

**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

DOCKET NO. DT 22-047

**CHARTER COMMUNICATIONS, INC., COGECO US FINANCE, LLC
d/b/a BREEZELINE, AND COMCAST CABLE COMMUNICATIONS, LLC**

Petition for Resolution of Rate Dispute

**RESPONSES TO PETITIONERS' TECHNICAL SESSION DATA REQUESTS TO
CONSOLIDATED COMMUNICATIONS OF NORTHERN NEW ENGLAND
COMPANY, LLC d/b/a CONSOLIDATED COMMUNICATIONS**

January 13, 2023

NOW COME Charter Communications, Inc., Cogeco US Finance, LLC d/b/a Breezeline, and Comcast Cable Communications, LLC (“the Petitioners”), and submit the following written data requests to Consolidated Communications of Northern New England Company, LLC d/b/a Consolidated Communications (“Consolidated”) that were asked orally during the January 12, 2023 Technical Session in the above-captioned docket, and that Consolidated agreed to answer in writing.

**Consolidated Communications of Northern New England Company, LLC d/b/a
Consolidated Communications**

Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-01

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs
Lynn Schultz, Senior Director Accounting

Re: Attachment SD-1:

Please provide the actual mathematical derivation of and source documents supporting the \$10,588,000 figure in revised Accumulated Depreciation for Poles in ARMIS Row 201, with specific reference to the \$11,250,610 depreciation amount identified in Cell I16 in Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach.01.05.2022) and the unidentified but included retirement-related adjustment for Poles as described by Ms. Davis in response to questioning at the Technical Session.

Response:

Please refer to Consolidated's Excel spreadsheet labeled "DT 22-047 - Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach. 01.05.2022 Updated 01.14.2023). Upon pulling the detail from Consolidated's accounting records, minor differences were found between the detail data and the data provided in the Excel spreadsheet provided in response to Joint Petitioners' data request 1-01. Refer to the tab labeled "Additions Summary" which reflects the original data from the tab in the Excel spreadsheet provided in response to Joint Petitioners' data request 1-01 labeled "Pole Investment Analysis" compared to a summary of the detail data from Consolidated's accounting records, the net difference being in total two tenths of one percent (0.2%).

Upon pulling the detailed data from the accounting systems, Consolidated also updated the value of its "Gross Investment – Poles" (line 101 in Attachment SD-1 to the Prefiled Testimony of Sarah Davis) to \$64,680,751.61 and the related "Accumulated Depreciation – Poles" (line 201 in Attachment SD-1 to the prefiled Rebuttal Testimony of Sarah Davis) to \$11,250,610.39. There is no pole asset retirement related adjustment to these figures as retirements have no impact on net book value. When retired, pole assets are assumed to be fully depreciated; therefore, cost and accumulated Depreciation are reduced by the same amount.

A comparison of the original hypothetical ARMIS submission (as of December 31, 2020) for the above referenced line items compared to actual accounting detail is as follows:

	<u>Attach. SD-1</u>	<u>Updated Detail</u>	<u>Difference</u>	<u>Percentage</u>
Line 101	\$ 63,530,000*	\$ 64,680,751.61	\$ 1,150,751.61	1.8%
Line 201	<u>\$(10,588,000)*</u>	<u>\$(11,250,610.39)</u>	<u>\$ 662,610.39</u>	6.3%
Net	\$ 52,942,000	\$ 53,430,141.22	\$ 488,141.22	0.9%

* Note: The hypothetical ARMIS detail for December 31, 2020, was rounded and presented in (000); the accounting detail has not been rounded.

**Consolidated Communications of Northern New England Company, LLC d/b/a
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Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-02

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs

Re: Attachment SD-1:

Please confirm that the carrying charge rate used to compute the \$12.09 and \$13.43 rates shown on SD-1, and as referenced in the Davis Testimony at Footnote 2, are sourced to (i.e., reflect) the Consolidated 2020 expense and investment amounts identified in the Excel attachment to Consolidated's Response to DOE DR 6-04 in DE 21-020, named "Confidential CCNE 2020 Expenses, NNE NH All Mrkts."

Response:

Consolidated did not use a carrying charge rate in the original version of Attachment SD-1. Please see the updated Attachment SD-1 to the prefiled Rebuttal Testimony of Sarah Davis. For demonstrative purposes only, Consolidated has added the Carrying Charge calculated by Patricia Kravtin into Attachment SD-1.

**Consolidated Communications of Northern New England Company, LLC d/b/a
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Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-03

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs

Re: Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach.01.05.2022), Tab "Pole Investment Analysis":

Please provide the source document supporting the \$40,531,320 Net Book Value figure identified in Cell C6, and described by Ms. Davis as the revalued GAAP net book value by Deloitte in conjunction with Consolidated's 7/3/2017 acquisition of FairPoint. If not clearly identified on the source document, please confirm that the date of the revalued GAAP net book value figure is of the Acquisition Date of 7/3/2017, or if that is not the date, identify the date associated with the \$40,531,320 figure.

Response:

Consolidated did not agree to provide the source document related to its beginning net book values upon the closing of the Consolidated Communications – FairPoint Communications merger transaction dated July 3, 2017. As stated during the technical session, the net book value figure referenced above resulted from a purchase accounting based asset revaluation of the FairPoint Communications' assets as of the merger closing. This revaluation was performed by Deloitte.

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Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-04

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs
Lynn Schultz, Senior Director Accounting

Re: Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach.01.05.2022), Tab "Pole Investment Analysis":

Referring to the figure of \$1,243,819 identified in Cell E13 associated with "Adds 7/1 to 12/17" and "6 mo Deprec," please explain why the depreciation rate applied to new gross pole plant additions for the identified 6 month period in Cell E12 is divided by 4, and not 2.

Response:

Pole additions are assumed for the analysis to be in service for ½ of a calendar year as a project-by-project analysis of the in-service date and the related project depreciation would be exceedingly time consuming. As the cell at issue in the original Excel spreadsheet was meant to account of ½ of 2017, the formula must reflect 25% of a full year of depreciation.

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Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-05

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs
Lynn Schultz, Senior Director Accounting

Re: Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach.01.05.2022), Tab "Pole Investment Analysis":

Please provide the source documents supporting the new gross pole plant additions shown in Cells E12, E17, E22, and E27.

Response:

Please refer to Consolidated's Excel spreadsheet labeled "DT 22-047 - Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach. 01.05.2022 Updated 01.14.2023)". The tabs labeled by calendar year contain confidential pole project data for the pole plant additions in each of the calendar years 2017 (half-year only) through 2021.

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Docket No. DT 22-047

Date Request Received: 01/13/2023

Date of Response: 01/16/2023

Request No.: TS 1-05

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Request from: Joint Petitioners

Witness: Sarah Davis, Senior Director Government Affairs
Lynn Schultz, Senior Director Accounting

Re: Consolidated's Response to Jnt. Petitioners DR 1-01 (Attach.01.05.2022), Tab "Pole Investment Analysis":

Please provide the source documents supporting each of the depreciation-related figures identified in Cells C13, C18, C23, and C28 for the column labeled "CCI Actual GAAP Rate (Purchase Accounting)". Please note there are multiple figures embedded in Cells 23 and 28.

Response:

There are no "source" documents related to the depreciation contained in the above referenced cells. The data was sourced directly from Consolidated's accounting sub-ledger which has two amounts, one amount being current depreciation and one amount for what is known as out of period depreciation. The figures from the accounting sub-ledger simply were included in the spreadsheet with the corresponding formula to present the depreciation figures in the cell.