**STATE OF CONNECTICUT**

**PUBLIC UTILITIES REGULATORY AUTHORITY**

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| **DPUC INVESTIGATION INTO THE APPOINTMENT OF A THIRD PARTY STATEWIDE UTILITY TELEPHONE POLE ADMINISTRATOR FOR THE STATE OF CONNECTICUT** | :  :  :  :  :  :  :  : | **DOCKET NO. 11-03-07**  **DECEMBER 30, 2014** |

**COMMENTS OF**

**THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY**

**D/B/A FRONTIER COMMUNICATIONS OF CONNECTICUT**

**ON THE**

**REPORT OF THE POLE ATTACHMENT WORKING GROUP ON COMPLIANCE**

**WITH ORDERS 5 AND 6 OF THE OCTOBER 8, 2014 DECISION**

On October 8, 2014, the Public Utilities Regulatory Authority (the “PURA”) issued a decision (the “Decision”) in Docket No. 11-03-07, DPUC Investigation Into The Appointment Of A Third Party Statewide Utility Telephone Pole Administrator For The State Of Connecticut. The Decision, among other things, stated that the pole attachment working group (the “Working Group”), should be reconvened to identify the obligations of the Working Group participants in accordance with the requirements of the Decision and prior PURA rulings.

The Working Group met on December 16, 2014 to provide CL&P and UI (the “EDCs”) with their feedback on the draft December 8, 2014 SPA guidelines. In addition, Working Group participants had an opportunity to provide additional comments following the December 16 meeting.

During the December 16 Working Group meeting Frontier identified one open item which relates to the remittance of payments associated with administrative and engineering fees along with the construction make ready estimate fees. Frontier proposed that the existing process whereby the third party attacher directly pay Frontier the applicable administrative and engineering fees and the estimated charges for the make ready work in advance of Frontier commencing the make ready work continue under the proposed guidelines. The alternative proposed process was for the third party attachers to submit the fees and estimated payments to the EDCs and for the EDCs to then subsequently (potentially semi-annually or once a quarter) transmit the funds to Frontier.

Frontier expressed concern with the alternative proposal for several reasons. First, before Frontier is required to expend time and resources to initiate the engineering make ready survey work and to complete make ready construction work on behalf of a third party attacher, which in some instances can by hundreds of thousands of dollars, Frontier should receive payment for the work it performs. Advance receipt of payment is a requirement in the existing pole attachment agreements and is an industry wide practice followed not only in Connecticut but around the country. Otherwise Frontier has no assurance that payment will be received prior to Frontier expending time which would otherwise be directed at addressing other customer service issues and Frontier incurring out of pocket expenditures in completing the make ready work. Frontier should not be forced to budget and incur capital and expenses, for example, in one fiscal quarter or calendar year and then potentially not receive payment until a subsequent quarter or year. Second, if payment for make ready survey and construction estimates are submitted to the EDC and not Frontier, Frontier could be delayed in commencing the third party attachment work. Given concerns regarding the expeditious completion of make ready work and the short deadlines for completing this work, there is no rational purpose for injecting another step in the process (payment to the EDC and then payment to Frontier) that could result in delays. Similarly, putting in a process where the EDC collects, holds and disperses make ready fees and estimated construction funds does not improve the process but only adds administrative cost for the SPA and which will then likely be passed through to the third party attachers as the cost causers. There is very little incremental cost for the third party attacher to submit payment directly to Frontier versus the EDCs and it is quite likely that the cost of cutting a check or electronic transfer funds directly to Frontier will be less than the SPA administrative fees the EDCs will seek to pass through to the third party attachers for performing this administrative payment processing function. Finally, with respect to a cost estimate prepared by Frontier for the engineering and construction work to accommodate third party attachers, there is no reason to interject the EDC in the true up process. In those instances in which the actual make ready project completion is less than the initial estimate, it would simply add costs and delay for Frontier to refund a portion of the overpayment by submitting the refund back to the EDC and then having the EDC distribute it to the third party attacher. Similarly, if the actual construction costs where greater than originally estimated, Frontier would be required to submit a bill to the third party attacher directing the EDC to submit payment to the EDC and then await for the EDC to pay Frontier.

Sections (1)(b)(ii) and (1)(d)(i) of the proposed guidelines state that the EDCs will coordinate with Frontier and Verizon service to attempt to develop a mutually acceptable process that each SPA uses to collect license administrative fees, field survey fees and make ready costs, and to remit the portion thereof owed to each ILEC. Frontier is interested in working with EDCs and third party attachers to implement a mutually acceptable resolution to ensure payments associated with administrative and engineering fees along with the construction make ready estimate fees are made to Frontier in advance of undertaking the needed make ready work. To the extent a resolution cannot be reached, the existing process pursuant to which the third party attacher submits payment for the fees and work to be performed by Frontier directly to Frontier should be retained as the ongoing process. Any other alternative will potentially delay the completion of make ready work and generate additional, unnecessary payment and administrative costs.

Respectfully submitted,

THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY

D/B/A FRONTIER COMMUNICATIONS

OF CONNECTICUT

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