

**STATE OF CONNECTICUT
PUBLIC UTILITY REGULATORY AUTHORITY**

<u>DPUC INVESTIGATION INTO THE</u>	:	Docket No. 11-09-09
<u>APPOINTMENT OF A THIRD PARTY</u>	:	Docket No. 11-03-07
<u>STATEWIDE UTILITY POLE</u>	:	
<u>ADMINISTRATOR FOR THE STATE OF</u>	:	
<u>CONNECTICUT</u>	:	February 28, 2013

**REPORT OF POLE ATTACHMENT WORKING GROUP
ON RECOMMENDED POLE ADMINISTRATION STRUCTURE**

On August 1, 2012, the Connecticut Public Utility Regulatory Authority (the "Authority") issued a decision (the "Decision") in Docket No. 11-09-09, PURA Investigation of Public Service Company Response to 2011 Storms (the "Storm Docket"). The Storm Docket examined the performance of the States' public utility companies in restoring service to customers after the 2011 storms.

The Authority determined that the pole attachment working group (the "Working Group"), which consists of utility pole owners (the "Pole Owners") and various pole attachers including telecommunications services providers, cable television companies and municipalities, should be reconvened for the purpose of developing "a consensus pole administration structure to facilitate pole attachments." Decision, at 85. Representatives of all interested parties in the Storm Docket were invited to participate in the Working Group process.

The Authority directed the Working Group "to begin its discussions with the proposals submitted in [Docket No. 11-09-09] by the OCC, CL&P, UI and Fiber Technologies." Id. at 85. The Department subsequently designated staff members John Jasinski and Quat Nguyen, pursuant to Conn. Gen. Stat. §16-19j, to monitor the activities of the Working Group and provide

policy assistance. It also ordered the Working Group to submit a status report in both Docket No. 11-03-07 and Docket No. 11-09-09 on resolved and outstanding issues by November 15, 2012, and to report further on the recommended pole administration structure by January 17, 2013. *Id.* at 118. Those deadlines were extended with Authority approval to December 6, 2012 and February 28, 2013, respectively. On December 6, 2012, the undersigned submitted a Progress Report to the Authority with the participation and support of the Working Group.

This Report (the "Report") is submitted in response to the requirements of the Decision. The Report is presented in four sections. The first section summarizes the process utilized by the participants (the "Participants") to conduct the Working Group meetings. The second section presents the five principal issues, which the Working Group has considered to date as part of its effort to develop a "recommended pole administration structure." This section discusses the aspects of each issue on which the Participants have reached a consensus, and the areas which are in dispute or which present open questions. In addition, this section suggests the questions, which the Working Group believes that the Authority should review and consider ruling on, in order to implement an improved pole administration structure. A chart listing the issues designated for PURA review is attached to this Report. See List of Working Group Issues Designated for Possible PURA Review, Appendix A ("List of Issues"). The third section of the Report lists some additional pole administration issues, which were discussed by Working Group Participants at the January 17, 2013 meeting, and determined either not to require Authority action at this juncture, or were best addressed by continuing discussions among the affected participants. The fourth section of the Report discusses possible approaches which the Authority could take to resolving the issues raised in this Report.

This Report was prepared by counsel for Fiber Technologies Networks, L.L.C. ("Fibertech") and then circulated for review and comment by all Participants. To the extent that the Report presents the positions of one or more of the Participants on contested issues, it should not be interpreted as: (1) being a comprehensive statement of anyone's views; (2) taking a position in support of any particular resolution to such matters; or (3) admitting the validity of one Participant's views by the other Participants. No Participant shall be deemed to have waived any rights it may have by reviewing or approving the submission of this Report.

I. WORKING GROUP MEETINGS.

The Working Group held formal meetings on six separate occasions: August 29, 2012, September 19, 2012, October 2, 2012, October 23, 2012, December 10, 2012 and January 17, 2013. Those meetings enjoyed widespread attendance by Participants either in person or by teleconference. Representatives of the four Pole Owners, municipalities, cable television companies, telecommunications services companies and other interested parties were generally involved in each meeting.

Each meeting was chaired by Vincent Pace, Senior Counsel of The Connecticut Light & Power Company ("CL&P"), and minutes were taken and circulated to the Participants by Anna Raby of CL&P. Copies of the meeting minutes are attached to this Report as Appendix B. The Working Group extends its gratitude to CL&P for hosting the meetings and offering this important assistance. John Jasinski of PURA participated in each meeting. He offered many thoughtful suggestions concerning the issues in dispute and documented the parties' positions with several helpful charts. William Vallée also attended the meetings as the representative of the Office of Consumer Counsel ("OCC") and brought his expertise as the State's Broadband Coordinator and a consumer advocate to the proceedings.

