#### 1 BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON 2 UM 1087 3 CENTRAL LINCOLN PEOPLE'S VERIZON'S OPENING TECHNICAL UTILITY DISTRICT, COMMENTS 5 Complainant, 6 v. 7 VERIZON NORTHWEST, INC., 8 Defendant. 9 10 I. INTRODUCTION 11 Since the Commission issued Order No. 05-042 (the "Order") Verizon has met with 12 Central Lincoln People's Utility District ("CLPUD") in an attempt to negotiate a pole 13 attachment agreement consistent with the draft agreement adopted by the Commission in the 14 Order. Those negotiations have been productive; the parties have addressed and resolved, at 15 least in principle, many issues identified in that suggested contract. Attached hereto as 16 Exhibit A is a red-lined version of the agreement adopted by the Commission. The following 17 comments track the changes to the proposed agreement. 18 As required in the Order, these comments do not re-argue any issue resolved therein 19 by the Commission. The proposed contract does, however, raise several issues not 20 specifically addressed by the Order. Verizon's comments on those provisions are set forth 21 below. Again, those comments follow the order in which those issues arise in the 22 Commission's suggested contract. 23 II. **COMMENTS** 24 The following comments are tied to the Pole Attachment Agreement (the "Agreement") submitted herewith as Exhibit A. Exhibit A is marked in a manner to readily

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26

- 1 permit the reader to identify changes to the proposed Agreement issued by the Commission,
- 2 Appendix A to the Order. In Exhibit A, material to be eliminated is marked with a strike
- 3 through (strike through). Material to be inserted is marked with a double underline
- 4 (underline). Any sections in plain text reflect material in the Agreement acceptable to
- 5 Verizon.
- In these comments, Verizon will point out many instances when the parties have been
- 7 able to reach an agreement in principle. While specific language has not been agreed to by
- 8 both parties, Verizon and CLPUD have been able to identify numerous instances where they
- 9 agree about the nature of changes that should be made to the document.
- Form of the Agreement. Verizon acknowledges that the Commission ruled in the
- 11 Order that CLPUD could not be required to enter into an agreement to attach to Verizon's
- 12 poles. Order at 16. Pursuant to the directive for the content of these Technical Comments,
- 13 Verizon will not reargue that issue. Verizon respectfully notes, however, that it will not
- 14 permit other parties to use its property without its permission. If CLPUD, or any party,
- 15 wishes to attach to Verizon's poles, Verizon would require the execution of an appropriate
- 16 pole attachment agreement.
- 17 Rather than continue to argue this question, however, Verizon and CLPUD have
- 18 reached an agreement in principle. The parties have focused their attention on negotiating
- 19 the Agreement for Verizon to attach to CLPUD poles. The parties agree, however, that once
- 20 the document is finalized, the parties will execute a "mirror-image" agreement permitting
- 21 CLPUD to attach to Verizon poles. While a single joint pole agreement would be
- 22 administratively more efficient (since both Verizon and CLPUD own poles to which the
- 23 other attaches), the "mirror image" agreement will accomplish much the same result.
- Section 2.3. The parties agree that as drafted, the language in the Agreement dealing
- 25 with the reservation of space was too open-ended. Verizon and CLPUD agree that in order
- 26 to reject a party's request to attach, the pole owner should have a bona fide plan for the use of

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- 1 that space in the foreseeable future. Verizon's suggested revision to Section 2.3 therefore
- 2 requires that the pole owner have a bona fide plan for the use of the space on its pole within
- 3 the next 12 months.
- 4 Section 3.1. Section 3.1 is revised to reflect new developments. As the Commission
- 5 is aware, the Agreement is based on Verizon's proposed agreement originally sent to CLPUD
- 6 in 2002. See CLPUD Hearing Exh. 17. Since that time, many parties including Verizon and
- 7 CLPUD have much more readily accepted the use of the National Joint Use Notification
- 8 System ("NJUNS"). This electronic information exchange system serves the parties well in
- 9 the day-to-day operation of their networks. The parties have therefore agreed to revise the
- 10 document to reflect the use of NJUNS, rather than the exchange of written applications.
- 11 Verizon respectfully submits that this change is wholly appropriate for any parties that use
- 12 NJUNS or a similar electronic data exchange system.
- 13 The other change proposed by Verizon, the addition of two sentences dealing with
- 14 "large projects," addresses the fact that a thirty day permit processing time may sometimes
- 15 be inadequate. Again, Verizon respectfully submits that this change reflects the reality of
- 16 operating a large plant network and is in the public interest.
- 17 Section 3.2. The suggested revisions to Section 3.2 reflect the fact that it is
- 18 sometimes not feasible to process the administrative closure of applications the day after the
- 19 work is performed. Frequently, that information must also be entered into property
- 20 management and financial data bases. Thirty days is a reasonable time period to transmit
- 21 work completion notification. The second change to Section 3.2 recognizes the requirement
- 22 that the party attaching equipment be able to quickly respond when potential safety issues are
- 23 brought to its attention.
- Section 5.2. Verizon and CLPUD agreed that 18% interest, compounded daily, is an
- 25 excessive interest rate. Verizon does not believe that a contractual interest rate should be
- 26 punitive.

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- Section 5.4. Verizon and CLPUD agreed that the reference to a penalty of sixty (60)

  times the rental fee was inappropriate. That fee was in excess of the amount currently set
- 2 times the folial fee was mappiopriate. That fee was in excess of the amount enfolity se
- 3 forth in the Commission's rules for attachments for which no proper permit had been
- 4 obtained. See OAR 860-028-010. Insofar as that rule sets forth the current sanctions for an
- 5 un-permitted attachment, the parties agreed that the penalties set forth in their Agreement
- 6 should not be higher.
- 7 Section 6.1. The parties agreed to revise Section 6.1 to reflect CLPUD's actual fiscal
- 8 year. Moreover, they agreed that permitting 30 days for a response to proposed rates would
- 9 enable a more carefully prepared presentation. The commitment to engage in mediation
- 10 reflects the parties' desire to explore alternative methods of resolving these disputes before
- 11 placing them with the Commission.
- Section 8.1. Verizon and CLPUD agreed that 45 days is a more realistic turnaround
- 13 in all cases for such invoices. Again, as set forth in the comments applicable to Section 5.2,
- 14 the parties also agreed that an interest rate of 18%, compounded daily was inappropriate.
- 15 Section 9.6. The parties agreed to eliminate Section 9.6. In actual practice, Verizon
- 16 does not engineer its service drops to cross-over CLPUD's lines. The parties also agreed that
- 17 pole top extensions should not be covered in the manner set forth in Section 9.6, and the
- 18 replacement of a pole is more appropriately dealt with elsewhere in the Agreement.
- 19 Section 9.9. (Renumbered as Section 9.8). CLPUD and Verizon have agreed that
- 20 inspection costs are part of the routine operation of a pole owner. Attempting to fix a cost for
- 21 "non-routine inspections" appeared unworkable to the parties, and neither Verizon nor
- 22 CLPUD is interested in committing to undertake such inspections. Verizon inspects its poles
- 23 in the ordinary course of maintaining its network and has done so in a safe fashion for many
- 24 years.
- 25 Section 9.10. Verizon and CLPUD agreed to strike this section in its entirety. The
- 26 requirement for an "occupancy survey" was not set out in the underlying contract originally

