

1 **Q. *Reference: Schedule B, 2014 Capital Projects – Normal Capital (Historical Pattern)***  
2 ***Relocate/Replace Distribution Lines for Third Parties (Pooled) page 47 of 85:***

3  
4 **Please provide the relevant excerpts of the arguments (sic) that are in place with**  
5 **requesting parties.**

6  
7 A. Newfoundland Power routinely receives requests requiring upgrade or extension to  
8 electrical system infrastructure. Formal agreements are in place with Bell Aliant, the  
9 various cable operators and the Department of Transportation & Works. The relevant  
10 clauses related to these parties are detailed in Attachments A, B and C.

***Bell Aliant And Newfoundland Power Joint Use Agreement***  
***Effective January 1<sup>st</sup>, 2011***  
**Sections 5, 6, 7, 8, 10; Appendices D & E**

## **SECTION 5 - ESTABLISHING JOINT USE OF NEW SUPPORT STRUCTURES**

### **5.01 Application of this Section**

This Section 5 applies to the establishment of Joint Use of new Support Structures.

### **5.02 Co-ordination and Ownership**

The construction of new Support Structures shall be coordinated between the Parties to reach agreement concerning ownership, details of construction and proposed completion dates. Due regard shall be given to the service needs of the customers of the Parties. For the purpose of this section, new Support Structures include:

- (a) new Pole Lines;
- (b) extensions to existing Pole Lines;
- (c) major reconstruction of existing Pole Lines in new locations, e.g. highway alteration; and
- (d) additional Support Structures for crossovers, guying, providing service, or as may be required by the Parties.

### **5.03 Construction of Support Structures**

- (a) The Owner shall design the Support Structures, obtain Property Rights as provided in SECTION 13 - PROPERTY RIGHTS, construct the Support Structures, survey and stake in the field, obtain all necessary permits and consents (except in relation to permits and consents that may be particular to the Tenant's Governing Body) and do the necessary Line Clearing to make the Support Structures suitable for Joint Use as provided in SECTION 18 - CONSTRUCTION PRACTICES. The Owner shall supply and install the Anchors required to withstand the combined guying needs of both Parties, even if more than one Anchor is required, and shall bear the associated costs. Should subsequent Anchors be required that are not identified to the Owner before the Pole is placed, the Party requiring the Anchors shall be responsible for the placement of such Anchors and shall bear the associated costs. The Owner shall also supply and install Guy wires, Guy guards and ground wire and ground wire molding at the Owner's expense; should subsequent Guy wires, Guy guards, ground wire or ground wire molding be required that has not been identified to the Owner before the Pole is placed, the Party requiring the same shall be responsible for the placement of so much of the same as it requires and the associated cost.
- (b) Should either of the Parties contract out engineering/design work, the Party so contracting out shall approve the engineering/design work under the direction of a professional engineer.

#### **5.04 Future Support Structures**

When Support Structures are being placed, a SSWR shall be initiated and passed between the Parties. Once the Support Structures are installed, the Support Structures shall be considered to be Joint Use unless otherwise agreed to by the Parties.

### **SECTION 6 - ESTABLISHING JOINT USE OF EXISTING SUPPORT STRUCTURES**

#### **6.01 Application of this Section**

This Section 6 applies to the establishment of Joint Use of existing non-Joint Use Poles of a Party.

#### **6.02 Modifications to be Made Prior to Attaching**

Existing Support Structures shall be brought into conformity with SECTION 18 - CONSTRUCTION PRACTICES, before any Attachments requiring a SSWR are placed by the Tenant.

#### **6.03 Replacement of Support Structures**

Where there is Replacement of Support Structures, the Party undertaking the Replacement shall make any other necessary changes, including Line Clearing in the Pole Line containing the Support Structures, as may be necessary to meet the requirements of SECTION 18 - CONSTRUCTION PRACTICES.

#### **6.04 Avoiding Mixed Ownership**

To avoid mixed ownership, where Poles are not suitable as provided in SECTION 18 - CONSTRUCTION PRACTICES for Joint Use and where individual Pole Replacements are involved, the Owner shall Replace the Pole. The costs involved in Transferring, Rearranging or removing the Attachments of the Owner shall be paid by the Tenant as provided in SECTION 8 - TRANSFER COSTS, and the Tenant shall also pay to the Owner the Sacrificed Value for each Pole Replaced by the Owner for which the Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

#### **6.05 Owner Undertakes Replacement of Support Structures**

Where Support Structures are not suitable, as provided in SECTION 18 – CONSTRUCTION PRACTICES, for the proposed Tenant's Attachments, the Owner shall Replace the Support Structures. Support Structures are not required to be Replaced if the proposed Tenant's Attachments do not significantly increase the loading on the Support Structure such as service drops, secondary runs, street lights, transformer changes, etc. and provided adequate space is available as provided in the Construction Practices. The costs involved in Transferring, Rearranging, or removing the Attachments of the Parties shall be paid by the Tenant as provided

in SECTION 8 - TRANSFER COSTS. The Tenant shall pay to the Owner the Sacrificed Value for each Support Structure Replaced by the Owner which the Tenant is required by Section 8 - TRANSFER COSTS to pay Transfer costs.