By mutual agreement, it was determined at the first meeting that the proposals made by CL&P and United Illuminating Company ("UI") during the Storm Docket to serve as a single pole administrator ("SPA") in their respective service territories should be the initial focus of the Working Group. There was considerable dialogue about the purposes, benefits and challenges posed by the Proposals at the first two meetings. As the result of apparent substantial differences in views as to the nature of the recommended pole administration structure and the perception of an impasse between the parties, there was discussion at the September 19, 2012 meeting as to whether to continue or suspend the Working Group meetings. John Jasinski of PURA suggested that the parties schedule additional meetings and continue to work on less contested aspects of the pole administration process such as a common software platform and standardized pole attachment agreements.

The third meeting of the Working Group was held on October 2, 2012. The Participants heard a presentation from Alden Systems. The company was invited to demonstrate the capabilities of the NOTIFY utility pole software platform which is currently used by CL&P and is the exclusive software used for pole licensing in Utah by order of the Utah Public Service Commission.

After the NOTIFY presentation at the third meeting, each of the Participants discussed their willingness and concerns about broadening the use of the NOTIFY system to include all Pole Owners and attachers at the October 23, 2012 and December 10, 2012 meetings. Reports were also presented by AT&T, UI and others at these meetings as to the efforts being made to create "standardized pole attachment agreements" for use by the Pole Owners with municipalities. The final meeting held on January 17, 2013 focused on the Participants'

comments and proposals on the seven pole related issues flagged for possible further discussion in the December 6, 2012 Progress Report.

II. KEY SUBJECTS REVIEWED BY THE WORKING GROUP.

Some of the key issues reviewed by the Working Group have been generally resolved and the Participants have found a consensus, while others remain in dispute. The following items were the principal subjects considered:

1. Pole Owners' and Attachers' Participation in and Use of the NOTIFY Pole Data System.

A. Background of Issue. CL&P uses the NOTIFY database and software system for the receipt and processing of wire line third party attachment applications, as well as a variety of other data collection, attacher notification and communication functions. CL&P's representatives stressed that universal use of a centralized software system such as NOTIFY was a prerequisite to the company's proposal to serve as a SPA within its customer service areas. The system is a web based, electronic notification system that has the capability to: (i) process applications by third party attachers for permission to attach, relocate or remove pole attachment equipment; (ii) coordinate communications and notifications among the Pole Owners and attachers for surveys, inspections, payments and make-ready work concerning a particular pole or group of poles; and (iii) provide real time reports with appropriate confidentiality safeguards about the status of various license applications and pole work. It is not currently used for pole transfers but CL&P explained that NOTIFY has the capability to be used for pole transfers in the future.

The NOTIFY system currently used in Connecticut is built on CL&P's GIS mapping records. In order to become a statewide central repository of pole related data, solely-owned AT&T and Verizon poles, as well as poles within UI's service territory, would need to be added

to the system. Although field reports on the conditions and attachments at individual pole locations are continually entered into the system, NOTIFY cannot at this time fully replace field surveys and work inspections since real world conditions change and each new or relocated attachment creates specific guying requirements. CL&P purchased the NOTIFY system and other Participants can be authorized to use it by signing a usage agreement with CL&P and the vendor.

B. Areas of Agreement. There was widespread agreement that all of the Pole Owners should adopt the use of the NOTIFY system currently maintained and used by CL&P. AT&T indicated that it supports the use of the system and believes that significant improvements in the pole administration process can be achieved by using this system and making other administrative improvements. Since CL&P's data base already contains AT&T's jointly owned poles, AT&T agreed to provide additional data on its solely owned poles. AT&T noted it is developing its own 22 state pole data system and will create an interface between NOTIFY and its system.

UI also agreed one centralized system would be beneficial. UI's management and IT department have met with Alden Systems and are prepared to use NOTIFY. UI will require some enhancements to be made to the reporting functions of NOTIFY in order to match their present system functions.

There was also broad support from other Participants for the NOTIFY system. The OCC, Fibertech, Town of Glastonbury, City of Stamford, Town of West Hartford, GMIS and NECTA members believe that the NOTIFY system would be a valuable tool regardless of whether there is also a SPA established.

