

COMPANY: Consolidated Communications of Northern New England Company, LLC
 STUDY AREA: New Hampshire SUBMISSION 1
 PERIOD: From: Jan 2020 To: Dec 2020 Table III
 COSA: FPNH Page 1 of 1

Table III - POLE AND CONDUIT RENTAL CALCULATION INFORMATION
 (Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	395,349
101	Gross Investment - Poles	63,530
102	Gross Investment - Conduit	17,388
200	Accumulated Depreciation - Total Plant-in-Service	184,883
201	Accumulated Depreciation - Poles	35,765
202	Accumulated Depreciation - Conduit	4,924
301	Depreciation Rate - Poles	5.8
302	Depreciation Rate - Conduit	2.2
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	0
404	Net Non-current Deferred Operating Income Taxes - Poles	4,865
405	Net Non-current Deferred Operating Income Taxes - Conduit	-11,148
406	Net Non-current Deferred Operating Income Taxes - Total	-20,842
501.1	Pole Maintenance Expense	13,625
501.2	Pole Rental Expense	3,507
501	Pole Expense	17,132
502.1	Conduit Maintenance Expense	439
502.2	Conduit Rental Expense	0
502	Conduit Expense	439
503	General & Administrative Expense	8,615
504	Operating Taxes	8,043
Operational Data (Actual)		
601	Equivalent Number of Poles	251,845
602	Conduit System Trench Kilometers	1,108
603	Conduit System Duct Kilometers	6,483
700	Additional Rental Calculation Information	0

COMPANY: FairPoint Communications, Inc.
 STUDY AREA: New Hampshire
 PERIOD: From: Jan 2017 To: Dec 2017
 COSA: **FPNH**

SUBMISSION 1
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Table 111- POLE AND CONDUIT RENTAL CALCULATION INFORMATION
 (Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE	Amount (b)
Financial Information (\$000)	(a)	
100	Telecommunications Plant-in-Service	2,600,232
101	Gross Investment - Poles	220,791
102	Gross Investment - Conduit	121,067
200	Accumulated Depreciation - Total Plant-in-Service	2,480,113
201	Accumulated Depreciation - Poles	200,831
202	Accumulated Depreciation - Conduit	69,300
301	Depreciation Rate - Poles	5.8
302	Depreciation Rate - Conduit	2.2
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	3,502
404	Net Non-current Deferred Operating Income Taxes - Poles	-1,047
405	Net Non-current Deferred Operating Income Taxes - Conduit	10,259
406	Net Non-current Deferred Operating Income Taxes - Total	-35,753
501.1	Pole Maintenance Expense	10,238
501.2	Pole Rental Expense	2,199
501	Pole Expense	12,436
502.1	Conduit Maintenance Expense	773
502.2	Conduit Rental Expense	0
502	Conduit Expense	773
503	General & Administrative Expense	21,305
504	Operating Taxes	3,679
Operational Data (Actual)		
601	Equivalent Number of Poles	251,720
602	Conduit System Trench Kilometers	1099
603	Conduit System Duct Kilometers	6,430
700	Additional Rental Calculation Information	0

COMPANY: FairPoint Communications, Inc.
 STUDY AREA: New Hampshire
 PERIOD: From: Jan 2018 To: Dec 2018
 COSA: FPNH

SUBMISSION 1
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Table III - POLE AND CONDUIT RENTAL CALCULATION INFORMATION
 (Dollars in thousands; Operating data in actual units)

