

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

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

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: SCRTC has a multi-year plan to convert its facilities to fiber optic cable. For each exchange, SCRTC starts with a design and then stakes the area with the intention of burying as much of SCRTC's facilities as is reasonably possible. SCRTC does not track the number of poles that have been eliminated in favor of buried cable.

Witness) **Jeff Eaton**

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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: SCRTC does not have a specific policy that requires replacement of any poles on a periodic basis. Rather, as a matter of responsible spending, SCRTC 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.

SCRTC does not specifically budget for periodic replacement of poles.

Witness) **Jeff Eaton**

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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: SCRTC creates a budget on an annual basis. Between October and November of each year, management puts together a capital budget for the upcoming year, including evaluating various areas of service for fiber to the home construction. The major areas of SCRTC's capital budget include fiber to the home, buildings and grounds, vehicles, premise equipment, and central office equipment. After management finalizes the construction budget, the budget is presented to the Board for its review and approval. The budget approved by the Board is the Company's budget for the following year.

Witness) Jeff Eaton

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

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

Witness) **Jeff Eaton**

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REQUEST NO. 14: For South Central Telephone only: Refer to South Central Telephone's response to Staff's First Request, Item 3(a), regarding the per pole survey fee.

a. Explain and provide detailed supporting calculations of how the per pole labor rates of \$45.11 and \$20 were derived.

b. Provide support for the assertion that the travel and FEMA vehicle rate take 2.5 hours per pole.

RESPONSE: (a) **The \$45.11 hourly rate was derived utilizing the hourly wage of the employee performing the survey, and adding in overhead and benefits. A chart detailing the entire calculation is provided herewith.**

The \$20 hourly rate is not a labor rate, but is a middle of the road FEMA vehicle rate based upon the type of vehicle anticipated to be used in completing the survey.

(b) **This estimate is based upon the total estimated, average round trip travel time from SCRTC's dispatch center to a pole in SCRTC's service territory.**

Witness) **Jeff Eaton**

Pay Rate Analysis

Rate	24.62	2080	\$ 51,210
Retirement	16.00%		\$ 8,194
1% Matching	1%		\$ 512.10
GHP & Other Benefits	30000		\$ 30,000
SS Matching	7.65%		<u>\$ 3,918</u>
Total			\$ 93,833
Loaded Rate			\$ 45.11

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

Request for Information Nos. 5-13 and 15 are not directed to SCRTC, and no response is required.