C. Open Questions or Disputed Issues. Three of the Pole Owners expressed concern as to how any additional costs incurred in establishing and running this centralized data system should be recovered. Right now, there is no charge by Alden Systems for attachers to use the system. These Participants' positions on cost recovery issues are further described in item 4 of this Section. Two of the Participants raised concerns about the circumstances in which the PURA Mediation Team should be permitted to access the NOTIFY system, as discussed further in item 5 of this section.

D. Issues for Authority Review. It is the consensus of the Working Group that the Authority should issue through an appropriate administrative process an order specifically endorsing the use of NOTIFY as a centralized and standardized data system by all Pole Owners for pole administration. Without such a specific administrative directive, some of the Pole Owners would be unable to contract with Alden Systems in full compliance with their internal procurement policies. In addition, the Participants believe that the Authority should consider ordering all Pole Owners to provide data on their poles, and require all Pole Owners, municipalities and attachers to utilize the system's capabilities for requesting and conducting pole surveys, processing license applications, and overseeing attachment installations, shifts and make ready work timelines. See List of Issue, Appendix A.

2. Duties, Authority and Territory of the Proposed Single Pole Administrator.

A. Background of the Issue. The most discussed issue at the meetings of the Working Group has been the possibility of creating a SPA in each electric company's service area and the role of various participants in any such proposed structure. The CL&P Proposal and the UI Proposal would substantially change existing pole administration practices and would therefore require the Authority to empower a SPA to oversee the entire process. CL&P's

proposal is based on the testimony submitted in the Storm Docket by Vice President, Kenneth Bowes. As further explained by Lauren Gaunt of CL&P at several of the Working Group meetings, CL&P's proposal is for the SPA to assume four principal responsibilities: (1) serving as the single point of contact for all pole-related issues in its 149 town service area; (2) serving as the single point of contact for all parties that apply to attach new equipment on poles or replace existing equipment; (3) serving as a traffic cop to coordinate the shifting of existing equipment on poles as needed to accommodate new attachments, eliminate double poles and facilitate repairs and replacements of existing equipment; and (4) accepting responsibility for meeting Authority deadlines and pole related commitments which are within the control of CL&P.

UI's proposal, which was also submitted during the Storm Docket, has many of the same features as CL&P's. In UI's proposal, however, the company seeks to serve as a single pole owner in its service territory by acquiring all poles jointly or solely owned there by AT&T Connecticut ("AT&T"). UI believes this additional feature is necessary for the SPA to achieve desired efficiency gains in pole administration and to satisfy the stakeholders' goal of having a single point of contact for all pole-related issues. UI's proposal calls for the SPA to handle a broad range of additional duties including pole testing, coordinated tree trimming, maintenance and replacement of poles, and repairs during emergency conditions. UI has not committed to serve as a SPA without purchasing the telephone companies' poles.

There was considerable discussion during the first two meetings of the Working Group about the merits of having a SPA. All Participants were asked to submit additional comments on the SPA concept and the proposals made by CL&P and UI. Some Participants were generally supportive of the initiative and others had serious concerns.

AT&T Connecticut ("AT&T") stated it could not agree to UI's proposal since it requires UI to purchase AT&T's ownership interest in all of the poles located within UI's territory. Verizon also reiterated its legal position that the Authority lacks the statutory authority to require the establishment of a SPA and further opined there is no demonstrable need for such an appointment in its Connecticut service area given the small amount of licensing activity conducted there. As discussed in more detail hereafter, AT&T does not see the need for a SPA but is willing to have a SPA take on certain pole licensing, administrative tracking and notification functions. AT&T stated it was not prepared, however, to implement all the elements of CL&P's and UI's proposals, particularly the requirement for AT&T to allow the SPA or a qualified contractor selected by the SPA from a list preapproved by AT&T to perform or manage certain survey, make ready and inspection activities within the communications space on the poles, in circumstances where the applicable PURA timeframes for completing make-ready work has expired and there was no force majeure event in effect.

In contrast, other meeting Participants including the OCC, Connecticut Conference of Municipalities ("CCM"), Town of Glastonbury, Connecticut Governmental Management Information Sciences ("GMIS"), Fibertech, Town of West Hartford, and City of Stamford endorsed the SPA concept as described in CL&P's proposal, in their written submissions to the Working Group or during the discussions held at the August 29th and September 19th meetings. They support establishing a single point of contact to handle pole licensing, administration, and repairs, which would be empowered to oversee and implement Authority requirements. These stakeholders emphasized the importance to them of reducing the possibility of delay or duplication in pole licensing and make ready work, and ensuring ongoing compliance with the Authority's requirements set forth in the August 1, 2008 decision issued in Docket No. 07-12-03

(the "Pole Decision"). NECTA stated its members generally have not experienced difficulties accessing poles, but are open to working on streamlining the pole attachment process with the Pole Owners.

