Puget Sound Energy P.O. Box 97034 Bellevue, VVA 98009-9734 PSE com

May 1, 2015

Filed via WUTC Web Portal

Mr. Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Comments of Puget Sound Energy, Inc. on Proposed Rules Rulemaking Governing Access to Utility Poles, Ducts, and Conduits Docket No. U-140621

Dear Mr. King:

Puget Sound Energy, Inc. ("PSE") thanks the Washington Utilities and Transportation Commission ("Commission" or "WUTC") for the opportunity to provide comments on the comments filed by other parties on April 17, 2015, relating to the Commission's Third Revised Draft Rules issued on March 24, 2015, ("Revised Draft Rules") governing access to utility poles, ducts, and conduits. PSE appreciates the additional time and effort the Commission has expended for this rulemaking.

Comments by PCIA – The Wireless Infrastructure Association –

PSE disagrees with PCIA's comments regarding WAC 480-54-030(7) that support the Commission adopting the FCC's 300 pole limit per application. PSE supports a pole limit of less than 100 poles per application. While the FCC may have decided that 300 poles are appropriate, the FCC does not include pole replacement in make-ready work. The 300 poles per application limit raise safety and reliability concerns for PSE due to the need to obtain qualified contractors on short notice to perform make ready work within the prescribed timelines. In addition, an increased pole limit standard could force PSE to reprioritize this work over projects that bring

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more value to our customers. Higher pole limits would also increase costs to requesters, attachers and electric customers as PSE would need to obtain additional resources or a third party to meet deadlines. As justification for a 300 pole limit, PCIA cites "some pole replacements can be completed in 60 days." Later in its comments PCIA cites that pole replacements "generally takes only a few hours." With all due respect, PCIA members are not pole owners and these comments demonstrate a lack of understanding of the levels of engineering, analysis, permitting and application processing pole owners must go through to accommodate attachers while maintaining safety and reliability.

PSE agrees with PCIA's comments that the Commission should allow parties to negotiate longer timeframes for more substantial pole replacement jobs. PSE argues that any final rules should include a lower standard of less than 100 pole requests per application while allowing parties to negotiate longer timelines when substantial pole replacements are required. This lower pole limit would reduce safety and reliability risk while ensuring robust broadband deployment at reasonable cost.

PSE disagrees with PCIA's comments that telecommunications carriers should have regulated access to both transmission and distribution lines. Access to higher voltage lines does create safety risk. PSE argues that the Revised Draft Rules (WAC 480-54-020 (15)) should remain sufficiently clear that poles with a combination of distribution and transmission lines should not be eligible for inclusion in these rules due to concerns for safety of non-qualified workers making attachments or overlashing existing attachments, the time required to calculate stresses on those poles, along with the extended time required to engineer, obtain and replace poles that support high voltage transmission conductors.

Comments by BCAW - The Broadband Communications Association of Washington -

Regarding BCAW's comments and revisions to **WAC 480-54-030(11)**, PSE appreciates BCAW's comments to limit the number of poles in a particular overlash notice to 30 or fewer. However, the revised language still includes a problematic seven day timeline for pole owners to assess significant adverse impact on the poles. As noted in PSE's April 17 comments, this arbitrary timeline compromises the pole owner's ability to properly evaluate the impacts of overlashing on the safety and reliability of the electric system.

PSE disagrees with BCAW's comments that the Commission delete the phrase "but not necessarily limited to" in WAC 480-54-030(11)(a). BCAW presents zero evidence that pole

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owners "abuse" or "delay" overlashing requests by requesting "unlimited" information. Pole attachments serve as a revenue credit to customers which provide an adequate incentive for pole owners to process applications in a timely and reasonable manner. However, the pole owner must obtain sufficient information to ensure any overlashing will not impact the safety, adequacy, efficiency, integrity or reliability of its electric distribution system as it is required to do by WAC 480-100-148. PSE maintains the current process allows pole owners to process overlashing requests in a timely fashion while reducing safety and reliability risk to the electric system.

Regarding BCAW's comments on WAC 480-54-030(11)(c) — while PSE does not oppose the concept of an attacher correcting only pre-existing safety violations "it caused," PSE does warn that determining causality of a pre-existing safety violation could increase time to process an application and may require additional resources and costs for pole owners to assess the pre-existing violation. These increased costs should be allowed to be recovered in the application processing fee.

