

1 **Q. In advance of the determination of which specific poles will be sold, is it possible to**
2 **determine the individual impacts on individual Newfoundland Power customers and**
3 **on the parties using attachments to the joint use poles of this proposed sale of poles?**
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5 A. The determination of which specific poles will be sold should not affect the individual
6 impacts on individual customers and on the parties using attachments to the joint use
7 poles of the proposed sale of Joint Use Support Structures.
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9 The proposed sale of Joint Use Support Structures to Bell Aliant will affect the *ownership*
10 of specific Support Structures as between Newfoundland Power and Bell Aliant.
11 However, as detailed in the Response to Request for Information PUB-NP-1, the
12 proposed sale will not impact the levels of service provided to Newfoundland Power's
13 customers, or the costs to be borne by those customers. Accordingly, the determination
14 of which specific poles will be sold will have no impact on the service provided by
15 Newfoundland Power, either to customers generally or to individual customers.
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17 The *rights* of the owners of third party telecommunications facilities to attach to Joint
18 Use Support Structures are unaffected by the proposed sale or the determination of which
19 specific poles will be sold.
20

21 In 2012, the pole rental rates to be paid by owners of third party attachments will change,
22 however, the individual impacts on owners of third party attachments will not be affected
23 by the determination of which *specific* Support Structures will be sold to Bell Aliant.¹
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25 The current third party attachment rental rates are broadly reflective of 40% of
26 attachments being billed at the Bell Aliant rate and 60% being billed at the
27 Newfoundland Power rate.² The sale of specific Joint Use Support Structures to Bell
28 Aliant will be based on an equitable split between Newfoundland Power and Bell Aliant
29 according to characteristics including the presence of third party attachments. This will
30 result in (i) Bell Aliant owning Support Structures which have approximately 40% of
31 each third party's respective attachments, and (ii) preservation of the 40% application of
32 the CRTC approved rental rate to total third party attachments. Because the support
33 structures to be sold to Bell Aliant will have approximately 40% of each third party's
34 respective attachments, the individual impacts on owners of third party attachments
35 should not vary as a result of the determination of which *specific poles* will be sold.
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37 As explained in the Response to Request for Information PUB-NP-2, commencing in
38 2012, Bell Aliant will bill for 40% of the third party attachments to Joint Use Support
39 Structures and Newfoundland Power will bill for 60% of the attachments. This
40 arrangement is unaffected by the determination of which specific poles will be sold.

¹ For 2011, pole rental rates were determined upon the basis of existing contractual arrangements.

² The Bell Aliant rate reflected in current third party attachment rental rates is \$9.60 per year. This rate was approved by the CRTC in 1995 and was increased to \$18.53 per year as a result of the December 2, 2010, CRTC Telecom Decision 2010-900. The Newfoundland Power rate reflected in current third party attachment rental rates is a contracted rate agreed in 1996 with annual escalation at 60% of CPI.