

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

AR 506

In the Matter of a Rulemaking to Amend and)	Second Round
Adopt Permanent Rules in OAR 860,)	Comments of
Division 024 Regarding Pole)	Oregon Joint
Attachment Safety)	Use Association

The Oregon Joint Use Association appreciates this opportunity to provide further information regarding: 1) the OJUA position on the prioritization of repairs proposed rule and 2) the cost estimates of Staff’s proposed rules.

Prioritization of Repairs: Further Defining Tier 3

During the hearing, Administrative Law Judge Christina Smith asked OJUA representatives to quantify what percent of total violations would be classified as “Tier 3” violations and thus may qualify for a deferral under OAR 860-024-0012 (3). OJUA fully understands the importance of further defining which violations would fall under this “Tier 3” category. Because these are new rules and there is currently no criteria for Tier 3 violations (other than they are not imminent hazards and do not expose the general public to potential safety violations), the OJUA cannot at the present time and in good faith determine a credible percentage of total violations which would qualify as Tier 3 violations.

Instead we offer the following suggestion which we believe would allow for a more defined class of violations within Tier 3: The OJUA Standards Committee, which includes two OPUC staff members, will develop within one year of the adoption of the OJUA Prioritization of Repairs proposal (or a

similar proposal which uses similar terminology and timelines) an industry-wide Best Practices Standard for Tier 3 violations. This Best Practices Standard will identify the violations which should be classified as Tier 3 violations. This proposal has three major benefits: 1) it allows industry representatives and Staff the time to thoughtfully and deliberately work together; 2) once developed, there will already be industry involvement, commitment, and voluntary adoption will be more likely follow; and 3) once developed, it allows all service providers to better coordinate correction issues.

Scope and Cost of the Staff-proposed Rules

During the hearing and in the fiscal impact statement, OPUC Staff noted that their proposed rules would not add a significant cost to industry because the rules only apply existing OPUC policies, with some slight variations. OJUA rejects this argument and wishes to clarify that the proposed rules, even the rules proposed by OJUA, will have a significant added cost. This cost is difficult to quantify due to the unique nature of Oregon's rules, the differing effect on different providers, and the uncertainty of how these rules will be applied. It is also very likely that the adoption of these rules will lead to the imposition of additional sanctions on some providers. One thing, however, is clear: the costs will not be insignificant.

Staff's proposed rules extend the breadth and depth of existing OPUC policies in many areas, including: the mandated joint inspection schedules, the creation of a mandated geographical area for inspections, the creation of new priorities and timelines for repairs, and the additional vegetation management requirements. Each of these items represents a significant

increase beyond the NESC standards and OPUC policies. They do so at a significant cost to industry (and very likely to ratepayers) with little or no added safety value.

As industry experts with over 300 years of collective experience working with and *managing* electric and telecommunication facilities, the OJUA Board members possess a wealth of information about the most cost-effective and efficient way to achieve safety standards. Nonetheless, OJUA was not involved in or asked to assist with the development the calculations used by Staff to make their cost-benefit assumptions or their fiscal impact statements and we dispute their validity.