B. Areas of Agreement. All Working Group Participants accept some basic concepts about the role of the SPA if one is established. They concur that the SPA would serve as a single point of contact for attachers seeking a license to install a pole attachment or relocate one. An applicant would submit a single application to the SPA and the SPA would be responsible for notifying the applicant as to the status of the license and make ready work. The SPA would be expected to collect the checks for the appropriate application fees and make ready fees. Most important, the SPA would oversee and keep track of any required survey work, temporary attachment requests, make ready work, applicant payments and construction related to the planned installation. It would coordinate and notify various attachers on the pole as to necessary shifts of equipment or modifications in existing attachments. Under this arrangement, only one pole license would be released to the attacher when all make ready work has been finished in both the electric and telecommunications gain.

C. Open Questions or Disputed Issues. There are two principal areas of disagreement and one potential concern among the Participants which were raised as to the proposed establishment of a SPA to oversee pole administration and licensing.

(i) Field Survey and Shifting Work in the Communications Space. There is strong disagreement as to CL&P's and UI's requirement that the SPA be authorized to complete field surveys of both the electrical gain space (the "Electrical Space") and the communications gain space (the "Communications Space"), and shift communications facilities belonging to a telephone company, cable company, municipality or telecommunications provider as and when

needed in the Communications Space. The electric companies propose that the SPA be authorized to perform these surveys and shifting tasks using qualified electrical or telecommunications contractors approved in advance by the telephone companies. According to CL&P, the SPA would only exercise the authority to shift the communications facilities of others if the telephone company and/or Communications Space attacher has failed to perform required shifting work within the applicable PURA-mandated timeframe for shifting and the failure is not otherwise excused by applicable rules. CL&P believes that this authority is critical to the company's ability to serve as a traffic cop for pole licensing and to its willingness to assume responsibility to applicants for system compliance with Authority requirements. UI supports the allocation of these complete duties to the SPA and further believes that this approach is necessary to establish a level playing field for all communication attachers and eliminate any appearances of telephone company control of competitors' activities.

AT&T's counter proposal on the SPA would require AT&T to remain in control of the Communications Space. AT&T would perform engineering field surveys of the telecommunications gain (based on the SPA's completed pole survey forms) to determine what make ready work is required, prepare the cost estimate, and advise the SPA of the details of the required work. AT&T stated there is no evidence to support the need for the SPA to manage the Communications Space. AT&T needs to continue to perform these functions because AT&T cannot hand over the placement or management of its facilities to a third party not being supervised by AT&T. Consequently, AT&T proposes to work with the SPA by continuing to manage the Communications Space; identify new attacher placement locations; calculate guying and safety requirements; assign tagging requirements; identify shift moves, sequencing, bonding

needs and new pole replacements; perform all of its own make ready work; and inspect all facilities attached there and notify the SPA of any corrective work required.

AT&T doesn't object to other attachers permitting the SPA to use an approved contractor to shift non-AT&T attachments in the Communications Space but AT&T would continue to review and inspect any such work within the gain. AT&T also stated that labor concerns and procurement rules prevent it from allowing third parties to work on its facilities not under its supervision. AT&T questioned whether there was a need to provide a backup to its management of the Communications Space in the first place and whether allowing the SPA to call contractors itself would improve the process.

Municipal representatives from CCM, West Hartford, Glastonbury, GMIS and others assert that the SPA needs to have the authority to oversee and perform shifting work in the Communications Space and to move other people attachments. The Town of Glastonbury submitted a case study asserting there is unnecessary duplication of time and inefficiency involved in getting the contractor for each utility company out to the pole promptly whenever its portion of make ready work is ready to be done. The Glastonbury study examined a total of 349 poles requiring work in one municipal project, and claimed there were 108 additional trips to these poles needed to complete the work due to contractor scheduling conflicts or errors. Glastonbury estimated based on the results of its internal study for this one project that there would be a 54% time savings by contractors if there could be a more coordinated effort or a single approved contractor involved in completing shifts and work in the communications gain. Some municipalities and the OCC advocated that the Working Group enhance the ability of the SPA to fulfill its role by developing a plan to complete pole work through a "single truck roll" or at least improved coordination.