ROW	ROW TITLE (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	2,630,970
101	Gross Investment - Poles	230,007
102	Gross Investment - Conduit	121,961
200	Accumulated Depreciation - Total Plant-in-Service	2,592,969
201	Accumulated Depreciation - Poles	211,658
202	Accumulated Depreciation - Conduit	71,951
301	Depreciation Rate - Poles	5.8
302	Depreciation Rate - Conduit	2.2
401	Net Current Deferred Operating Income Taxes - Poles	0
402	Net Current Deferred Operating Income Taxes - Conduit	0
403	Net Current Deferred Operating Income Taxes - Total	-158
404	Net Non-current Deferred Operating Income Taxes - Poles	1,070
405	Net Non-current Deferred Operating Income Taxes - Conduit	364
406	Net Non-current Deferred Operating Income Taxes - Total	13,104
501.1	Pole Maintenance Expense	11,340
501.2	Pole Rental Expense	595
501	Pole Expense	11,935
502.1	Conduit Maintenance Expense	417
502.2	Conduit Rental Expense	0
502	Conduit Expense	417
503	General & Administrative Expense	13,588
504	Operating Taxes	16,550
Operational Data (Actual)		
601	Equivalent Number of Poles	253,998
602	Conduit System Trench Kilometers	1,112
603	Conduit System Duct Kilometers	6,506
700	Additional Rental Calculation Information	0

**CALCULATION OF MAXIMUM POLE ATTACHMENT RATES USING SETTLEMENT FORMULA
CONSOLIDATED COMMUNICATIONS USING COST DATA FOR YEAR ENDING 12/31/2020**

FCC Report 43-01, ARMIS Annual Summary Report

Formula Rate Calculation: For Yr Ending 12/31/20

STEP ONE: DETERMINE IF NET INVESTMENT IS NEGATIVE.

Table III

IF YES, CALCULATE BASED ON ALTERNATIVE "GROSS" FORMULA

	Row No.		
1.A. NET POLE INVESTMENT			
A. Gross Pole Investment (Account 2411 - Poles)	101		\$63,530,000
B. Accumulated Depreciation (Account 3124.11 - Poles)	201		\$35,765,000
C. Accumulated Deferred Income Taxes (Account 4340 - Poles)	401+404		\$4,865,274
D. Net Pole Investment 1D = 1A-1B-1C			\$22,899,726
2. TOTAL PLANT INVESTMENT			
A. Gross Plant Investment (Account 2001)	100		\$395,349,000
B. Accumulated Depreciation (Account 3100)	200		\$184,883,000
C. Accumulated Deferred Income Taxes (Accounts 4100 and 4340)	403+406		(\$20,842,474)
D. Net Plant Investment 2D = 2A-2B-2C			\$231,308,474
3. DEPRECIATION ELEMENT			
A. Depreciation Rate for Gross Pole Investment (FCC/ARMIS Prescribed)	301		5.8%
B. Gross Pole Investment (Line 1B)			\$63,530,000
C. Net Pole Investment (Line 1D)			\$22,899,726
D. Depreciation Element (Net) (Line 3D = (3B/3C)*3A)			16.1%
E. Depreciation Element (Gross) (Line 3D = 3A)			
4. MAINTENANCE ELEMENT			
A. Pole Maintenance Expense - Poles (Account 6411)	501.1		\$13,625,000
B. Net Pole Investment (Line 1D)			\$22,899,726
C. Maintenance Element (Line 4C = 4A/4B)			59.50%
5. ADMINISTRATIVE ELEMENT			
A. Total General and Administrative Expense (Accounts 6710 and 6720)	503		\$8,615,000
B. Net Plant Investment (Line 2D)			\$231,308,474
C. Administrative Element 5C = 5A/5B			3.72%
6. TAXES ELEMENT			
A. Total Operating Taxes (Account 7200)	504		\$8,043,018
B. Net Plant Investment (Line 2D)			\$231,308,474
C. Taxes Element 6C = 6A/6B			3.477%
7. RETURN ELEMENT			
A. Authorized Rate of Return (Default per FCC 16-33, see para. 10)			9.75%
B. Net Pole Plant (Line 1D)			
C. Gross Pole Plant (Line 1A)			
D. Net to Gross Ratio 7D= 7B/7C			
E. Return Applicable to Gross 7E= 7D*7A			
8. CARRYING CHARGE RATE			
A. Sum of Carrying Charge Rate Elements 8A = 3E+4C+5C+6C+7E			92.54%
9. OTHER INFORMATION			
A. Pole Space Occupied per Attachment			1
B. Usable Pole Space			15.0
C. Unusable Pole Space			24.0
D. Pole Height 9D = 9B+9C			39.0
E. Equivalent Number of Poles	601		251,845
F. Appurtenance Factor			0.95
10. MAXIMUM YEARLY RATE PER POLE PER ATTACHMENT - SETTLEMENT RATE FORMULA			
A. FCC Cable Formula = 1/Usable Space Pole (1/9B)			6.67%
B. Net Cost of a Bare Pole = (Net Pole Investment/Total Number of Poles) x Appurtenance Factor			\$86.38
10B = (1D/9E) x 9F			92.54%
C. Annual Carrying Charges based on Gross Investment (8A)			\$5.33
D1. Maximum Yearly Rate per Pole per Attachment (Sole) 10D1 = 10A x 10B x 10C			\$2.67
D2. Maximum Yearly Rate per Pole per Attachment (Joint) 10D2 = (10A x 10B x 10C) x			

