

STATE OF NEW YORK

Public Service Commission

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PSC DEALS WITH UTILITY POLE ISSUES

— New Program Facilitates Timely Installation and/or Removal of Utility Poles —

Albany, NY—05/19/11—The New York State Public Service Commission (Commission) today voted to implement a new program designed to establish better coordination between utilities transferring facilities and equipment to new poles.

“The new program we are announcing today benefits pole owners and companies that want to attach devices to poles by meeting their diverse interests, different project and deadline needs, and unique agendas, it also helps avoid delays and increased project costs,” said Commission Chairman Garry Brown. “Furthermore, while utility pole owners and attaching entities within our jurisdiction are required to participate in the program, non-regulated attaching entities, and municipal and other governmental entities are strongly encouraged to participate.”

Installing new poles is essential to maintaining safe, adequate, and reliable electric and telephone service, however, the removal of older, often structurally unsound poles has not kept pace with new installations. This results in a partial transfer of facilities by a utility of all or part of its equipment to the new pole while facilities remain on the old pole.

Where transfers are not completed in a reasonable period of time, or never completed, a double pole situation is created which results in unnecessary costs to utilities and ratepayers. In addition, the failure to promptly remove the old pole, which may be in damaged or unsafe condition, may jeopardize public safety. Approximately 20 other states participate in programs to address incomplete facility transfers.

Various state agencies, municipalities, and members of the public have submitted numerous complaints concerning incomplete facility transfers over the years. Routine Commission reviews revealed that as much as five percent of observed outside plant is in an incomplete transfer condition or that the old pole has been abandoned. Coordination among utilities and other parties regarding the transfer of facilities to new poles appears inconsistent and to result from the lack of a means to effectively communicate.

Electric and telephone pole owners are responsible for setting and removing poles and bear primary responsibility for informing other attaching entities, such as facility based competitive local exchange carriers and cable television companies of the need to transfer facilities. Municipalities and state and local departments of transportation are also involved in these transfers and need to coordinate the construction of roads, signage, street lights and traffic signals which could affect poles placement. In most instances, telecommunications facilities are transferred after electric and in accordance with joint pole agreements the telecommunications carriers are usually responsible for pole removal.

The new initiative developed collaboratively by the electric and telephone pole owners, third-party facility attachers (including cable television companies), staff of the Department of Public Service and other government entities, and known as the Standardized Facility and Equipment Transfer (SAFET) program, will provide a single database of pole status information as well as, enhanced coordination, communication, monitoring and notification concerning facility transfers between utility poles owned by electric and telephone companies.

The minimum software services required by the program will be available to program participants at no cost for six-years; cost of additional services would be borne by the requesting party. The effectiveness of the program, including success in achieving targeted completion timelines, will be evaluated in two years.

The establishment of time frames or requirements relative to removal of existing double poles is not part of the SAFET program. Nonetheless, the extent of existing double pole conditions is of

concern to the Commission. In order to more fully understand and address this matter, each pole owner is to submit a report to staff indicating how each pole owner proposes to reduce the number of double poles currently in existence. The report should also describe impediments to reducing the number of existing double poles, as well as setting forth possible solutions. Since the Commission's intention is not to divert company resources from implementation of the SAFET Program, the report to staff will not be required to be filed until January 1, 2012.

The Commission will issue a written order reflecting today's decision. That order, when available, can be obtained from the Commission's www.dps.state.ny.us Web site by accessing the Commission Documents section of the homepage and referencing Case 08-M-0593. Many libraries offer free Internet access. Commission orders can also be obtained from its Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500).