (e.g. how far in advance) such replacements are identified or included in your projected capital spending budget.

**RESPONSE:** Highland does not have a specific policy that requires replacement of any poles on a periodic basis. Rather, as a matter of responsible spending, Highland replaces poles when it is determined those poles are no longer safe for use. This determination could result from unexpected damage (such as a car collision or adverse weather event) or through periodic inspections of the poles, such as those described in Response to Commission Staff's First Requests for Information No. 11.

Witness)      G.M. Patterson

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**REQUEST NO. 3:** Describe in detail the process you use to budget for future capital expenditures, including when you first develop a preliminary capital spending budget for a particular year (e.g. three years in advance, five years in advance, etc.), how you determine the amounts to include in the preliminary capital budget, the level of specificity included in any preliminary budget, and each step that is taken in the process to get from any preliminary budget to a final capital spending budget for a particular year.

**RESPONSE:** Highland prepares a capital budget annually. The process begins in September with a review of the current year's budget to identify items that may carry over and need to be accounted for in the upcoming capital budget. Each manager identifies a list of items for the capital budget with information from the current and previous year's budget in their area of responsibility and obtains quotations for those respective capital projects. The capital expenditure budget is finalized in November and presented to the Board of Directors for approval.

Witness)      G.M. Patterson

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**REQUEST NO. 4:** Provide any current joint use agreements.

**RESPONSE:** Please see the **CONFIDENTIAL** agreements provided herewith.

Witness)      G.M. Patterson

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**REQUEST NO. 9:** For Highland Telephone only: Refer to Highland Telephone's response to Staff's First Request, Item 3(a), regarding the per pole survey fee.

a. Explain and provide detailed supporting calculations for how the hourly rate of \$75.29 was derived.

b. Provide support for the assertion that a field survey takes two hours per pole and the office/mapping takes 0.5 hours per pole.

**RESPONSE:** (a) The hourly rate is comprised of the hourly wage for a lineman/stakeman and the associated overhead. The overhead calculation is determined based upon Highland's employment software. Employment costs, both direct and indirect (with the exception of wages) are allocated to open work orders based on labor hours. These costs include, but are not limited to, employee insurance (health, dental, and vision), retirement contribution, life insurance, worker's compensation insurance, unemployment insurance, the employer portion of FICA taxes, vehicle costs, supplies, and tools.

(b) The estimated two hour per pole time period for the field survey is comprised of the following estimated time periods:

Activity	Estimated Time
Review request for specifics	10 minutes
Travel time	30 minutes
Measure and record all attachment heights	10 minutes
Measure and record all road clearances	10 minutes
Draw/sketch job with all make-ready units and notes	25 minutes

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Create labor and materials estimate	15 minutes
Contact power company with details	15 minutes
Provide work order detail to construction	5 minutes
<b>Total</b>	<b>120 minutes</b>

The estimated 0.5 hours per pole for office/mapping is comprised of the following estimated time periods:

<b>Activity</b>	<b>Estimated Time Period</b>
Review current as-built units/configuration	5 minutes
Revise attributes as per required changes	10 minutes
Map drawing charges as per required changes	15 minutes
<b>Total</b>	<b>30 minutes</b>

Witness) **G.M. Patterson**

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**Requests for Information Not Directed to Highland: Commission Staff's Second**

**Request for Information Nos. 5-8 and 10-15 are not directed to Foothills and no response is required.**



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VERIFICATION

I, G. M. Patterson, 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: G. M. Patterson

Title: General Manager/CEO



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) ss:  
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SUBSCRIBED AND SWORN TO before me by G.M. Patterson on this the 31<sup>st</sup> day of May, 2022.

My commission expires: 2-18-24



Notary Public