Pole Attachment Rate Formula
And
Conduit Rate Formula

Appendix A

Pole Attachment Rate Formula
Local Exchange Carrier Pole Owners
FCC Part 32 Accounts

$$\text{Maximum Per Pole Rate} = \text{Space Factor} \times \text{Net Cost of A Bare Pole} \times \text{Carrying Charge Rate}$$

$$\text{Space Factor} = \frac{\text{Occupied Space} + \left[\frac{2}{3} \times \left(\frac{\text{Unusable Space}}{\text{No. of Attachers (including the Public Utility pole owner)}}\right)\right]}{\text{Pole Height}}$$

$$\text{Net Cost of A Bare Pole} = \frac{\text{Net Pole Investment} \times 95\%}{\text{Total Number of Poles}}$$

$$\text{Net Pole Investment} = \text{Gross Pole Investment (Account 2411)} - \text{Accumulated Depreciation (Account 3100)(Poles)} - \text{Accumulated Deferred Income Taxes (Account 4100 + 4340)(Poles)}$$

$$\text{Carrying Charge Rate} = \text{Administrative} + \text{Maintenance} + \text{Depreciation} + \text{Taxes} + \text{Return}$$

$$\text{Administrative Element} = \frac{\text{Total General and Administrative (Accounts 6710 \& 6720)}}{\text{Gross Plant Investment (Account 2001)} - \text{Accumulated Depreciation (Account 3100)} - \text{Accumulated Deferred Taxes (Plant) (Accounts 4100+4340)}}$$

$$\text{Maintenance Element} = \frac{\text{Account 6411 - Rental Expense (Poles)}}{\text{Net Pole Investment}}$$

$$\text{Depreciation Element} = \frac{\text{Gross Pole Investment (Account 2411)}}{\text{Net Pole Investment}} \times \text{Depreciation Rate for Gross Pole Investment}$$

$$\text{Taxes Element} = \frac{\text{Operating Taxes (Account 7200)}}{\text{Gross Plant Investment (Account 2001)} - \text{Accumulated Depreciation (Account 3100)} - \text{Accumulated Deferred Taxes (Plant)(Accounts 4100+4340)}}$$

$$\text{Return Element} = 8.00\%$$

Pole Attachment Rate Formula
Electric Utility Pole Owners
FERC Part 101 Accounts

$$\text{Maximum Per Pole Rate} = \text{Space Factor} \times \text{Net Cost of A Bare Pole} \times \text{Carrying Charge Rate}$$

$$\text{Space Factor} = \frac{\text{Occupied Space} + \left[\frac{2}{3} \times \left(\frac{\text{Unusable Space}}{\text{No. of Attachers (including the Public Utility pole owner)}}\right)\right]}{\text{Pole Height}}$$

$$\text{Net Cost of A Bare Pole} = \frac{\text{Net Pole Investment} \times 85\%}{\text{Total Number of Poles}}$$

$$\text{Net Pole Investment} = \text{Gross Pole Investment (Account 364)} - \text{Accumulated Depreciation (Account 108)(Poles)} - \text{Accumulated Deferred Income Taxes (Account 190, 281 - 283)(Poles)}$$

$$\text{Carrying Charge Rate} = \text{Administrative} + \text{Maintenance} + \text{Depreciation} + \text{Taxes} + \text{Return}$$

$$\text{Administrative Element} = \frac{\text{Total General and Administrative (per FERC Form 1)}}{\text{Gross Plant Investment (per FERC Form 1)} - \text{Accumulated Depreciation (Account 108)} - \text{Accumulated Deferred Taxes (Plant) (Account 190, 281 - 283)}}$$

$$\text{Maintenance Element} = \frac{\text{Account 593}}{\text{Pole Investment in Accts. 364,365 \& 369} - \text{Depreciation (Poles) Related to Accts. 364,365 \& 369} - \text{Accumulated Deferred Inc. Taxes Related to Accts. 364,365 \& 369}}$$

$$\text{Depreciation Element} = \frac{\text{Gross Pole Investment (Account 364)}}{\text{Net Pole Investment}} \times \text{Depreciation Rate for Gross Pole Investment}$$

$$\text{Taxes Element} = \frac{\text{Accounts 408.1, + 409.1 + 410.1 + 411.4 - 411.1}}{\text{Gross Plant Investment (per FERC Form 1)} - \text{Accumulated Depreciation (Account 108)} - \text{Accumulated Deferred Taxes (Plant)(Account 190, 281-283)}}$$

