



State of New Jersey

BOARD OF PUBLIC UTILITIES

1100 RAYMOND BLVD.  
NEWARK, NEW JERSEY 07102

CABLE TELEVISION

ORIGINAL copy

IN THE MATTER OF THE OFFICE OF  
CABLE TELEVISION'S INVESTIGATION  
INTO THE PRACTICES AND OPERA-  
TIONS OF CATV COMPANIES AND  
CERTAIN UTILITIES UNDER THE  
PROVISIONS OF SECTIONS 20 and 21  
OF THE CABLE TELEVISION ACT.

DECISION AND ORDER

DOCKET NO. 769C-6206  
ET ALS.

SERVICE LIST ATTACHED

BY THE BOARD:

This matter arises from an Office of Cable Television inquiry examining the parties and operations of cable television companies, electric utilities, and telephone utilities with regard to their shared use of facilities.

This proceeding is the oldest open CATV matter on the Board's calendar. After lengthy hearings, a Report and Recommendation ("R&R") was issued in June, 1979, and exceptions filed, in July and August, 1979. At the close of oral argument before Commissioner Barbour on May 1, 1980, decision was reserved and the parties were directed to seek a resolution.

Under pressure from this Office, a draft stipulation was circulated among the parties beginning in June, 1982. It has since become apparent the parties are at an impasse, with no time frame for resolution. On February 10, 1983 the New Jersey Cable Television Association (NJCTA) confirmed by letter the impossibility of a stipulated settlement. In July, 1983 supplemental data showing current relevant pole figures were submitted by the parties.

On April 2, 1984, the Board directed service of the proposed order upon all parties for briefing and comments by April 16, 1984. Replies were due April 23rd. The Board has considered said briefs, and made certain modifications herein.

Although time has diminished the importance of numerous issues, the fundamental relationship between CATV companies and utilities providing pole attachments and other facilities must be defined. The most intense differences among the parties have concerned rental rate methodologies and the assignment of easement rights.

The pole rental rate issue turns on the classification of two portions of the pole as either "usable space" or "common space". The application of the distinction to the general method will result in significant differences in the rental rates paid by CATV companies.

The other outstanding issue is the extent to which easement rights obtained by utilities over the years are assignable to cable television companies. In this regard the Board must consider a threshold question of the scope of its authority in determining easement questions.

Pole Attachment Rental Rates

Throughout these proceedings, establishment of a method for determining fair and reasonable rental rates has remained the focal issue. It has never been the objective.

of the proceeding to establish a statewide uniform rate for pole rentals,<sup>1/</sup> nor is it necessary that the existing mechanism for joint use and payments between power and telephone utilities be disturbed in order to assure fair allocation of cost between CATV companies and the utilities

The Board agrees with the Hearing Examiners' <sup>2/</sup> that Sections 21 of the Cable Television Act (N.J.S.A. 48:5A-21) and Title 48 require the Board to determine if the rental fee is unreasonable, unduly preferential or discriminatory. In the exercise of the Board's jurisdiction over use of shared facilities, no particular rate methodology is mandated by either Title 48, or under the federal Pole Attachment Act. <sup>3/</sup>

The R&R details a three step process consisting of (1) determining value of investment in pole plant per pole; (2) determining total yearly ownership per pole as a percentage of investment per pole; (3) allocation of a portion of that cost to CATV systems.

The exceptions filed by some parties note confusion arising from the R&R discussion of weighted and unweighted pole plant investment calculations. For example, page 54 should be corrected to read:

"...Assuming the parties were willing to sacrifice the accuracy of such calculations on a per pole size basis, a non-weighted average could be utilized by dividing the total number of all poles into the total gross plant and ignoring actual pole size..."

Both the weighted and non-weighted methods are acceptable. The weighting accounts for variation in the pole size distribution. Recommendation 20 is amended to distinguish non-weighted and weighted average original installed pole cost.

The hearing examiners found 20 to 25% of gross pole plant as reasonable total yearly ownership expenses for rental calculation purposes. We note parenthetically this figure is consistent with findings by the FCC and utility regulators around the nation. In reviewing rental rate calculations, the Board may presume figures in this range as reasonable. (See Recommendation 23 below.) If parties cannot agree upon a figure, even prior to the renegotiation deadline, the procedures outlined below are available.