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- 1 prepared by Verizon, which was the basis for the Agreement suggested by the Commission.
- 2 The requirement for a "occupancy survey" appears to reflect the remedy requested by Staff in
- 3 its briefing. This was a remedy Verizon (and CLPUD) opposed, and nothing in the Order
- 4 establishes that the Commission intended to grant Staff's remedy. The occupancy survey
- 5 requirement is therefore without foundation in the Order. Neither CLPUD nor Verizon are
- 6 prepared to enter into such surveys on a regular basis.
- 7 Section 10.1. Verizon and CLPUD agree that the final sentence in Section 10.1
- 8 should be eliminated. In practice, Verizon would not replace a pole owned by CLPUD.
- 9 Section 10.2. The proposed revisions to Section 10.2 merely reflect the use of the
- 10 NJUNS system, as addressed in more detail in Section 3.1 above. Additionally, the parties
- 11 agree that poles will tend to have negligible salvage value, but frequently have substantial
- 12 remaining life value. Verizon and CLPUD agree this is the more appropriate measure for the
- 13 value of a pole.
- 14 Section 10.4. Verizon and CLPUD agreed that a period of notice is appropriate
- 15 whenever a party needs to replace a pole carrying underground conduit connections. The
- 16 proposed revision to Section 10.4 reflects this agreement.
- 17 Sections 10.5 and 10.6. Neither Verizon nor CLPUD intend to inspect and/or treat
- 18 poles as set forth in those paragraphs. They agree that the paragraphs should be stricken.
- 19 Sections 11.1 and 11.2. These changes again reflect the use of the NJUNS system.
- 20 **Section 12.1.** The parties agree that an attachment to a CLPUD anchor should be
- 21 processed as a new attachment application.
- Section 15.2. Verizon and CLPUD agree that 45 days is, again, a more realistic time
- 23 period before a party is in default for payment for payment of these type of invoices.
- Section 20.4. CLPUD has objected to the indemnification provision contained in the
- 25 Commission's proposed Agreement, Section 20.3. CLPUD indicates that it believes its
- 26 liability is limited by the Oregon Tort Claims Act.

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1	Verizon is prepared to accept a limitation of the District's indemnification obligation,
2	so long as CLPUD obtains adequate insurance. Section 20.4 achieves that result.
3	Section 25.3. This is a new section designed to deal with the potential for changes in
4	the law. Verizon and CLPUD agree that the agreement should be revised if the underlying
5	law on which it is based is changed. This new section is Verizon's proposal for how to
6	accomplish that agreement. This section makes clear that in the event that there are changes
7	in law, the parties must and confer on the effect of those changes. If they are unable to agree
8	either party would be able to initiate a proceeding before the Commission on the basis that,
9	by virtue of the change of law, the terms and conditions of the Agreement are not longer fair,
10	just and reasonable.
11	Rates. The parties are not yet in agreement upon an appropriate rate. Until CLPUD
12	establishes a different rate, Verizon is prepared to accept the rate set forth in the Order.
13	III. CONCLUSION
14	Verizon appreciates the efforts the Commission has devoted to this set of questions of
15	first impression. Ratification of the changes suggested by Verizon above would leave the
16	parties with a workable and efficient agreement.
17	Respectfully submitted this 11 <sup>th</sup> day of March, 2005.
18	STOEL RIVES LLP
19	1==10%
20	Timothy J/O'Connell Attorneys for Verizon Northwest Inc.
21	Audineys for Wenzon Northwest file.
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## GENERAL AGREEMENT

FOR

## JOINT USE OF FACILITIES

## **BETWEEN**

CENTRAL LINCOLN PEOPLE'S UTILITY DISTRICT AND

VERIZON NORTHWEST INC.

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#### POLE ATTACHMENT AGREEMENT

This Pole Attachment Agreement is made and entered into this	day of
, 2005, between Central Lincoln People's Utility I	District ("District"), and
Verizon Northwest Inc. ("Verizon").	

#### WITNESSETH

WHEREAS, the District is engaged in the business of providing electric service to customers in certain areas within the state of Oregon; and

WHEREAS, Verizon conducts its communication business in a number of the same areas within the state; and

WHEREAS, Verizon and the District sometimes place and maintain poles or pole lines upon or along the same highways, streets, or alleys and other public or private places for the purpose of supporting the wires and facilities used in their respective businesses; and

WHEREAS, applicable federal and state law provide that a utility pole owner may only deny access to poles and rights-of-way where there is insufficient capacity or for reasons of safety, reliability and generally applicable engineering purposes;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein, the Parties hereby agree as follows:

## ARTICLE I DEFINITIONS

- 1.1 "Agreement" means this Pole Use Agreement entered into between the District and Verizon.
- 1.2 "The District" means the Central Lincoln People's Utility District and its successors.
- 1.3 "Equipment" means the wires and facilities that the District may give Verizon written permission to install on a pole.
- 1.4 "Jointly used pole" means a pole owned by the District on which the District and Verizon both have attached Equipment.
- 1.5 "Party" means the District or Verizon, as the context requires. "Parties" means the District and Verizon.
  - 1.6 "Verizon" means Verizon Northwest Inc., and its successors.

#### ARTICLE II SCOPE OF AGREEMENT

- 2.1 This Agreement shall apply to all areas served by the Parties in the State of Oregon and shall cover all District-owned poles within said state which are presently jointly used, as well as poles which are now existing or which shall hereafter be erected in areas mutually served when such poles are included within the scope of this Agreement in accordance with the procedures hereinafter set forth.
- 2.2 With the exception of increases in circuit voltage on joint use poles, as provided in Article XVIII, this Agreement shall not apply to the use by Verizon of the District poles which support, or are designed to support, wires with a nominal voltage higher than 34,500 volts. All applications for the joint use of poles that support, or are designed to support, wires with a nominal voltage higher than 34,500 volts shall be considered individually and shall, if granted, be covered by a separate agreement.
- 2.3 The District reserves the right to reject applications for attachment to its poles where there is insufficient capacity or for reasons of safety, reliability, and generally applicable engineering purposes. Notwithstanding the foregoing, the District may reserve space on its poles if it has a bona fide plan for the use of projects a need for that space in the provision of its core utility service within the next twelve (12) months. The District shall permit use of its reserved space until such time as it has an actual need for that space. At that time, the District may recover the reserved space for its own use. The District shall give Verizon the opportunity to pay for any reasonable modifications needed to accommodate its displaced attachments.