$$\text{Return Element} = 8.00\%$$

Conduit Rate Formula
Local Exchange Carrier Conduit Owners
FCC Part 32 Accounts

$$\text{Maximum Rate} = \text{Percentage of Conduit Capacity Occupied} \times \text{Net Linear Cost of Conduit} \times \text{Carrying Charge Rate}$$

$$\text{Percentage of Conduit Capacity Occupied} = \frac{1 \text{ Duct}}{\text{Number of Inner Ducts}}$$

$$\text{Net Linear Cost of Conduit} = \frac{\text{Net Conduit Investment}}{\text{System Duct Length (ft./m.)}}$$

$$\text{Net Conduit Investment} = \text{Gross Conduit Investment (Account 2441)} - \text{Accumulated Depreciation (Account 3100)(Conduit)} - \text{Accumulated Deferred Income Taxes (Account 4100 + 4340)(Conduit)}$$

$$\text{Carrying Charge Rate} = \text{Administrative} + \text{Maintenance} + \text{Depreciation} + \text{Taxes} + \text{Return}$$

$$\text{Administrative Element} = \frac{\text{Total General and Administrative (Accounts 6710 \& 6720)}}{\underset{\text{(Account 2001)}}{\text{Gross Plant Investment}} - \underset{\text{(Account 3100)}}{\text{Accumulated Depreciation}} - \underset{\text{(Accounts 4100+4340)}}{\text{Accumulated Deferred Taxes (Plant)}}}$$

$$\text{Maintenance Element} = \frac{\text{Conduit Maintenance Expense (Account 6441)}}{\text{Net Conduit Investment}}$$

$$\text{Depreciation Element} = \frac{\text{Gross Conduit Investment (Account 2441)}}{\text{Net Conduit Investment}} \times \text{Depreciation Rate for Conduit}$$

$$\text{Taxes Element} = \frac{\text{Operating Taxes (Account 7200)}}{\underset{\text{(Account 2001)}}{\text{Gross Plant Investment}} - \underset{\text{(Account 3100)}}{\text{Accumulated Depreciation}} - \underset{\text{(Plant)(Accounts 4100+4340)}}{\text{Accumulated Deferred Taxes}}}$$

$$\text{Return Element} = 8.00\%$$

Conduit Rate Formula
Electric Utility Conduit Owners
FERC Part 101 Accounts

$$\text{Maximum Rate} = \text{Percentage of Conduit Capacity Occupied} \times \text{Net Linear Cost of Conduit} \times \text{Carrying Charge Rate}$$

$$\text{Percentage of Conduit Capacity Occupied} = \frac{1 \text{ Duct}}{\text{Number of Inner Ducts}}$$

$$\text{Net Linear Cost of Conduit} = \frac{\text{Net Conduit Investment}}{\text{System Duct Length (ft./m.)}}$$

$$\text{Net Conduit Investment} = \text{Gross Conduit Investment (Account 366)} - \text{Accumulated Depreciation (Account 108)(Conduit)} - \text{Accumulated Deferred Income Taxes (Conduit) (Account 190, 281 - 283)}$$

$$\text{Carrying Charge Rate} = \text{Administrative} + \text{Maintenance} + \text{Depreciation} + \text{Taxes} + \text{Return}$$

$$\text{Administrative Element} = \frac{\text{Total General and Administrative (per FERC Form 1)}}{\text{Gross Plant Investment (per FERC Form 1)} - \text{Accumulated Depreciation (Account 108)} - \text{Accumulated Deferred Taxes (Plant) (Account 190, 281 - 283)}}$$

$$\text{Maintenance Element} = \frac{\text{Account 594}}{\text{Conduit Investment in Accts. 366,367 \& 369} - \text{Depreciation (Conduit) in Accts. 366,367 \& 369} - \text{Accumulated Deferred Inc. Taxes Related to Accts. 366,367 \& 369}}$$

$$\text{Depreciation Element} = \frac{\text{Gross Conduit Investment (Account 366)}}{\text{Net Conduit Investment}} \times \text{Depreciation Rate for Conduit}$$

$$\text{Taxes Element} = \frac{\text{Accounts } 408.1, + 409.1 + 410.1 + 411.4 - 411.1}{\text{Gross Plant Investment (per FERC Form 1)} - \text{Accumulated Depreciation (Account 108)} - \text{Accumulated Deferred Taxes (Plant)(Account 190, 281-283)}}$$

$$\text{Return Element} = 8.00\%$$