In the recent round of briefs, New Jersey Bell (NJB) and the NJCTA differed for the first time over the use of the term "gross pole plant" in the R&R and in equations 1 and 2 of Recommendation 29. The term does not necessarily include guying and anchoring, according to footnote 2 to Rec. 29. The figure should reflect downward adjustments for utility cross-arms and hardware in any event.

The repeated use of "gross plant" in the R&R appears intentional. Original average installed pole cost was found preferable by the hearing examiners, and the use of gross pole plant as the percentage basis for carrying charges (i.e. annual ownership costs) is consistent with such a finding.

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1/ The Board will permit use of aggregate statewide data by utilities in establishing rental rates. Whether to establish, for example, separate rates for separate size poles, or single rate regardless of pole size, is left to the utilities and the CATV company.

2/ This matter was heard prior to abolition of the position of Hearing Examiner.

3/ 47 U.S.C.A. §224 as amended 96 Stat. 1087 (1982). The NJCTA repeatedly asserts the Board is required to adopt the FCC methodology. It is not. The nature of pre-emption by the FCC under the Pole Attachment Act is such that it is inoperative where the state has asserted jurisdiction. The pole attachment provisions are distinguishable from those in federal law which establish minimum standards and methodologies which must be followed by all states.

The distinction between gross and net figures is not significant as long as "like-kind" figures are used for both pole investment and the carrying charges. We note that the FCC prefers net figures, but will make its calculation based on gross when the parties submit such data. Teleprompter v. Mountain States Telephone and Telegraph Co. 49 RR2d 719, 721 (1981). We shall use the gross basis unless the parties agree otherwise.

#### Usable Space

Allocation of annual costs is keyed to the definition of usable space. Review of the record shows there is mixed evidence regarding the extent of use of pole top extenders, street lamp attachments, and intrusion of transformers in such portions of the pole. CATV power supplies are placed in the neutral space as well.

There is substantial evidence to support a finding that the neutral safety space should be treated as "usable space". (Docket No. 786C-6375, Tr. 7/12/78 p. 26, 35-38, incorporated into present record). Although, as noted by the hearing examiners, all parties on the pole benefit from the space in question, the Board may conclude that one, the power company, benefits to a greater extent than the communications companies.

Similarly there is sufficient evidence that the top six inches of a pole is usable, primarily for the attachment of pole top extenders by power companies. (Transcript 10/5/78, pp 82-83). The policy on such use varies from one company to another. In cases where additional attachment space is needed and the condition of the top portion of the pole does not suffice, we can anticipate a change-out for a new, higher pole.

Although the so-called "neutral space" and the top six inches of the pole shall be treated as "usable space", no numerical presumption regarding total usable space should be adopted at this time so that the attaching parties may negotiate the degree to which aggregate data may be employed in setting the rates within the methodological parameters developed in the R&R. A presumption would also inhibit the parties' flexibility in designing rental rates, e.g. a single rate vs. individual rates by pole size.

As a result, Finding 38 has been added and Recommendations 19 and 24 are accordingly modified below.

#### Easements

The parties all desire further clarification of findings (17, 18, 19) and recommendation (15) regarding easement rights. Proposed finding 19 is squarely consistent with the recent holding in Boss v. Rockland Electric Co. 95 N.J. 33 (1983) which upheld the Board's primary jurisdiction over disputed factual issues. The Board may not enlarge or contract the legal rights of the parties nor should this order be interpreted to do so.

The easement rights issue was briefed exhaustively, particularly by New Jersey Bell and the NJCTA. The Report and Recommendation carefully avoids putting the Board in the ultra-vires position of adjudicating property rights. For this reason, we disagree with the overbreadth of Finding 17 which states:

17. The easement rights granted to the various utilities are broad enough to include the attachment of CATV facilities. The past actions of the utilities connote a similar interpretation as they have, as a matter of course, allowed the attachment of CATV plant to the poles.

There is a clear public interest in permitting CATV companies to obtain and use rights to existing utility easements, whether they run across private property or upon the public roads, streets and highways. It is well within the Board's authority to order utilities to provide the requested access, as noted by Finding 18. Finding 19 is also correct, enabling the Board to make limited findings in specific cases. However, CATV must be willing and able to indemnify utilities against expenses of any litigation, as well as the utility's loss of the easement. Recommendation 15 remains, in face of all filed exceptions and arguments, the most rational and equitable resolution. Findings 18 and 19

provide a sufficient basis for Recommendation 15. Therefore Finding 17 is rejected as overbroad and superfluous without altering present policy and practice.