## ARTICLE III ESTABLISHING JOINT USE OF POLES

Whenever Verizon desires to place its Equipment on any pole owned by the 3.1 District, it shall make written application therefore, via a "PA" ticket, furnishing the permit information set forth in Attachment F using the National Joint Use Notification System ("NJUNS"). Verizon shall direct the application to the District's NJUNS Member Code, and the application shall contain the District's facility identification number, all required information set forth on the standard NJUNS permit application The District shall return the application to Verizon's Member Code via the NJUNS. specifying the Equipment, the location of the poles in question, and the space desired on each pole. Said application shall be made on a form acceptable to both Parties and shall be directed to the District at the address specified in Article XXII of this Agreement. If the application is approved, the District shall, within thirty (30) days after receipt of this application, respond through the NJUNS system. sign and return a copy of the application to the Applicant. If notice is not received from the District within thirty (30) days, the application shall be deemed approved and Verizon may proceed with the attachment. If the application is rejected, the District shall, within said thirty (30) day period, provide oral or written notice of the rejection to Verizon through NJUNS and Verizon shall remove any equipment that may have been placed on the District's pole. Any denial of an application must be in writing and describe with specificity all relevant evidence and information supporting the denial and how such evidence and information relates to the lack of capacity, safety, reliability,

or generally applicable engineering standards. In the event that Verizon submits applications for large projects that exceed the District's ability to respond within thirty (30) days, the parties shall confer on a mutually agreeable response time. Large projects are those that involve a permit to attach to 100 or make District poles.

- 3.2 <u>Verizon shall notify the District within thirty (30) days of completing the work associated with the permit, through NJUNS.</u> Upon sending a completed, signed copy of the application to the pole owner before, but not later than, the close of the following business day after making attachment, Verizon shall have the right to install, maintain and use its Equipment described in the application upon the poles identified therein in accordance with the terms of the application and this Agreement. With the exception of service drops, Verizon shall not have the right to place, nor shall it place, any Equipment in addition to that initially authorized without first making application and receiving permission to do so, nor shall Verizon change the position of any Equipment attached to any pole without the District's prior written approval, with the exception that Verizon may change the position of its Equipment to correct NESC violations identified by the District, OPUC safety staff, or self-identified by Verizon.
- 3.3 Verizon shall complete the installation of its attachments upon the pole(s) covered by each approved application within ninety (90) days of approval by the District. Verizon may request, in writing, an extension of time for installation of large projects subject to written approval by the District. The District shall approve such requests for extension of time unless the District identifies a reasonable justification for denial of such request. In the event Verizon should fail to complete the installation within the prescribed time limit, the permission granted by the District to place the Equipment upon the poles shall thereupon be revoked and Verizon shall not have the right to place the Equipment upon the poles without first reapplying for and receiving written permission to do so.
- 3.4 If in the sole judgment of the District, the accommodation of any new Equipment to be attached by Verizon to the District's poles necessitates the rearrangement or addition of any existing facilities on an existing pole, or the replacement of any existing pole, the District shall specify on the application the changes necessary to accommodate the Equipment and the estimated cost thereof and return it to Verizon. If Verizon still desires to use the pole and returns the application marked to so indicate, the District shall make such rearrangements, transfers and replacements of existing facilities, and additions of new facilities, as may be required, and Verizon shall reimburse the District for any additional expenses thereby actually incurred by the District that are not prescribed in Article IX, Division of Costs, Poles.
- 3.5 With the exception of increases in circuit voltage on poles, which are provided for under Article XVIII, if, in the District's sole judgment, Verizon's existing Equipment on any pole interferes with the District's existing Equipment or prevents the District from placing any additional Equipment necessary for its core function on an existing pole, the Parties shall take action as follows:
  - a. The District will notify Verizon of the rearrangements of Equipment, or pole replacement and Equipment transfer, required in order to continue the

accommodation of Verizon's Equipment, together with an estimate of the cost of making any such changes.

- b. If Verizon desires to continue to maintain its Attachments on the pole, and so notifies the District within thirty (30) days, Verizon may perform the necessary work, or Verizon shall authorize the District to perform the work. Should Verizon authorize the District to perform the work, the District shall make such changes as may be required.
- c. If Verizon's existing Equipment interferes with the District's existing Equipment, Verizon shall be responsible for the reasonable and actual cost of making the changes set out in subSection b above. If Verizon's existing Equipment interferes with new Equipment to be attached by the District, the District shall be responsible for the reasonable and actual cost of making the changes set out in subSection b above.
- d. If Verizon does not so notify the District of its intent to perform the necessary work or authorize the District to perform the work, Verizon shall remove its attachments from the affected pole or poles within an additional thirty (30) days from such original notification by the District for a total of sixty (60) days; provided, however, that the District in any emergency may require Verizon to remove its attachments within the time required by the emergency.
- e. If Verizon has not removed it attachments at the end of the sixty (60) day period, or in the case of emergencies, within the period specified by the District, the District may remove Verizon's Equipment at Verizon's sole risk and expense, and Verizon shall pay the District for all reasonable and actual costs incurred.

## ARTICLE IV RIGHTS OF OTHER PARTIES

- 4.1 Nothing herein contained shall be construed as affecting any rights or privileges previously conferred by either Party, by contract or otherwise, to others not party to this Agreement to use any poles owned by such Party. Further, nothing herein contained shall be construed to affect either Party's right to continue, modify, extend or amend such existing rights or privileges, or to grant others the right or privilege to use poles owned by the Party.
- 4.2 Verizon shall not enter into any agreement with third parties for attachment to a pole owned by the District within the Verizon's allocated space or otherwise. The District may enter into attachment agreements with third parties and will administer all third party attachments for space outside Verizon's allocated space. As to any such agreements between Verizon and third parties that predate this Agreement, Verizon will, by appropriate means, transfer the administration of such attachments to the District.

#### ARTICLE V RENTALS

- 5.1 On or about July 1 of each year, but not later than July 31, the District shall make a tabulation of the total number of its jointly occupied poles, or on which Verizon has specifically reserved space, as of the preceding June 30 of the same year. For the purpose of the tabulation, any District-owned pole which is used by Verizon for the purpose of attaching Equipment thereto, either directly or by means of a pole top extension fixture, shall be considered a joint pole and subject to rental fees. Rental fees will not be prorated for Equipment which occupies a pole for less than the full one-year period.
- 5.2 Within sixty (60) days after the completion of the tabulation referred to in Section 5.1, the District shall invoice Verizon for the rental amount owing, as calculated in accordance with Attachment A, which is attached hereto and incorporated herein by this reference, specifying on such invoice the rental period covered. Payment of the invoiced amount shall be made within thirty (30) days of receipt of the invoice and shall constitute payment in advance for rental for the twelve (12) month period beginning July 1. Past due rental amounts shall bear interest at the lesser of the maximum rate permitted by applicable law-or-18 percent per annum compounded daily.
- 5.3 Compensation payable by third parties for the joint use of poles shall be collected and retained by the District.
- 5.4 If Verizon attaches Equipment to a pole without obtaining prior authorization from the District in accordance with this Agreement, the District may assess Verizon an unauthorized attachment charge per pole as set forth in OAR 860-028-0140 with an unauthorized attachment of sixty (60) times the rental fee for that year. The unauthorized attachment charge shall be payable to the District within thirty (30) days after receipt of the invoice for that charge.