NECTA indicated that cable companies currently attend field surveys and shift their own facilities, and would like to continue to do so in the future. In those limited situations where a cable company is unable to meet applicable deadlines, NECTA would be amenable to having a SPA oversee work done on their installations by a pre-approved third party contractor once business related issues such as insurance liability are resolved. Fibertech and CCM, on behalf of its member municipalities, stated they were amenable to allowing third party contractors to shift their facilities under SPA direction, so they have urged AT&T to consider the same approach for its facilities. Both of these Participants said that if the SPA is not allowed to oversee and order survey and shifting activity in the Communications Space, we would effectively end up with two pole administrators and two systems for each pole.

(ii) Approved Scope of the SPA's Duties. Another area of disagreement between the Participants is the types of pole related activities to be administered by the SPA. Both UI and CL&P envision that the SPA's duties will extend to many pole related duties that are generally unrelated to the licensing process and third party attachments. UI points out that the topics discussed in the Storm Docket with regard to the SPA included pole testing, maintenance and replacement of poles, tree trimming between the power and communications spaces, and the coordination of pole replacements during emergency conditions. Similarly, CL&P indicated it is prepared as a SPA to address the areas raised by UI as well as problems such as reducing the number of double poles and shifting projects unrelated to a new attachment application. The OCC encouraged the Working Group to consider having the SPA play a coordinating role in overseeing the recovery of the pole infrastructure in storms and other emergency situations. AT&T and the cable companies believe it is premature to broaden the role of the SPA beyond

the areas of licensing and third party attachments until the SPA is put in place. AT&T proposed a trial of the new process for those SPA areas on which the parties agree at the present time.

Since the Working Group devoted a considerable amount of time to the issues of the SPA's duties, the use of the NOTIFY system, and standardized pole agreements, the Participants have not attempted to explore possible additional roles for the SPA in pole maintenance and related duties.

(iii) Security and Confidentiality. Another potential area of concern raised by NECTA about a SPA is the need for cable and telecommunications companies to protect pole information for security and competitive reasons. The Participants acknowledged that this concern would require more detailed analysis if the SPA approach is established.

D. Issues for Authority Resolution. The Authority should determine, subject to the appropriate administrative procedure (see discussion in Section III), whether there is a need for a SPA, and if so, evaluate the appropriate structure and duties for the SPA. If the Authority should determine not to authorize a SPA after conducting the appropriate administrative procedure then several administrative issues must be addressed by the joint pole owners. Endorsement of that structure would also require the Authority expressly to consider whether to issue an order in this docket granting the SPA the power to: (i) compel attachers to timely perform make ready work and shifting activity; (ii) utilize qualified and approved contractors to perform work in the Communications Space if necessary to ensure compliance by municipalities, AT&T or telecommunications attachers with the Authority time frames set forth in the Pole Decision, or if otherwise required to administer safely and efficiently the pole infrastructure; and (iii) be reimbursed from the non-performing attacher for any such expenses incurred to, among

other things, remediate the Communications Space and complete the non-performing attacher's work. See List of Issues, Appendix A.

3. Adoption of Standardized Pole Attachment Agreements.

A. Background of the Issue. The Authority's June 30, 2010 decision in the CL&P rate case in Docket No. 09-12-05 directed the company to negotiate the terms and conditions of new pole attachment agreements for municipal and non-municipal attachers with interested parties (the "CL&P Agreements"). Subsequent meetings of a working group in 2010 and 2011 resulted in the development of standardized agreements which were submitted as compliance filings and accepted by the Authority. The CL&P Agreements incorporate the requirements of the Authority's prior rulings on pole attachments issued in Docket No. 07-12-03, and various engineering and operational guidelines developed by the Working Group.

By consensus of the Participants, it was determined that the need for a standardized pole attachment agreement among the Pole Owners to govern attachments should be evaluated as part of the Working Group's mission of developing a "consensus pole administration structure to facilitate utility pole attachments." At the September 19th meeting, John Jasinski asked AT&T and UI to provide comparisons between their own attachment agreements and the CL&P Agreements and to indicate whether they would be willing to use the same forms as the CL&P Agreements.

AT&T reported that it had been working collaboratively with many municipalities on updating its pole attachment agreement and had recently executed new agreements with Glastonbury and East Hartford. The company has offered those towns who have previously executed an agreement to enter into a more current version if they wish to do so. AT&T said that some towns have specific concerns of their own which they want addressed in the agreement, but

AT&T would prefer to use a single agreement with its municipal attachers. AT&T reported at the January 17, 2013 meeting that it has worked extensively on its municipal agreement and it is fairly comparable to the CL&P Agreement in many ways, except that some language in CL&P's agreement that refers to its regulated status has been eliminated and some AT&T concerns regarding telephony specific issues has been included as in prior AT&T agreements.