#### Other Findings and Recommendations

Many of the detailed issues covered in the hearings, the R&R and the subsequent exceptions and arguments are nearly moot. With the completion of most initial CATV construction (90% of municipalities) it is nonetheless desirable that there be findings and direction by the Board to serve as guidelines for future negotiations of shared facility agreements. Therefore a number of minor modifications and clarifications are made below, as well as additional Findings 36 and 37.

The Board is concerned that unqualified adoption of Finding 6 would allow pre make-ready attachments in violation of the National Electric Safety Code (NESC) or National Electrical Code (NEC) standards. Such violations cannot be permitted under any circumstances. However pre make-ready attachments which meet safety standards but do not conform to the requirements of existing joint use agreements between utilities should be permitted in the public interest under certain conditions. Finding 6 is therefore modified below, and Recommendation 3 is rejected.

New CATV plant construction has passed its peak, greatly easing the pressure on utilities for completed make-ready work. As a result, the subcontracting issue is no longer as critical as it was during the 1976-79 period. The issue is fraught with both unresolved jurisdictional questions and ultimately turns on the interpretation of each individual collective bargaining contract. Further attempts at resolution in this proceeding would offer more potential delays than benefits to the parties. Consequently Findings 11, 14, Recommendations 9 and 11 are rejected.

With respect to Finding 32, there is no difference as to the actual location of the parties on the poles. The JCP&L misstatement allocating 6 inches of the pole for CATV attachments was subsequently corrected on the record. (Tr. 10/12/78 p. 81 line 3-17). This finding (#32) should be stricken.

Recommendation 16 sufficiently protects the utilities by allowing them to require construction or continuing surety bonds "where a CATV company has not established credit or where it is in default of payments". The Office believes that the CATV company should be able to agree on terms to establish credit. The utilities can clearly protect themselves by monitoring any default of payment and reimplementing the bond requirement.

Recommendation 24 should be retained with modification should a dispute arise. We further note that contrary to NJB's assumption the Board is not mandating that a particular pole size be used in the formula.

The future procedures concerning the agreements were adequately outlined at p. 63 of the R&R:

"... we recommend that all present agreements be renegotiated in accordance with the guidelines herein. Those agreements successfully renegotiated should be submitted for approval by the CATV company, which is the party most benefited thereby. Those CATV companies finding a failure to agree on negotiable issues or those CATV companies finding a failure to negotiate, should file a petition for permission to attach pursuant to N.J.S.A. 48:5A-20. All such petitions should specifically list the areas of disagreement between the parties. In the case of petitions filed pursuant to N.J.S.A. 48:5A-20 or N.J.S.A. 48:5A-21 the standards by which the Board should review same are those recommended herein. It is anticipated that no further regulations will be necessary to implement this procedure. Rather, the Board's regulations governing petitions generally and subsequent Board decisions should govern the parties' actions.

Based upon a thorough review of the record, the exceptions and oral arguments as well as the foregoing discussion and annexed memoranda, the Board HEREBY FINDS

and ADOPTS the following findings of the Hearing Examiner's Report and Recommendation with modifications noted by underlining:

1. CATV relations with utilities are historically contractual in nature with the prevalent agreement in force as of June 1979 being the NJBT 1970 agreement, or one of its earlier versions. Agreements since that date on file at the OCTV do not indicate substantial changes.
2. Under the NJBT joint use/joint ownership agreements with the electric utilities in the State, NJBT is responsible for all third party communications attachments.
3. There had been a reluctance on the part of NJBT as of June, 1979 to negotiate on most, if not all provisions of the standard attachment agreement.
4. Make-ready surveys are done by electric utilities and NJBT in three different ways, but common to all three methods is that (a) bills always come from NJBT, (b) all estimates of make-ready work are presented to CATV companies on a "take it or leave it" basis, (c) plant is subject to reinspections after completions of make-ready work at NJBT's discretion and (d) plant subject to subsequent make-ready work, either pursuant to a reinspection of plant due to be arranged or replaced due to a joint user's requiring additional space are both done at CATV expense.
5. Sporadic delays in CATV construction may be directly attributed to the temporary fluctuations in utility manpower availability. Such fluctuations are caused by a historic lack of understanding between the CATV and utility industries.
6. The NJCTA suggestion to allow pre make-ready attachments which do not create a violation of the NESC (National Electrical Safety Code) or NEC (National Electric Code) standards may be permitted by the pole lessor, even though such attachment might not conform to the requirements of the joint use agreements. Allowance of such attachments under controlled conditions may speed up construction of CATV facilities while exposing utility companies to no additional liability or harm.
7. Despite possible higher direct costs for such work, a sole CATV survey walk done in accordance with technical codes can be beneficial to a CATV company due to earlier receipt of subscriber revenues.
8. JCP&L's expedited make-ready procedure, while more costly due to utility overtime manpower needs, could save valuable time in the construction of small areas of CATV plant. However, due to different internal work order routing approval procedures, inventory controls and manpower availabilities, such a policy is impossible to uniformly implement.
9. As of June, 1979, there was a 10 to 16 month gap between utility personnel planning and CATV company make-ready lead times.
10. Almost uniformly, the attachment agreements require that all survey and make-ready work be performed by utility company personnel.
12. There has been no indication of inconsistent applications of either billing or technical standards by individual utility companies.
13. The forms of utility billing for make-ready surveys and work leave much to be desired.
15. Utility unilateral rights to inspect plant is necessary to safely accommodate CATV plant on the poles.

16. As it is the responsibility of all pole occupants to maintain plant in conformance with applicable codes and standard construction practices, reinspections benefit all parties.
18. Pursuant to N.J.S.A. 48:5A-20 and 48:5A-21, the Board has the authority to allow CATV operators to construct and maintain their own facilities necessary for their business or to use the existing equipment of another CATV company or public utility;
19. In order to exercise its authority under the Cable Television Act, the Board, of necessity, must be able to make findings of fact as to the applicability of the easements involved. By such action, however, the Board does not assure its determinations to be an adjudication of any property rights.
20. The attachment agreements between utilities and CATV companies require the posting of a surety bond to guarantee the payment of all monies due for make-ready work and pole attachment fees as well as the estimated cost of removal. This requirement is directed to all CATV companies and covers all ongoing work and all poles to which they are attached.
21. While several of the utilities have had some problems in the collection of monies due for make ready work and pole attachment fees as of June, 1979, no utility has ever exercised any rights which it might have pursuant to the surety bond.
22. Historically, the problems concerning payment by CATV companies have been due, in part, to poor billing form policies and, in part, to bad payment practices by certain CATV operators.
23. As the provisions of N.J.S.A. 48:5A-28(d) and 48:5A-37 provide adequate protection, the cost of removal of CATV plant should not be considered as an element of any required surety bond.
24. A surety bond or deposit to guarantee construction work or pole attachment fees required from a CATV company which has established its credit and which has a good payment record, places an undue burden on the CATV company and its subscribers.
25. The proposal by NJBT of a two-tiered system or surety bonds for construction and pole rental fees, as modified herein, is a practical one.
26. The attachment agreements between utilities and CATV companies generally hold the CATV company liable for all damages resulting from its presence on the pole regardless of negligence.
27. The extensive growth in the installation of CATV construction necessitates that CATV companies provide 24 hour emergency service to work in conjunction with utility crews in order that decisions as to the treatment of the various attachments can be properly made.
28. Section 21 of the Act is a broad delegation of authority to the Board over the terms and conditions of pole attachment agreements, including rental rates. While in conjunction with Title 48, this requires the Board to determine if a proposed rental fee is unreasonable, unduly preferential or discriminatory, it does not require that a particular rate methodology be utilized in such review of rental rates for pole attachments.
29. All proposal rental formulas, while differing significantly in details, are similar in approach in that they (a) value investment in pole plant on a per pole basis, (b) determine annual ownership expenses on a per pole basis expressed as a percentage of investment per pole, and (c) allocate a

portion of those expenses to CATV attachees.