#### ARTICLE VI PERIODIC ADJUSTMENT OF RENTALS

6.1 On April 1 following the effective date of this Agreement, and on each April 1 thereafter, either Party may request in writing that the rental amount per pole per annum thereafter payable be adjusted. In the event the Parties are unable to agree upon an adjustment of rentals by June 1, April 30, the Parties will resolve their dispute using the following procedure: the District will submit to the Commission its proposed rate by June 1 April 30 using the rate worksheet at Appendix A, accompanied by supporting documentation; Verizon will respond within thirty (30) 21-days; and the Commission will make a determination within the next 30 days. Prior to any further dispute resolution, the parties will engage in mediation before a mutually agreed mediator. In the event that the parties are unable to resolve the issue, either party may commence a proceeding as specified by ORS 759.660.

#### ARTICLE VII PAYMENT OF TAXES

7.1 The District shall pay promptly all taxes and assessments lawfully levied on its poles and its own property attached to jointly used poles, except that any tax, fee, or charge levied on the District's poles solely because of their use by Verizon shall be paid by Verizon.

## ARTICLE VIII PAYMENT FOR WORK

8.1 Upon the completion of work performed hereunder by either Party, the expense of which is to be borne wholly or in part by the other Party, the Party performing the work shall present to the other Party an itemized statement of the costs incurred, and such other Party shall, within <u>forty-five thirty</u> (3045) days after such statement and invoice are presented, pay to the Party doing the work such other Party's proportion of the cost of said work. Past due payments shall bear interest at the lesser of the maximum rate permitted by applicable law-or the rate of 18 percent per annum compounded daily.

# ARTICLE IX DIVISION OF COSTS, POLES

- 9.1 The cost of erecting new joint poles, constructing new pole lines, making extensions to existing pole lines, or replacing existing poles, pursuant to this Agreement shall be borne by the Parties as follows:
  - a. Poles should be erected at the sole expense of the District.
  - b. If a pole larger than that which is already installed is necessary, due wholly to the Verizon's requirements, including requirements as to keeping Verizon's wires clear of trees, Verizon shall pay to the District a sum equal to the difference between the cost, in place, of such pole and the cost, in place, of the existing pole. The District shall bear the rest of the cost of erecting such pole, except as otherwise provided in Section 9.3.
  - c. If a pole larger than that which is already installed is necessary, due to the requirements of both Parties, or the requirements of public authorities or of property owners (other than requirements with regard to keeping the wires of one Party only clear of trees), Verizon shall pay to the District a sum equal to one-half the difference between the cost, in place, of such pole and the cost, in place, of the existing pole; the District shall bear the rest of the cost of erecting such pole. Where there are more than the two Parties to this agreement attached to a pole, the cost of such pole replacements will be divided equally among all Parties attached to the pole.
  - d. In the case of an interset pole required solely by Verizon in the District's alignment, the District shall erect and own such pole and retain ownership, and

Verizon shall pay to the District a sum equal to the cost in place of the interset or midspan pole.

- 9.2 Any payments for poles made by Verizon shall not entitle Verizon to the ownership of any part of said poles.
- 9.3 Where an existing pole is prematurely replaced (for reasons other than normal or abnormal decay) by a new pole solely for the benefit of Verizon, or in order to permit joint use, the cost of the new pole shall be borne by the Parties as specified in Section 9.1, and Verizon shall also pay the District the remaining life value of the old pole in place, plus the cost of removal, less the salvage value of such pole. The District shall remove and may retain or dispose of such pole as sole owner thereof.
- 9.4 Each Party shall place, maintain, rearrange, transfer, and remove its own attachments at its own expense except as otherwise expressly provided.
- 9.5 The expense of the poles shall be borne by the District except that the cost of replacing poles shall be borne by the Parties hereto in the manner provided in Sections 9.1 and 9.3.
- 9.6Where Verizon's service drops cross over the District's lines and are attached to the District's poles, either directly or by means of a pole top extension fixture, the cost shall be borne as follows:

a. Pole top extension fixtures shall be provided and installed at the sole expense of the Party using them.

b. Where an existing pole is replaced with a taller pole to provide the necessary elearance for Verizon's benefit, Verizon shall pay to the District a sum as determined under Section 9.3.

- 9.79.6 The District shall bear the cost of the original tree trimming, brushing and clearing required for the placement of a new pole line. All tree trimming and brush cutting in connection with the initial placement of wires or equipment on an existing pole line shall be borne entirely by the Party placing the wires or equipment. Unless the Parties otherwise agree, each Party shall be responsible for any and all additional tree trimming and brush cutting related to its wires or equipment.
- <u>9.89.7</u> Nothing herein shall preclude the establishment of other arrangements for the division of costs of joint poles as the Parties may agree to in writing.
- 9.99.8 Inspections. The District shall have the right to perform an Inspection of Verizon's Attachments and other Equipment upon, and in the vicinity of, the District's poles at any time. The District may charge Verizon for the pro-rata expense of any non-routine Inspections during or after installation, in connection with Attachments that do not comply with the terms of this Agreement. The District shall notify Verizon of any performance concerns that

trigger Inspections at least two (2) Business Days prior to activating such Inspection during installation and thirty (30) days after completion and provide Verizon an opportunity to participate in such Inspections. The District shall recover the costs for all periodic, routine Inspections that benefit Verizon in the annual rent. Such Inspections, whether made or not, shall in no manner relieve Verizon of any responsibility, obligation, or liability assumed under this Agreement or arising otherwise.

9.10Occupancy Survey. The District may conduct an Occupancy Survey anytime after the effective date of this Agreement and not more often than every fifth year subsequent to each such Occupancy Survey. The District shall give Licensee at least thirty (30) days prior notice of such Occupancy Survey. Verizon shall advise the District if Verizon desires to participate in the inventory with the District not less than ninety (90) days prior to the scheduled date of such Occupancy Survey. The Parties shall jointly select an independent contractor for conducting the inventory and agree on the scope and extent of the Occupancy Survey that is reimbursable by Verizon. The cost of the Occupancy Survey shall be recovered in the annual rent. The Contractor shall provide the Parties with a detailed report of such Occupancy Survey including both the District's and Verizon's pole numbers (to the extent that Verizon's pole numbers are on the pole and clearly identified as Verizon's pole tag at the time of the survey) within a reasonable time after its completion. The inventory data from the District's Occupancy Survey shall be used to update the District's attachment billing records where applicable. Verizon shall make any objections to the inventory data within sixty (60) days of receipt of the Occupancy Survey report or such objections shall be waived. Objections raised to inventory data from an Occupancy Survey shall not relieve Verizon of the obligation to pay undisputed amounts when due, as set forth in Article V above. The Parties agree to cooperate in good faith to resolve any disputed amounts.