Verizon declined to adopt a new standard agreement because there have been no complaints from attachers or the Town of Greenwich about Verizon's standard agreement. UI reported that it had run a comparison between its own pole attachment agreements and CL&P's. Since the differences were very extensive and UI had not encountered any problems using its existing documents, UI indicated that it intended to continue using the agreements which it currently has in place with municipal and non-municipal attachers.

B. Areas of Agreement. There is widespread agreement among the Participants that each company should establish template agreements for use with all of its own municipal and non-municipal attachers. At this time, however, there has been no agreement by the other three pole owners to modify their existing pole attachment agreements and templates to conform to the agreements previously submitted by CL&P in Docket No. 09-12-05 and approved by the Authority, or to update their existing agreements to incorporate applicable Authority standards for pole attachments and Working Group guidelines.

C. Open Questions or Disputed Issues. The content of the municipal pole attachment agreements has been a subject of concern to some municipal Participants in the Working Group. Everyone welcomed the positive progress made recently by AT&T on this issue with the towns. The Town of Glastonbury, GMIS and CCM indicated, however, that they believe that CL&P's municipal agreement should be used as a template since it had been extensively negotiated in the

prior working group and almost all of the 169 towns had been consulted by municipal organizations as part of that process. They believe that any non-standard items could be accommodated through short appendices. The OCC stated that it had felt that the discussion in the Storm Docket and in other proceedings had been on creating a single template and not maintaining a multitude of agreements.

Fibertech inquired during the Working Group meetings as to whether AT&T and UI plan to update their non-municipal agreements and standardize them with the content of the previously approved agreements with CL&P. Fibertech remains concerned that many of these agreements with telecommunications and cable television attachers are decades old and predate the Authority's Pole Decision, so they differ substantially from the CL&P Agreements, and lack the safeguards agreed to by Pole Owners in Working Group discussions.

AT&T indicated that it cannot commit to update its non-municipal pole agreement at this time, and noted that there had been no other complaints from telecommunications or cable attachers. AT&T also stated that PURA review and approval of its municipal and non-municipal agreements is not necessary or required. UI plans to continue working off of its existing agreements and has not indicated if it would submit its agreements to the PURA for review.

D. Issues for Authority Review. The attacher Participants in the Working Group and CL&P believe that the Authority should determine whether to require or not require all pole owners to use a standardized pole attachment agreement for all of their own municipal and non-municipal attachers. These Participants also believe that the Authority should determine whether the content of each Pole Owners' agreements should be required to conform with the previously approved CL&P agreements with deviations limited to those areas in which the regulatory status

of the Pole Owner or the special needs of a particular attacher requires a different approach. See List of Issues, Appendix A.

4. Cost Recovery for Additional Expenses of Pole Administration.

A. Background of the Issue. The electric utilities are concerned about the possibility that the use of the NOTIFY system and the adoption of other changes in their pole administration duties such as the establishment of a SPA will result in electric utility customers subsidizing the telecommunications and cable industries. CL&P states that various cost models are available to evaluate these costs and how they should be allocated among participants. Based on the current work that CL&P performs in pole administration and attachment (including using the NOTIFY system for oversight), however, it does not seek to recover any increased rental rates at this time. But if CL&P agrees or is ordered to provide additional services, it will revisit whether to seek recovery of additional costs from joint pole owners, attachers or electric customers. AT&T and UI believe that any additional costs incurred in using NOTIFY or becoming SPA's should be borne by new attachers since these costs are not included in the current pole rental rates and those who benefit from the system should pay for any additional administration costs.

In contrast, some municipal representatives, the OCC and Fibertech expressed the view that just as Pole Owners are obligated to maintain a fair and efficient billing system for their customers, it is their responsibility to provide an efficient system like NOTIFY for pole administration and to develop a pole licensing structure such as SPAs to oversee the pole work. To the extent there are costs incurred that could be deemed wholly unrelated to general management of the poles, these attachers believe that pole rental rates and make ready fees should generally be sufficient to cover them. NECTA suggested that based on the efficiency of using NOTIFY, that change should more than likely lower the cost of pole administration and

result in lower pole rental fees in the future. The OCC states that the Authority has complete jurisdiction over regulated and unregulated utilities' expenses as they relate to activities in the public rights-of-way so any expenses not otherwise recoverable in pole rental rates could be addressed in future rate filings or a costing phase of Docket No. 11-03-07.