Table 1

Comparison of Net Bare Cost of a Pole for Consolidated Based on GAAP Accounting Data provided by Consolidated in Docket 21-020 and the Revised Data Presented in Attachment SD-1

	Based on Year-End 2020 ARMIS Annual Summary Report Table III	Just & Reasonable Input Values, Based on Data Provided by Consolidated Per Order No. 26-524, DE 21-020	Revised Input Values, Based on Data Provided in Attachment SD-1, DE 22-047 (see Note)	
1	Gross Investment in Pole Plant	\$63,530,000	\$63,530,000	Rov
2	- Accumulated depreciation for poles	\$35,765,000	\$10,588,000	Rov
3	- Accumulated deferred income taxes for poles	\$4,865,274	\$4,865,274	Rov
4	= Net Pole Investment	\$22,899,726	\$48,076,726	Ln
5	x (1- Appurtenances Factor)	0.95	0.95	FC
6	= Net Bare Pole Investment	\$21,754,740	\$45,672,890	Ln
7	/ Total Number of Poles	251,845	251,845	Rov
8	= Net Bare Cost/Pole	\$86.38	\$181.35	Ln

Note: The Revised Input Values per SD-1 with exception of Accumulated Depreciation for Poles Can Be Sourced

Table 2

Just and Reasonable Net Bare Cost of a Pole Based on Regulatory Accounting Data for Poles Approved by Consolidated from FairPoint

	Based on Year-End 2017 and 2018 ARMIS Annual Summary Report Table III Submitted to the FCC	Just and Reasonable Input Values 2017 Regulatory Values	Just and Reasonable Input Values 2018 Regulatory Values
1	Gross Investment in Pole Plant	220,791,000	230,007,000
2	- Accumulated depreciation for poles	200,831,000	\$211,658,000
3	- Accumulated deferred income taxes for poles	-1,047,000	\$1,070,000
4	= Net Pole Investment	21,007,000	\$17,279,000
5	x (1- Appurtenances Factor)	0.95	0.95
6	= Net Bare Pole Investment	19,956,650	\$16,415,050
7	/ Total Number of Poles	251,720	253,998
8	= Net Bare Cost/Pole	\$79.28	\$64.63

ided
ARMIS ROW/ Calculation
Row 101
Row 201
Rows 401,404
Ln 4 = Ln1- Ln 2- Ln 3
FCC Presumption
Ln 4 x L5
Row 601
Ln 6 / Ln 7
Order No. 26,534

acquired
ARMIS ROW/ Calculation
Row 101
Row 201
Rows 401,404
Ln 4 = Ln 1 -Ln 2- Ln 3
FCC Presumption
Ln 4 x L5
Row 601
Ln 6 / Ln 7