#### **6.06 Tenant Adds Attachments**

Where the Tenant adds Attachments to existing Support Structures, the Tenant shall be responsible for:

- (a) all necessary Line Clearing required to place the Attachments. At the request of the Tenant, the Owner may carry out the required Line Clearing and the Tenant shall bear the cost; and
- (b) all necessary Transfer or Rearrangements costs of the Owner to Rearrange Attachments to make the Support Structures suitable for Joint Use.

### **SECTION 7 - ADDING, CHANGING, REPLACING AND RELOCATING EXISTING SUPPORT STRUCTURES OR ATTACHMENTS**

#### **7.01 Application of this Section**

This Section 7 applies to additions and changes to existing Support Structures or Attachments.

#### **7.02 Modifications to be Made Prior to Additional Joint Use**

Existing Support Structures shall be brought into conformity with SECTION 18 - CONSTRUCTION PRACTICES, before any additional Attachments requiring a SSWR are made.

#### **7.03 Replacement of Support Structures**

Where there is Replacement of Support Structures, the Party undertaking the Replacement shall make any other necessary changes, including Line Clearing in the Pole Line containing the Support Structures, as may be necessary to meet the requirements of SECTION 18 – CONSTRUCTION PRACTICES.

#### **7.04 Avoiding Mixed Ownership**

To avoid mixed ownership, where Poles are not suitable as provided in SECTION 18 - CONSTRUCTION PRACTICES for Joint Use and where individual Pole Replacements are involved, the Owner shall replace the Pole. The costs involved in Transferring, Rearranging or removing the Attachments of the Owner shall be paid by the Tenant as provided in SECTION 8 - TRANSFER COSTS, and the Tenant shall also pay to the Owner the Sacrificed Value for each Pole Replaced by the Owner for which the Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

### **7.05 Owner Undertakes Replacement of Support Structures**

Where Support Structures are not suitable, as provided in SECTION 18 – CONSTRUCTION PRACTICES, for the proposed additional Attachments, the Owner shall Replace the Support Structures. Support Structures are not required to be Replaced if the proposed Tenant's Attachments do not significantly increase the loading on the Support Structure such as service drops, secondary runs, street lights, transformer changes, etc. and provided adequate space is available as provided in SECTION 18 - CONSTRUCTION PRACTICES. The costs involved in Transferring, Rearranging or removing the Attachments of the Parties shall be paid as provided in SECTION 8 - TRANSFER COSTS. The Tenant shall pay to the Owner the Sacrificed Value for each Support Structure Replaced for which the Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

### **7.06 Replacement of Substandard Support Structures for Additional Attachments**

- (a) Substandard Support Structures in service prior to the Effective Date shall be Replaced by the Owner before additional Attachments requiring a SSWR, pursuant to SECTION 4 - SUPPORT STRUCTURES WORK REQUEST FORM, are placed on those Support Structures and each Party shall bear its own Transfer Costs as per Section 8.
- (b) Substandard Support Structures placed after the Effective Date shall be Replaced by the Owner before additional Attachments requiring a Permit are placed on those Support Structures, and the Transfer costs of both Parties shall be paid by the Owner.
- (c) In cases where it can be established that Newfoundland Power installed a transformer subsequent to the attachment of the initial communication cable and after the Effective Date, which changes the spacing on the Pole and makes the Pole Substandard, Newfoundland Power shall pay the Transfer costs of both Parties and if it is a Bell Aliant owned Pole, pay the Sacrificed Value to Bell Aliant.

### **7.07 Replacement of Damaged Support Structures or Support Structures at the End of their Useful Life**

Where a Support Structure requires replacement solely as a result of having reached the end of its useful life or as a result of being damaged by an external force, the Owner shall replace the Support Structure at its own cost. The cost of Transferring Attachments will be as provided in SECTION - 8 TRANSFER COSTS.

### **7.08 Replacement of Specific Support Structures**

Where a Support Structure carrying Attachments such as load coils, repeaters, cross boxes, air dryers, underground connections, etc., or at such locations as intersections, is to be Replaced, the new Support Structure should be placed in the same hole which the Replaced Support Structure occupied. However, if this is not possible, the Support Structure shall be placed in a location which will satisfactorily accommodate the Attachments of both Parties. In specific situations, it may be necessary for the Parties to co-ordinate so as to ensure that the new Support Structure is

placed in a mutually acceptable location to minimize the cost to both Parties. The costs involved in Transferring, Rearranging or removing the Attachments of the Parties shall be paid as provided in SECTION 8 - TRANSFER COSTS.

#### **7.09 Emergency Pole Replacement**

Each party shall maintain sufficient resources to be able to respond to the need to Replace Poles to maintain or restore service during emergencies when immediate attention is required.