B. Areas of Agreement. The Participants agree that it is premature to determine whether recovery of additional costs for modified pole administration activities is warranted, but understand that some of the Pole Owners may be entitled to seek appropriate relief or rulings from the Authority in the future on the subject.

C. Open Questions or Disputed Issues. The different approaches of the Participants to possible future cost recovery are described in Section 4A above.

D. Issues to be Resolved. The Participants would like the Authority to provide some direction at this time as to whether the Authority intends to: (i) address the question of cost recovery globally in this docket, or to (ii) defer the subject and allow any individual pole owner which believes that additional expenses should be recovered to submit its proposed cost recovery in a new tariff filing or future rate case as may be applicable. See List of Issues, Appendix A.

5. Role of the PURA Mediation Team.

A. Background of the Issue. The Authority established a Mediation Team consisting of several staff members with experience in the technical, regulatory and legal aspects of pole administration in the Pole Docket. Team members worked with Pole Owners, municipalities and attachers in the working group formed in the CL&P rate case to negotiate new pole attachment agreements for municipalities and other attachers. The Mediation Team later assisted Fibertech and some of the Pole Owners in negotiating the Temporary Pole Attachment Guide and initiating the pilot program. The Mediation Team has also played a leading role through John Jasinski in

the efforts of this Working Group to establish a new pole administration process. During the course of the Working Group's meetings, questions were raised as to; (i) whether the Mediation Team should continue to be made available by the Authority to mediate pole related disputes of any kind involving Pole Owners or attachers; (ii) whether to allow the Mediation Team access to the data in the NOTIFY system; (iii) and whether the Mediation Team should assist any future SPAs in designing policies and solving problems upon request.

B. Areas of Agreement. CL&P, UI, Fibertech, NECTA members, the municipalities, CCM and the OCC believe that the PURA Mediation Team serves an important purpose as a first step to resolving pole attachment issues and avoiding unnecessary dispute resolution at the Authority, and should remain as part of the process in resolving issues with any SPAs that are appointed. CL&P also emphasizes that the Participants should first commit to use reasonable efforts to attempt to resolve any disputes among themselves before bringing any issue to the Mediation Team in order to minimize the administrative burden to the Mediation Team that could result otherwise. AT&T states that the role of the Mediation Team should continue as it is today including participating in working groups, keeping apprised of pole administration issues and facilitating discussion between entities when conflicts arise. AT&T emphasizes that any proposed changes to practices or policies should continue to be addressed through appropriate forums in order to protect the Participants' legal rights.

C. Open Questions or Disputed Issues. Several Participants have concerns about providing the Mediation Team with routine access to pole licensing applications and the pole data in the NOTIFY system. NECTA stated that for security and competitiveness reasons, it would prefer to limit such access to situations involving a particular dispute and recommended requiring such access to be pursuant to a protective order. Similarly, AT&T suggested that the

Pole Mediators should be required to request information directly from the disputing entities if they are asked to resolve a situation requiring information from the NOTIFY database. Other pole owners such as CL&P and UI are comfortable providing open access to data from NOTIFY in order to allow periodic checks on the progress of the attachment process, as are the municipalities, Fibertech and the OCC.

D. Issues to be Resolved. The Participants would like the Authority to reconfirm the role of the Mediation Team in pole administration and identify any limitations on the access of the Mediation Team to the NOTIFY system. See List of Issues, Appendix A.

III. OTHER ISSUES RESOLVED OR DEFERRED.

The development of a centralized software platform and the proposals for a SPA were the principal priorities of the Working Group during its meetings. Nevertheless, other pole administration subjects arose during the meetings such as the cost recovery and Mediation Team issues discussed in Section II of this Report.

This section of the Report briefly summarizes three other pole administration matters that were placed on the agenda for possible consideration at the January 17, 2013 meeting, and determined either not to require Authority action at this juncture, or best addressed by continuing discussions and coordination among the affected participants.

These issues and the Working Group's discussion of them can be summarized as follows:

(1) Temporary Attachment Guidelines – A pilot program, technical standards and Temporary Pole Attachment Guidelines were adopted in July 2011 by Fibertech, AT&T, UI and CL&P, after several private meetings were held by those companies and the Mediation Team. Those Guidelines have been used since late 2011 to govern the installation of temporary attachments on poles in limited circumstances where the issuance of a license has been or will be

delayed beyond the timetables specified by the Authority in the Pole Decision. Prior to the January 19th meeting, a variety of issues had been raised by the companies involved concerning that program. These ideas included formally submitting the existing Guidelines to the Authority for ratification; deciding whether the program should be expanded to allow temporary attachments in situations involving urgent customer need for an installation; and deciding whether future continuation of the program should be conditioned on the development of additional standards to govern force majeure situations or monthly volume caps on new license applications.