# ARTICLE X MAINTENANCE OF POLES

- 10.1 The expense of maintaining jointly used poles shall be borne by the District, and the District shall maintain its jointly used poles in a safe and serviceable condition, and shall, under the provisions of Article XIII, replace, reinforce, or repair such poles as become defective. The District shall be solely responsible for collection for damages for poles broken or damaged. The Party with Equipment attached to the pole shall be responsible for collecting damages to its own Equipment. If a pole owned by the District is replaced by Verizon because of auto damage or storm damage, the District shall pay Verizon for the actual costs of such pole replacement.
- 10.2 Whenever it is necessary to replace, move, reset, or relocate a jointly used pole, the District shall, before making such replacement, move, or relocation, give written notice thereof to Verizon through NJUNS (except in case of emergency, when oral notice shall be given and subsequently confirmed in writing or through NJUNS), specifying in such notice the work to be performed and the time of such proposed replacement or relocation. Verizon shall arrange to transfer such Equipment promptly to the new pole and shall notify the District when the such transferring has been completed. Except as specified in Paragraph 10.3, in the event such transfer is not completed within thirty (30) days after the time specified in the notice given by the District, Verizon shall assume ownership of the original pole for all purposes at the conclusion of

such thirty (30) day period, shall indemnify and hold harmless the District from all obligations, liabilities, damages, costs, expenses, or charges incurred in connection with such pole thereafter, and shall pay to the District the <u>remaining life salvage-value</u> of the pole, if any, upon delivery of a bill of sale. In the event that third parties, not subject to this agreement, have equipment attached to the District's pole, such thirty (30) day period shall commence upon removal of third party attachments. Should either Party perform any work for the other Party to facilitate completion of the above work or in cases of emergency, such as transferring equipment, setting or lowering poles, digging holes, hauling poles, etc., the Party for whom work was performed shall pay, upon receipt of an invoice, the actual cost of such work.

- 10.3 The District reserves the right to transfer Verizon's Equipment from the replaced pole to the replacement pole in a reasonable manner consistent with industry practices (a) as an accommodation to and upon the request or consent of Verizon, or (b) upon Verizon's failure to transfer its Equipment after the District has given an additional ten (10) working days' advance notice, and Verizon will reimburse the District for all actual costs incurred. Should the District give up the right to serve additional notice immediately following the initial thirty (30) day period, Verizon shall assume ownership of the pole subject to the terms of Paragraph 10.2. In the event that third parties, not subject to this agreement, have equipment attached to the District's pole, such thirty (30) day period shall commence upon removal of third party attachments.
- 10.4 When a jointly used pole carrying underground conduit connections needs to be replaced, the District shall provide Verizon with thirty (30) days notice of its intent and give Verizon an opportunity to respond. Thereafter, the District shall set the new pole in the same hole or, when mutually agreed to by the Parties, to a location generally adjacent to the previous hole. When the District replaces a jointly used pole carrying underground conduit connections, or any other jointly used pole carrying equipment other than underground conduit connections, to a location different than and not adjacent to its original location, and when, after good-faith negotiation, the Parties cannot agree on the new location, the District shall reimburse Verizon its excess costs to modify its facilities to attach to the replacement pole, except where the District replaced the pole pursuant to a requirement of the requisite local governing body.

10.5The District may, as an accommodation and with prior written approval by Verizon, by its own personnel or by a contractor mutually agreed upon by the District and Verizon, inspect and/or treat for wood decay and NESC Code violations jointly used poles owned by Verizon which support the District conductors concurrently with inspection and/or treatment of the District poles located in same geographic area; however, reinspection and/or treatment shall not be repeated more frequently than every ten (10) years. Verizon shall reimburse the District the reasonable and actual cost of inspection and/or treatment. The District intends to test and treat approximately ten (10) percent of its joint use facilities each year in all districts of its service area. A listing of each Verizon pole treated and the treatment method used shall be provided to Verizon upon completion of any inspection and/or treatment plan.

10.6In the event that the District, itself or by a contractor, performs such inspection and/or treatment, Verizon hereby releases the District from any responsibility for such services or liabilities arising out of the performance of such services, including but not limited to

omissions of the District or its contractor in the performance thereof but excluding negligence or gross misconduct of the District or its contractor.

<u>10.710.5</u> When either Party performs maintenance to or removes or replaces its equipment on the District's poles, it must chemically treat all field drilled holes and plug any unused holes, such as those resulting from removal of equipment.

# ARTICLE XI ABANDONMENT OF JOINTLY USED POLES

- 11.1 If the District desires at any time to abandon the use of a jointly used pole, it shall give Verizon written notice via NJUNS at least thirty (30) days prior to the intended date of abandonment. In the event that Verizon has not removed all of its attachments from that pole by the specified date, Verizon shall become the owner of the pole, shall indemnify and hold harmless the District from all obligation, liability, damages, costs, expenses, or charges incurred in connection with such pole thereafter; and upon receipt of an invoice and bill of sale therefor, shall pay to the District the value, in place, at that time, of such abandoned pole, less cost of removal, but in no event less than zero, even should such value fall below zero. Credit shall be allowed for any payments made by Verizon under the provisions of Article IX; however, such sales will not exceed pole heights of forty (40) feet for pricing purposes. In the event that third parties, not subject to this agreement, have equipment attached to the District's pole, such thirty (30) day period shall commence upon removal of third party attachments.
- 11.2 Verizon may, at any time, abandon the use of a jointly used pole by giving the District notice in writing via NJUNS and by removing any and all attachments Verizon may have thereon. Verizon shall continue to be subject to rental obligations on the abandoned pole until its Equipment has been removed from the pole, and Verizon shall not be entitled to any refund or credit related to the annual rental for the use of such pole.
- agency of the federal, state or local government may classify chemicals used as a preservative or other treatment of wood poles subject to this Agreement as hazardous or toxic waste requiring special disposal procedures. The Party which is the Owner of a given pole at the time of disposal shall bear the full cost of any special disposal procedures, except that where a Party takes ownership pursuant to abandonment by the other Party, the new Owner shall bear such costs only if (1) it has given notice in writing to the abandoning Party that it intends to maintain such pole, or (2) it maintained attachments on the pole for a period exceeding sixty (60) days from the date on which it acquired title by abandonment under this Agreement. For purposes of this article, such sixty (60) day period for transfer of facilities shall commence upon transfer or removal of facilities owned by third parties licensed by the original Owner.