30. Due to different bookkeeping techniques, the arbitrariness of estimates made, and the different contexts under which this data was compiled, the calculation of individual annual ownership expense items differs greatly. However, a total yearly ownership expense of between 20 to 25 percent of gross pole plant is common.
31. NJBT's "share the savings" methodology would be procedurally impossible to enact and monitor.
33. The key to any allocation plan is to allocate responsibility for annual pole costs in a manner consistent with (a) CATV rights on the poles and (b) the desire to avoid cross-subsidization of CATV subscribers by utility subscribers or vice versa.
34. There will be an ongoing need to resolve complaints, misunderstandings and disputes.
35. While no pole attachment agreements previously submitted to the Board have been approved to date, an examination of such agreements reveals a substantial degree of variance with the recommendations herein.

The Board FURTHER FINDS:

36. With many of the findings aforementioned, the passage of time and the completion of initial construction in most of the state obviates the need for findings subsequent to June, 1979.
37. The reasonableness of joint trench and conduit rentals were not directly addressed in the testimony; nonetheless they are included in the same contracts filed with the Office as are pole attachments, and come under the same Board jurisdiction pursuant to N.J.S.A. 48:5A-20 and 48:5A-21.
38. There is sufficient evidence in the record to define usable space as the entire length of the pole less both the setting depth and the minimum ground clearance.

Findings numbered 11, 14, 17 and 32 are HEREBY REJECTED by the Board.

Based on the foregoing findings and review of the 1979 Hearing Examiner's Report and Recommendation, the Board HEREBY ADOPTS and ORDERS the implementation of the Recommendations below with modifications noted by underlining:

1. All issues discussed herein be viewed in light of the "negotiated" posture of the standard attachment agreements and the utility company mandates as to service.
2. Removal of CATV facilities not be considered a viable alternative to enact any pole attachment changes necessary after CATV attachment to the pole.
4. Premake-ready nonhazardous attachments in violation of the NJBT/utility joint agreements, but not the NESC, should be allowed at the CATV company's option subject to such attachments being surveyed initially and corrected to the extent necessary with all additional costs therefor being the responsibility of the CATV company.
5. In the case of a dispute as to the hazardous nature of premake-ready attachment, utility personnel determinations should control.
6. Sole CATV make-ready surveys should be allowed subject to electric and telephone utility (a) spot checks to determine accuracy and (b) possible

resurveys by utility companies if numerous violations are found. The choice to utilize such sole walk procedure should be solely at the CATV company's option.

7. Utilities presently doing make-ready work investigate the possibility of a JCP&L-type early make-ready procedure.
8. When a CATV company applies to a municipality, a copy of all construction commitments be sent to the involved power and telephone utilities. Further, all municipal consent applications should specifically state that cable will generally be attached to poles only after utility make-ready work is completed and that all construction commitments run from that date. Additionally, we would hope that for forecasting purposes utilities would attempt to annualize the nine month advance notices given by CATV companies so as to minimize shortages in manpower available for CATV make-ready.
10. Where the utilities have not already done so, the form of all bills for make-ready survey and work, should be modified in accordance with suggestions in the Report and Recommendations, at pages 26-27.
12. All reinspection costs be share by all users in proportion to the allocation of annual costs used to calculate their pole rentals.
13. Utilities notify CATV companies of reinspections ahead of time.
14. Costs to correct violations in utility plant be assignable to the party causing same. If fault cannot be properly allocated, the cost to correct all violations should be borne by all parties in proportion to their division of reinspection costs.
15. Pursuant to N.J.S.A. 48:5A-20 and 48:5A-21, the Board should continue to allow CATV facilities to be attached to utility poles. If it is later determined by a court that a particular easement does not cover the attachment of CATV plant, the CATV company should indemnify the utility for all costs and damages resulting from an action by the property owner. If it is later determined that a valid easement had never been obtained by the utility, the eventual cost, to be negotiated by all users of the pole, should be apportioned in the same percentages as allocated for the pole rentals set out herein unless the users have agreed otherwise. Existing consents of landowners and easements obtained for the CATV companies shall remain effective.
16. Utilities require a construction bond or a continuing surety bond only where a CATV company has not established credit or where it is in default of payments. The construction bond should be in an amount that equals the total projected construction costs. The continuing surety bond, to secure payment for pole attachment fees, should be related to the charge for pole attachments during a yearly rental period providing that such sum does not amount to more than one-half of the annual pole rentals due to the utility. The choice of providing a bond or a deposit should be left to the parties.
17. The agreements shall apportion liability between parties in accordance with the suggestions of the Hearing Examiners on page 42 of their report. Negligence not ascribable to any one party shall be apportioned in the same manner as used to determine rental rates unless the parties otherwise agree.
18. The Board order all CATV companies to provide sufficient 24-hour emergency crews to adequately serve their service areas. These crews may be made up of CATV company employees, independent contractors or utility company personnel. All pertinent telephone numbers and



procedural materials affecting these emergency crews should be exchanged between the CATV companies and the utilities.