All three Pole Owners participating in the pilot program confirmed that it was working well, but CL&P stated that there had been an insufficient number of temporary attachments to fully evaluate the program. Consequently, CL&P suggested that the four participants extend the trial program for another year. The other three participants said that approach was acceptable. Fibertech stated that temporary attachments were not meant to be a permanent solution to late licensing or situations involving urgent customer need, so the company was hopeful that the process improvements under consideration by the Working Group would result in increased efficiency.

(2) Performance Metrics – A second question that was briefly discussed at the January 17, 2013 meeting was whether there should be performance metrics for the Pole Owners and for a SPA, if one is designated, in approving licensing and completing make ready work. Most of the Participants including NECTA and the municipal attachers expressed the view that the existing timeframes set forth in the Pole Decision provide adequate standards for evaluating performance, and that any attacher encountering delays may approach the Mediation Team or utilize other procedures available at the Authority to remedy alleged situations of non-

compliance. CL&P, UI and AT&T all maintained that they were currently in substantial compliance with Authority timeframes. Although Fibertech had expressed concern in the Storm Docket in the Spring of 2012 as to whether the Pole Owners had performed their licensing duties during non-storm periods in compliance with the Authority's mandated timeframes, the company agreed that the resources of the Working Group and the Authority would be best directed to developing an effective SPA structure and implementing the NOTIFY centralized data platform at this time. Consequently, no Working Group action was recommended on this issue.

(3) Force Majeure – The Authority's Pole Decision recognized that the processing of pole attachment applications and the satisfaction of make-ready timeframes would be affected and tolled by force majeure events like storms. Although the Participants have expressed from time to time a desire to formalize a definition of "force majeure events" or establish a process to clarify the existence and cessation of a force majeure event or similar situation, the events of the past two years had provided several clear examples of force majeure events impacting all of the Participants. Since the Pole Owners and attachers had collaborated well in handling installations and relocations during those periods without requiring Authority intervention, the Working Group decided not to seek additional Authority guidance on this issue at this time.

III. AUTHORITY PROCESS TO DEVELOP AN IMPROVED POLE ADMINISTRATION SYSTEM.

In its Decision in the Storm Docket, the Authority expressed its intention to develop a "pole administration process to facilitate pole attachments." The meetings of the Working Group and this Report constitute the first steps in this process. The Authority may, of course, proceed as it deems appropriate to act on the Working Group's issues and recommendations. We would respectfully suggest, however, five possible procedures which the Authority may want to consider in implementing this Report. These procedures include:

1. The Authority could convene a technical meeting in Docket No. 11-03-07 to seek additional information from the Participants on pole issues and to explore their views on the matters presented in the List of Issues.

2. The Authority could request that comments be filed by the Participants and any other interested parties in Docket No. 11-03-07 on the List of Issues and other matters of interest to the Authority in the Report, and then issue a draft decision.

3. The Authority could conduct further proceedings in Docket No. 11-03-07 including issuing interrogatories on the List of Issues to various parties, holding additional hearings on selected items, and issuing a draft decision.

4. The Authority could conduct a trial implementation of the NOTIFY system, a SPA structure and other reforms after gathering information for that approach by holding a technical meeting and/or seeking comments from the Participants in Docket No. 11-03-07.

5. The Authority could issue a draft decision on the List of Issues based on this Report, the record on pole administration matters established in the Storm Docket, and the prior extensive comments on pole administration submitted by the Participants in Docket No. 11-03-07, provided that appropriate opportunities are provided for parties to refresh the record and avoid prejudice to any party's rights.

CONCLUSION

This concludes the Report of the Working Group's activities on a recommended pole administration structure. The Participants look forward to working with the Authority and its staff to review and determine the next steps required to implement this Report in the near future.

Respectfully submitted,

POLE ATTACHMENT WORKING GROUP

By: s/Glenn T. Carberry
Glenn T. Carberry, Esq.
Counsel for Fiber Technologies Networks, L.L.C.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Report has been served on all participants in the above-referenced proceeding, this 28th day of February, 2013.

s/Glenn T. Carberry
Glenn T. Carberry, Esq.
Commissioner of the Superior Court