## ARTICLE XII ANCHORS

12.1 When Verizon requests attachment of Equipment to a new pole, it shall be responsible for the installation of anchors and guys sufficient in size and strength to support its

Equipment on the new pole. Verizon shall attach its guys only to its own anchors. <u>Verizon may attach to a District anchor only after submission of an attachment permit application as specified in Section 3.1.</u>

12.2 When, in the opinion of both Parties, existing anchors are adequate in size and strength to support the equipment of both Parties, the other Party may attach its guys thereto at no additional cost. To prevent galvanic corrosion of anchor rods, all down guys should be insulated. All guys attached to a District anchor shall be insulated. When anchors are not of adequate size and strength, the Party requiring additional anchors shall, at its own expense, place additional anchors or replace existing anchors with anchors adequate in size and strength for the use of both Parties.

#### ARTICLE XIII SPECIFICATIONS

- 13.1 The specifications of each Party for the construction, operation, and maintenance of its respective poles and other facilities that are jointly used, or involved in joint use, shall be in accordance with accepted modern practices and shall be no less stringent than the requirements of the National Electrical Safety Code, provided that in the event a lawful requirement of any governmental authority or agency having jurisdiction may be more stringent, the latter will govern. Modification of, additions to, or construction practices supplementing the requirements of the National Electrical Safety Code, wholly or in part, will also govern joint use of poles.
- 13.2 Verizon's attachments on a District-owned pole shall be made and maintained in accordance with a reasonable aesthetic criteria mutually agreed to by both Parties. Such aesthetic criteria shall apply without being limited to the type and design of the attachment, circuit arrangements, conductor or cable sags, and service drop arrangements within the provisions of Section 13.1.
- 13.3 Verizon (including its employees and contractors) shall not enter the electric utility space on District poles for any purpose including making connections to the District neutral. If Verizon requires grounding on an existing District pole where a grounding conductor does not exist, Verizon shall request the District to install grounding at the sole expense of Verizon. If the District is unable to install said grounding within thirty (30) days of the date requested, Verizon has the option of hiring qualified electrical contractors to perform this work. Verizon, its employees and its contractors, shall at all times exercise its rights and responsibilities under the terms of this Agreement in a manner that treats all electric facilities as energized at all times. Verizon shall assume complete responsibility for its employees' conduct and Verizon shall determine and provide the appropriate training and safety precautions to be taken by its employees and contractors. Verizon shall indemnify, defend, and hold the District harmless from any liability of any sort derived from Verizon's employees' or contractors' failure to abide by the terms of this Section except to the extent of the District's negligence or willful misconduct.

#### ARTICLE XIV EXISTING CONTRACTS

14.1 This Agreement constitutes the entire Agreement between the Parties and it supersedes all prior negotiations, agreements and representations, whether oral or written, between the Parties relating to the subject matter of this Agreement; provided, however, that (i) Equipment currently attached to poles in accordance with approvals granted by the Owner under prior agreements and applications in progress for permits, shall continue in effect under the terms and conditions of this Agreement; (ii) nothing herein shall relieve either Party from obligations and liabilities that arose or were incurred under prior agreements; and (iii) any rental obligations of the Parties currently in arrears under any prior agreement shall be recalculated according to the terms of this Agreement as of the effective date hereof. This Agreement can only be modified or amended in writing by authorized representatives of the Parties.

#### ARTICLE XV BREACH AND REMEDIES

- 15.1 If either Party shall default in any of its obligations under this Agreement and such default continues thirty (30) days after notice thereof has been provided to the defaulting Party, the Party not in default may exercise any of the remedies available to it. The remedies available to each Party shall include, without limitation: (i) refusal to grant any additional joint use to the other Party until the default is cured; (ii) termination, without further notice, of this Agreement as far as concerns the further granting of joint use; (iii) litigation for injunctive relief; (iv) litigation for damages and costs; (v) substitute performance as provided in Section 15.2; and (vi) litigation to recover sums due.
- 15.2 If either Party shall default in the performance of any work that it is obligated to do under this Agreement, the other Party may elect to do such work, and the party in default shall reimburse the other Party for the cost thereof within <u>forty-five thirty (3045)</u> days after receipt of an invoice therefor.
- 15.3 In the event either Party is required to bring suit for the collection of amounts due or the enforcement of any right hereunder, the prevailing Party shall be entitled to recover its reasonable attorney's fees, including attorney's fees at trial and on appeal.
- 15.4 Notwithstanding the aforementioned remedies, appropriate representatives of the Parties shall meet promptly upon request and attempt in good faith to resolve disputes that arise concerning this Agreement. If the Parties are unable to reach a resolution themselves, a Party may, by written notice, request the other Party to agree to an alternative dispute resolution procedure (e.g., non-binding mediation, binding arbitration) for the dispute, and the other Party shall respond in writing within ten (10) working days.

## ARTICLE XVI RIGHT TO TERMINATE FURTHER GRANTING OF JOINT USE

16.1 Subject to the provisions of Article XV, this Agreement may be terminated by either Party, so far as concerns further granting of joint use by either Party, upon sixty (60) days' notice to the other Party; provided, however, that notwithstanding such termination, this Agreement shall remain in full force and effect with respect to all poles jointly used under the terms of this Agreement by the Parties at the time of such termination.

## ARTICLE XVII TERMINATION OF AGREEMENT

17.1 This Agreement shall remain in full force and effect unless and until either Party terminates it upon three hundred sixty-five (365) days' notice to the other Party. Notice shall be in writing and mailed by certified mail, return receipt requested, postage prepaid, or delivered by a reputable overnight courier with tracking capabilities, addressed to the parties as indicated in Section 22.1 of this Agreement. If this Agreement is terminated, Verizon shall remove all of its Equipment from the District's poles and the District shall remove all of its Equipment from Verizon's poles within two years after termination of this Agreement. All of the applicable provisions of this Agreement, specifically including the payment of rent for joint use poles, shall remain in full force and effect with respect to any and all Equipment of either Party remaining upon poles of the other Party until such time as all such Equipment has been removed.

# ARTICLE XVIII PROCEDURE INVOLVING INCREASES IN ELECTRIC SYSTEM NOMINAL CIRCUIT VOLTAGES

- 18.1 Whenever the District desires to raise the voltage of its primary distribution circuits on its jointly used poles to levels up to and including 34,500 volts nominal, the District shall give Verizon ninety (90) days' notice of the change and shall furnish a sketch showing the circuits involved and the proposed settings of circuit breaker relays and fuse sizes. The District shall make available to Verizon the maximum values of expected fault current.
- 18.2 All costs for additions to, or modifications of, Verizon's circuits, including reestablishing such circuits in a new location, which are determined to be necessary by Verizon to protect or coordinate the communication circuits at distribution system voltage levels up to and including 34,500 volts nominal, shall be borne by Verizon.
- 18.3 Where the increase is to more than nominal 34,500 volts but not to exceed nominal 230,000 volts, with or without grounded neutral, and in the opinion of Verizon joint use of poles carrying such voltage is not practicable, the Parties shall determine the most practical and economical method of effectively providing for separate lines, either overhead or underground, and the Party whose circuits are to be moved shall promptly carry out the necessary work.
- 18.4 The total cost of reestablishing such circuits in the new location shall be equitably apportioned between the Parties hereto. In the event of disagreement as to what constitutes an equitable apportionment of such cost, it shall be borne equally.