19. The Board shall review rental fees for CATV use of utility facilities in the agreements consistently with the criteria and methods set forth in the Report and Recommendation, except that usable space shall be defined as the entire length of the pole less both the setting depth and the minimum ground clearance.
20. The Board allows the parties to negotiate the use of either (a) non-weighted average original installed pole cost or (b) weighted average original installed pole cost with the first method being preferred.
21. The Board, consistent with the discussion at p.53 of the Hearing Examiners' Report, shall allow the parties to negotiate the inclusion or exclusion of guying and anchoring cost within the investment in pole plant for rental purposes.
22. Total yearly ownership expenses, as defined at pages 45 and 57 of the Hearing Examiner's Report, in the range of 20 to 25 of gross pole plant percent may be presumed as reasonable for the calculation of pole rates.
23. The Board reject NJBT's "share the savings" methodology to allocate annual pole costs.
24. In the event parties cannot agree on the actual location of facilities on the poles, the results of a survey to detect actual location of facilities shall be imputed into each user's allocation of pole costs.
25. The Board allow the parties to negotiate the choice of relative rights on the poles with the allocation of annual costs being dependent on the relative equality of status afforded to the CATV company.
26. The Board encourages, through utility/CATV negotiated ownership plans, the ultimate buy-in of CATV companies into utility pole plant, as an alternative to attachment rentals.
27. The mechanism for the resolution of complaints, misunderstandings and disputes be, as indicated above, a combination of (1) the Joint Utility Cable Technical Committee, (2) informal Board and Office arbitration efforts and (3) formal Board determinations.
28. All present agreements shall be renegotiated in accordance with the guidelines herein and subsequently resubmitted to the Board by the CATV companies within 90 days for approval. Should no agreement be reached in 90 days, the parties' time shall be extended automatically for another 90 days; however, rates ultimately established by the new agreements shall be effective 90 days from the date of this order.

The Board FURTHER ORDERS:

29. The pole attachment rental rates shall be calculated in the following manner:

|     |  |   |                      |
|-----|--|---|----------------------|
| (1) | % Rate of Return + % Depreciation Expense        | + | Total Percentage of  |
|     | % Misc. Taxes + % Maintenance Expenses           | = | Gross                |
|     | % Administrative Expenses + % Federal Income Tax |   | Pole Plant as Annual |
|     |  |   | Cost <sup>2/</sup>   |

2/ Agreement may provide for adjustment of gross pole plant according to treatment of guying and anchoring.

- |                               |  |  |  |
|-------------------------------|--|--|--|
| (2)                           | Weighted or Unweighted 1/<br>Average Original X<br>Installed per Pole Cost       | Total %<br>Gross Pole<br>Plant as<br>Annual Cost | Total<br>Yearly<br>Ownership<br>Expense            |
| (3)                           | Setting Depth + (plus) Ground Clearance  |  | Common Space                                       |
| (4)                           | Total Pole Length - Common Space   |  | Usable Space                                       |
| (5)                           | 1.0 Feet   |  | Footage of Usable<br>Space Allocated to CATV       |
| (6a)                          | $\frac{1.0 \text{ Feet}}{\text{Total Usage}} \times \text{Space on Pole}$        | Total Common =<br>on Pole                        | Footage of Common<br>Space Allocated to CATV       |
|                               | or, should the parties<br>mutually agree to<br>allocate common space<br>equally, |  |  |
| (6b)                          | $\frac{\text{Total Common Space on Pole}}{\text{Number of Parties on Pole}}$     |  | Footage of Common<br>Space Allocated to CATV       |
| (7)                           | Footage of CATV Common<br>Space  | Footage of<br>CATV Usable Space =                | Percentage (%) of Total<br>Space Allocated to CATV |
| <hr/> TOTAL POLE LENGTH <hr/> |  |  |  |
| (8)                           | % Space Allocated<br>to CATV X   | Total Yearly<br>Ownership Expense =              | Annual Rental Charge Per<br>Pole                   |

30. Should the parties fail to reach agreement on an issue, the appropriate recommendations and procedures outlined above shall govern.