PSE disagrees with BCAW's comments regarding WAC 480-54-020(1) and supports the Commission's decision to exclude references to rights-of-way from the rules including the definition of "Attachment." PSE's rights-of-way for its electric and natural gas systems are not "communications right-of-way" and PSE disagrees with BCAW's assertion that inclusion of the term "right of way" to the definition of an Attachment is crucial and notes BCAW's comments that "access to rights-of-way haven't necessarily been an issue in Washington." BCAW presents no evidence that utilities are denying access and claims they may do so are unfounded. Almost all utility poles occupy jurisdictional rights of way or, when on private property, easements. In either case, the utility does not "own or control" the underlying ground space. The only exceptions are transmission corridors where, in addition to occupation by easement, a utility may own the underlying property. Transmission infrastructure is outside the purview of the FCC.

Comments by Frontier Communications Northwest Inc. -

For the same reasons stated in its February 27, 2015 comments, PSE continues to disagree with Frontier's comments regarding proposed changes to the definition of "Carrying Charge" in WAC 480-54-020(2).

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Comments by Avista Corp. -

PSE agrees with Avista's comments that any new "pole" regulations should apply to distribution facilities only and that distribution underbuild does not change the fundamental character of a transmission facility. PSE shares Avista's concerns that attachments to transmission facilities raise safety and reliability concerns particularly for unqualified communications workers performing work on poles supporting lines with much higher voltages.

For safety reasons, PSE agrees with Avista's comments regarding draft rule **480-54-030(2)** that proposes to add additional clarity that licensees must comply with applicable safety codes and construction standards.

PSE agrees with Avista's comments regarding **overlashing** that draft rule **480-54-030(11)** creates arbitrary timelines that compromise a pole owners ability to evaluate the impacts of overlashing on the safety and reliability of the electric system. In addition, PSE agrees with Avista's comments that that pole owners need to be able to recover the costs associated with overlashing requests and that these requests are no different than reviewing and responding to new attachment requests.

PSE agrees with Avista's comments and revisions to draft rule 480-54-030(6)(a)(v) that the new regulations clarify that **make-ready contractors** hired by communications companies must be restricted to the communications space.

Comments by Pacific Power

PSE agrees with Pacific Power's comments urging the Commission to include a cap on the number of **overlashing** notices in draft rule **480-54-(11)(a)** that may be submitted by an attacher within the 10-day time period. PSE agrees that the cap should be no more than 5 notices allowed within the 10-day window. A cap on overlashing notices would prevent a potential occupant from submitting unlimited notices one-after-another over a long time span. This scenario could overwhelm a pole owners ability to adequately assess the impacts of the overlashing requests on the safety and reliability of the electric system, especially under such limited timelines. PSE disagrees that the number of poles per notice in each overlashing request should be limited to 100. The limit should be lower, especially if pole replacement continues to be part of make-ready

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work. PSE agrees with Pacific Power that pole replacement work requires extended timelines longer than currently included in the Revised Draft Rules.

Comments by CenturyLink, AT&T, and Integra -

Similar to other commenters, PSE disagrees with Century Link and Integra comments in **480-54-030(11)** to increase pole limits up to 100 or more in overlashing requests.

PSE agrees with Century Link and AT&T comments that the Commission allow for use of a gross plant formula when a company's net pole plant values become negative.

PSE disagrees with Integra comments supporting the inclusion of "cross arms and extension arms" in the definition of usable space for reasons outlined in PSE's comments on February 6, 2015.

These parties made comments that are similar to the comments made by other interested parties that PSE has addressed above. Rather than include redundant comments here PSE offers to respond to any particular comment that the Commission or Commission Staff asks PSE to address.

SUMMARY

PSE remains concerned about the safety and reliability issues created primarily by the provisions in the Revised Draft Rules regarding make-ready work and overlashing.

In addition to safety and reliability concerns, PSE requests that any final rules or revisions focus on non-discrimination between the attaching entities, and not unfairly cause pole owners to subsidize attachments and follow timelines that could impact service quality and other commitments to their core business customers. The Revised Draft Rules continue to place many obligations and costs on the pole owners, but lack specific provisions for recovery of those costs. The recovery of all costs caused by pole attachments and requests for pole attachments should be passed through to the requesters and occupants. None of those costs, as the Revised Draft Rules presently contemplate, should be paid by PSE's electric and natural gas customers in the form of a cross-subsidy.

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PSE has already raised concerns with many revisions proposed in the Revised Draft Rules which seem to overlook important electric utility safety and operational concerns. Incorporation of the additional changes being requested by communication attachers, which we have commented on above, will only serve to exacerbate the unreasonable position into which utilities such as PSE are going to be placed.

If you have any questions about the comments contained in this filing, please contact Lynn Logen, Supervisor Tariffs at 425-462-3872.

Sincerely,

E-E-Estation Francis Francists
Manager, Regulator, Initiatives & Tariffs

for Ken Johnson

Director, State Regulatory Affairs

Cc: Simon J. ffitch, Public Counsel Sheree Carson, Perkins Coie