18.5 Unless otherwise agreed by the Parties, ownership of any new line or underground facilities constructed under the foregoing provisions in a new location shall vest in the Party for whose use it is constructed.

# ARTICLE XIX OBTAINING NECESSARY CONSENTS FOR ATTACHMENTS

19.1 The Parties will cooperate as far as may be practicable in obtaining rights-of-ways and easements for both Parties on joint poles. However, Verizon shall be responsible for obtaining from public authorities and private owners of real property and maintaining in effect any and all consents, permits, licenses or grants necessary for the lawful exercise of the permission granted under any approved application to locate its Equipment on a District-owned pole. The District shall in no way be liable or responsible in the event Verizon shall at any time be prevented from placing or maintaining its Equipment on the District's poles because Verizon lacks the necessary consents, permits, licenses, or grants.

#### ARTICLE XX LIABILITY AND DAMAGES

- 20.1 Verizon agrees to indemnify and hold harmless the District, its directors, officers, employees, and agents against and from any and all claims, demands, suits, losses, costs, and damages, including attorneys' fees, for or on account of bodily or personal injury to, or death of, any person(s), including without limitation Verizon's employees, agents, representatives and subcontractors of any tier, or loss of or damage to any property of Verizon, or any third party, to the extent resulting from any negligent act, omission, or fault of Verizon, its employees, agents, representatives, or subcontractors of any tier, their employees, agents, or representatives, in the exercise, performance or nonperformance of Verizon's rights or obligations under this Agreement. Except for liability caused by the sole negligence of the District, Verizon shall also indemnify and hold harmless the District from and against any and all claims, demands, suits, losses, costs, and damages, including attorney's fees, arising from any interruption, discontinuance, or interference with Verizon's service to its customers which may be caused, or which may be claimed to have been caused, by any action of the District pursuant to or consistent with this Agreement.
- 20.2 The District agrees to indemnify and hold harmless Verizon, its directors, officers, employees and agents against, and from any and all claims, demands, suits, losses, costs, and damages, including attorneys' fees, for or on account of bodily or personal injury to, or death of, any person(s), including without limitation the District's employees, agents, representatives and subcontractors of any tier, or loss of or damage to any property of the District, or any third party, to the extent resulting from any negligent act, omission, or fault of the District, its employees, agents, representatives, or subcontractors of any tier, their employees, agents, or representatives, in the exercise, performance or non performance, of the District's rights or obligations under this Agreement. Except for liability caused by the sole negligence of Verizon, the District shall also indemnify and hold harmless Verizon from and against any and all claims, demands, suits, losses, costs, and damages, including attorney's fees, arising from any interruption, discontinuance, or interference with the District's service to its customers which may be caused,

or which may be claimed to have been caused, by any action of Verizon pursuant to or consistent with this Agreement.

- 20.3 The indemnifying Party shall have the right, but not the obligation, to defend the other regarding any claims, demands or causes of action indemnified against. Each Party shall give the other prompt notice of any claims, demands or causes of actions for which the other may be required to indemnify under this Agreement. Each Party shall fully cooperate with the other in the defense of any such claim, demand or cause of action. Neither shall settle any claim, demand or cause of action relating to a matter for which such Party is indemnified without the written consent of the indemnitor.
- 20.4 The District shall maintain during the term of this Agreement and for a period of two years thereafter all insurance and/or bonds necessary to satisfy its obligations under this Agreement and this Section, and all insurance and/or bonds required by applicable law. Verizon acknowledges that the District's liability under this section is limited to the amounts of such insurance as set forth herein. The insurance and/or bonds shall be obtained from an insurer having an A.M. Best insurance rating of at least A-, financial size category VII or greater. At a minimum and without limiting the foregoing undertaking, the District shall maintain the following insurance:
  - a. Commercial General Liability Insurance, on an occurrence basis, including but not limited to, premises-operations, broad form property damage, products/completed operations, contractual liability, independent contractors, and personal injury, with limits of at least \$2,000,000 combined single limit for each occurrence.
  - b. Commercial Motor Vehicle Liability Insurance covering all owned, hired and non-owned vehicles, with limits of at least \$2,000,000 combined single limit for each occurrence.
  - c. Excess Liability Insurance, in the umbrella form, with limits of at least \$10,000,000 combined single limit for each occurrence.
  - d. Worker's Compensation Insurance as required by Applicable Law and Employer's Liability Insurance with limits of not less than \$2,000,000 per occurrence.
  - e. All risk property insurance on a full replacement cost basis for all of the District's real and personal property located on or in any Verizon premises (whether owned, leased or otherwise occupied by Verizon), facility, equipment or right-of-way.

- 20.5 Any deductibles, self-insured retentions or loss limits ("Retentions") for the foregoing insurance must be disclosed on the certificates of insurance to be provided to Verizon pursuant to Sections 21.4 and 21.5, and Verizon reserves the right to reject any such Retentions in its reasonable discretion. All Retentions shall be the responsibility of the District.
- <u>20.6</u> The District shall name Verizon and Verizon's Affiliates as additional insureds on the foregoing liability insurance.
- 20.7 The District shall, within two (2) weeks of the Effective Date hereof at the time of each renewal of, or material change in, the District's insurance policies, and at such other times as Verizon may reasonably specify, furnish certificates or other proof of the foregoing insurance reasonably acceptable to Verizon.

## ARTICLE XXI ASSIGNMENT OF RIGHTS

21.1 Neither Party shall assign, transfer, or otherwise dispose of this Agreement or any of its rights, benefits, or interests under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. No assignment of this Agreement shall operate to discharge the assignor of any duty or obligation hereunder without the written consent of the other Party. Each Party may assign all its rights and obligations under this Agreement to its parent corporation, to its subsidiary corporation, to a subsidiary of its parent corporation, to its survivor in connection with a corporate reorganization, to any corporation acquiring all or substantially all of its property or to any corporation into which it is merged or consolidated.

#### ARTICLE XXII NOTICE

22.1 Unless otherwise specified herein, all notices concerning this Agreement shall be addressed to:

The District at:

Central Lincoln People's Utility District Attn: Joint Use Administrator 2129 North Coast Highway P.O. Box 1126 Newport, Oregon 97365

#### For Agreement Administration at Verizon:

Verizon Northwest Incorporated Joint Use – WA0103NP P.O. Box 1003 Everett, Washington 98206

or at such other addresses as may be designated in writing to the other party.

22.2 Unless otherwise provided herein, notices to the addressees specified in Section 22.1 shall be sent by United States mail, electronic transmission, or by personal delivery.

#### ARTICLE XXIII CHOICE OF LAW

23.1 In the event of any legal action to enforce any of the terms, conditions or covenants of this Agreement, the Parties agree that this Agreement shall be interpreted in accordance with the laws of the State of Oregon.