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1/ Should parties be unable to agree on weighted or unweighted costs, the Board shall employ the unweighted average original installed per pole cost.

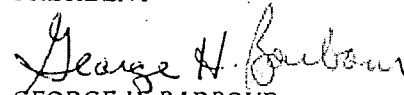
Recommendations 3, 9 and 11 are HEREBY REJECTED. Except as modified above, the Report and Recommendation of the Hearing Examiners in this matter is incorporated herein by reference.

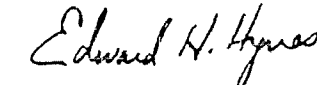
DATED: August 20, 1984

BOARD OF PUBLIC UTILITIES

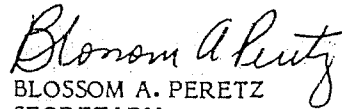
BY

  
BARBARA A. CURRAN  
PRESIDENT

  
GEORGE H. BARBOUR  
COMMISSIONER

  
EDWARD H. HYNES  
COMMISSIONER

ATTEST:

  
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SECRETARY

SERVICE LIST

Docket No. 769C-6206  
and other related and  
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OCTV 4/5/84

TWO-PARTY POLE ATTACHMENT  
RENTAL RATES  
JCP & L DOCKET NO. C085121262

|   | JERSEY<br>CENTRAL<br>POWER |
|---|----------------------------|
| 1 GROSS PLANT INVESTMENT                      | 2509560071                 |
| 2 DEPRECIATION RESERVE                        | 661931437                  |
| 3 NET PLANT INVESTMENT (LINES 1-2)            | 1847628634                 |
| 4 GROSS POLE INVESTMENT                       | 28641580                   |
| 5 NUMBER OF POLES                             | 83253                      |
| 6 MAINTENANCE EXPENSE                         | 1866220                    |
| 7 DEPRECIATION PERCENT                        | 0.3415                     |
| 8 ADMINISTRATIVE EXPENSE                      | 24501237                   |
| 9 FEDERAL INCOME TAXES                        | -33954027                  |
| 10 MISCELLANEOUS TAXES                        | 181901714                  |
| 11 NET RATE OF RETURN                         | 8.1047                     |
| 12 CROSSARMS and/or ANCHORS & GUYS ADJ        | 0.66                       |
| 13 COST OF A BARE POLE (LINES 4/5+12)         | 227.89356542               |
| 14 MAINTENANCE PERCENT (LINES 6/4)            | 0.063227729                |
| 15 DEPRECIATION PERCENT (LINE 7)              | 0.3415                     |
| 16 ADMINISTRATIVE PERCENT (LINES 8/1)         | 0.0499227307               |
| 17 FEDERAL INCOME TAXES (LINES 9/1)           | -0.0135298722              |
| 18 MISCELLANEOUS TAXES (LINES 10/1)           | 0.0725153847               |
| 19 GROSS RATE OF RET PERCENT (LINE 13/1)X11   | 0.0770839161               |
| 20 ANN. CARRYING CHGES. (LINES 14-19)         | 0.2527197463               |
| 21 LENGTH OF A POLE                           | 37.5                       |
| 22 USERS ON A POLE                            |                            |
| 23 SETTING DEPTH                              | 6                          |
| 24 GROUND CLEARANCE                           | 21                         |
| 25 COMMON SPACE (LINES 23+24)                 | 24                         |
| 26 USABLE SPACE (LINES 21-(23-24))            | 10.5                       |
| 27 FOOTAGE USABLE SPACE CATV                  | 1                          |
| 28 FOOTAGE COMMON SPACE CATV (LINES 27/26X25) | 2.2657142857               |
| 29 FOOTAGE SPACE ALLOC CATV (LINES 28+27)     | 3.2357142857               |
| 30 % SPACE TO CATV (LINES 29/21)              | 0.0876190476               |
| 31 POLE ATTACH RENTALS (LINES 13X29X30)       | 5.0277936163               |