#### ARTICLE XXIV WAIVER

24.1 The failure of either Party to enforce or insist upon compliance with any of the terms or conditions of this Agreement shall not constitute a general waiver or relinquishment of any such terms or conditions, but the same shall be and remain, at all times, in full force and effect.

#### ARTICLE XXV MISCELLANEOUS

- 25.1 The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.
- 25.2 All obligations of the Parties to indemnify, release or make payments to each other, which have accrued prior to the termination of this Agreement, shall survive such termination.
- 25.3 The parties agree that the terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time the Agreement was produced. Should there be any modifications to those requirements, the parties will promptly meet and confer on those issues. Should the parties be unable to confer, they will use the same procedures to resolve that dispute as set forth in Section 6.1.

## ARTICLE XXVI INTERPRETATION

- 26.1 References to articles and Sections are references to the relevant portions of this Agreement.
- 26.2 A reference to business or working days shall refer to days other than a Saturday, Sunday or federal holiday when banks are authorized to be closed.
- 26.3 The headings are inserted for convenience and shall not affect the construction of this Agreement.
  - 26.4 Attachment A is attached hereto and made a part hereof

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the date first herein written

VERIZON NORTHWEST INC.	CENTRAL LINCOLN PEOPLE'S UTILITY DISTRICT
Ву:	By:
Title:	Title:
Date:	Date:

# RENTAL RATE WORKSHEET ANNUAL RATE THE DISTRICT WILL CHARGE VERIZON

Total Value of Poles & Fixtures Less Depreciation Reserves Net Value of Poles & Fixtures			\$15,233,492 \$8447413 \$6,786,079
Ratio of Bare Pole to Total Pole			85%
Value of all Bare Poles			\$5,768,167
Number of Poles			25,623
Average Cost per Pole			\$225
Annual Carrying Charge			
Operation expense	\$1,835,120	2.82%	
Maintenance expense	\$1,677,359	2.57%	
Customer expense	\$0	0.00%	
Admin. & General expense	\$3,572,010	5.48%	
Taxes	\$2,228,316	3.42%	
Depreciation	\$6,063,335	9.31%	
Bond Debt Interest/AmortizationExpense	\$802,960	1.23%	
Current net income	\$ 0 <b>2</b> ,5 0 0	0.00%	
Totals	\$16,179,100		24.84%
Net Book Value	, ,	\$65,146,078	
Carrying Charge per Total Usable Space (\$225 Ave. Cost/Pole x 24.84% Carrying Charge)			\$55.88
Available Usable Space (in feet) (11.8 from VZ -124 + 1.67 safety (20))			13.50
Rental Rate PER FOOT Space Occupied (in feet)		1 .5	\$4.14
Rental Rate PER POLE			\$6.21

#### ATTACHMENT F

#### **Attachment Permit Application Instructions**

#### **Required Information:**

To accurately process Pole Attachment Permit Applications, Central Lincoln PUD requires the following information:

- 1. Renter Code (Entered by Licensee)
- 2. Permit Number (Assigned by Licensee)
- Indicate applicable permit type
- Provide scheduled construction date or installation date if already installed
  - 4. Central Lincoln PUD Pole Number
  - 5. Central Lincoln PUD Map Number (Grid#, ie D11-13B)
  - 6. Applicant Sketch/Map# (Identify pole location)
  - 7. Location/Address: Please include exact address (If not available, please give street and cross street or reference poles)
  - 8. Pole Height, Class, Year Set
  - 9. Equipment Type:

(you may use the following abbreviations)

ML = Mainline of any type. Including hybrid-fiber coax (HFC), coax, fiber, large telco conductor, etc.

SD = Service Drop

**PS** = Power Supply

**GUY** = This will be used for overhead guys and extended messengers.

**GUY X 2 (2nd Bolt)** = Used when a 2nd bolt was used for either a down guy or OH guy extension.

**RISER** = Indicate desire to use Central Lincoln PUD or Licensee standoff brackets

- 10. Total Diameter: Please provide total diameter (in inches) of cable attachment or over-lash bundle.
- 11. Max Working Tension (not ultimate or breaking strength)
- 12. Arm Type: Indicate "A" for Alley Arm, "C" for Crossarm, "F" for Fiberglass extension arm (note: Fiberglass extension arms, ≤ 30 inches in length, are not considered an additional attachment)
- 13. Arm Length
- 14. Conduit Riser: Indicate if intending to use Central Lincoln PUD standoff brackets, indicate if intending to use Licensee standoff brackets.
- 15. Span Lengths: Indicate spans both directions from pole.
- 16. Requested Attachment Height
- 17. FS or SS: Indicate whether attachment is intended to be on Field Side or Street Side.
- 18. Attach to Anchor: Indicate intending to attach guy to existing Central Lincoln Anchor, indicate if Licensee intends to install own anchor.

#### CERTIFICATE OF SERVICE

I hereby certify that I have this 11th day of March, 2005, served the true and correct original, along with the correct number of copies, of the foregoing document upon the Public Utility Commission of Oregon, via the method(s) noted below, properly addressed as follows:

Hand Delivered U.S. Mail (1st class, postage prepaid) Public Utility Commission of Oregon Overnight Mail 550 Capital Street NE X Facsimile Salem, OR 97308 **Email** Facsimile: (503) 378-6163

I hereby certify that I have this 11th day of March, 2005, served a true and correct copy of the foregoing document upon parties noted below via E-Mail and Overnight Mail:

Paul Davies Central Lincoln PUD 2129 North Coast Highway Newport, OR 97365

Email: pdavies@cencoast.com

**Brooks Harlow** Miller Nash LLP 601 Union Street, Ste. 4400 Seattle, WA 98101-2352

Email: brooks.harlow@millernash.com

V. Denise Saunders Portland General Electric 121 SW Salmon Street 1WTC13 Portland, OR 97204 Email: denise saunders@pgn.com Patrick G. Hager Portland General Electric 121 SW Salmon Street 1 WTC0702 Portland, OR 97204 Email: patrick hager@pgn.com

Hong Huynh Miller Nash LLP 3400 US Bancorp Tower 111 SW Fifth Avenue Portland, OR 97204

Email: hong.huynh@millernash.com Charles M. Simmons

MacPherson Gintner Gordon & Diaz PO Box 1270 Newport, OR 07365 Email: charles@mggdlaw.com

Renee Willer Verizon Northwest Inc. 17933 NW Evergreen Parkway Beaverton, OR 97006 Email: renee.willer@verizon.com Stephanie Andrus
Department of Justice
1162 Court Street NE
Salem, OR 97301-4096
Email: stephanie.andrus@doj.state.or.us

I declare under penalty under the laws of the State of Washington that the foregoing is correct and true.

DATED this 11th day of March, 2005, at Seattle, Washington.

Veronica Moore, Legal Secretary