#### **7.10 Transferring and Rearranging Attachments**

Where it is necessary to Replace, Transfer or Rearrange Attachments due to the Replacement or relocation of a Support Structure, the Owner or Tenant, before making such change, shall issue a SSWR. In emergencies, oral notice may be given and subsequently confirmed in writing. Upon receipt of the SSWR, the Owner or Tenant shall Transfer or Rearrange its Attachments according to the following rules:

- (a) Transfers during emergency - Attachments are to be Transferred or Rearranged immediately after the Pole Replacement or relocation; or
- (b) Transfers not affecting service - Attachments are to be Transferred or Rearranged as soon as is reasonably practical, but in any event within one hundred and eighty (180) days after the Replacement or relocation.

#### **7.11 Tenant Adds, Replaces, Transfers, Changes or Rearranges Attachments**

Where the Tenant adds, Replaces, Transfers or Rearranges Attachments to existing Support Structures, the Tenant shall be responsible for all necessary Line Clearing required to add, Replace, Transfer or Rearrange the Attachments. At the request of the Tenant, the Owner may carry out the required Line Clearing and the Tenant shall bear the cost.

#### **7.12 Requirements of Governing Bodies or Property Owners**

Where a Governing Body or property owner acting within the scope of its authority renders necessary or desirable the relocating, removing or Replacing of a Support Structure or the Transferring or Rearranging of Attachments on that Support Structure, the Owner shall notify the Tenant of such requirement without delay and of the date on which the required work is to be done. The work shall be carried out by the Parties as provided in Section 7.11. Each Party shall bear its own costs except that where the Governing Body or property owner is to bear all or part of the cost of the work, the Owner and the Tenant shall each make its own separate arrangements with the Governing Body or property owner for the billing and collection of costs which are payable by the Governing Body or property owner. Failure of either Party to complete arrangements with the Governing Body or property owner shall not interfere with or hinder the right of the Owner to remove or relocate all of its Support Structures and Transfer or Rearrange Attachments.

## **SECTION 8 - TRANSFER COSTS**

### **8.01 Calculation of Transfer Costs**

Where one Party is required to pay the Transfer costs of the other Party, the amount payable shall be calculated by multiplying the actual costs of the Transfer by the appropriate cost factor set out in Appendix E. This cost factor shall not apply to costs associated with Rearrangements.

### **8.02 Transfer Costs and the Replacement of Support Structures**

- (a) Except as expressly provided elsewhere in these Administrative Practices, where a Support Structure is replaced to accommodate the proposed or additional Attachments of a Party, that Party shall pay the Transfer costs of the other Party.
- (b) Where a Support Structure is Replaced to accommodate the proposed or additional Attachments of a Party and the other Party performs an upgrade of its own service capability at the time of the Replacement of the Support Structure, which upgrade would have required the Replacement of the Support Structure in any event, each Party shall bear its own Transfer costs associated with that Support Structure.
- (c) For purposes of Sub-Section 8.02(b), the Replacement of a Pole which cannot accommodate a transformer with a longer Pole which can accommodate a transformer shall be considered an upgrade of service capability.

### **8.03 Transfer of Attachments due to Routine Maintenance**

Where Transferring of Attachments is involved in the Replacement of Support Structures for reasons of routine maintenance, such as replacing deteriorated or damaged Poles, subject to the provisions contained in ARTICLE X - LIABILITIES & DAMAGES, each Party shall bear the cost of Transferring its own Attachments.

### **8.04 Transfer of Attachments due to Requirements of Governing Body**

Where a Governing Body or property owner acting within the scope of its authority renders necessary or desirable the Transfer, Rearrangement or removal of Attachments, each Party shall bear the cost of Transferring, Rearranging or removing its own Attachments.

### **8.05 Transfer of Attachments due to Requirements of Others**

Where the Transfer, Rearrangement or removal is to accommodate the attachments of Others, the Owner and the Tenant shall each make its own separate arrangements with the Others for the billing and collection of costs which are payable by the Others.



## **SECTION 10 - MAINTENANCE OF SUPPORT STRUCTURES AND ATTACHMENTS**

### **10.01 Maintenance of Support Structures**

The Owner shall install and maintain its Support Structures and Attachments in a safe and serviceable condition in accordance with SECTION 18, SECTION 19 and SECTION 20.

Except as otherwise provided in these Administrative Practices, the cost of installing, maintaining and Replacing Support Structures shall be borne by the Owner. Each Party shall bear the cost of Transferring, Rearranging or removing its Attachments in accordance with SECTION 8, Transfer Costs.

### **10.02 Maintenance of Property Rights**

Any Line Clearing necessary to maintain clearance requirements of both Parties on existing Pole Lines shall be the responsibility of the Owner of the Pole Line. This does not include any Line Clearing that may be required by either Party to access Pole Lines for routine installation and maintenance of Attachments.

### **10.03 Vegetation Management**

An annual proactive vegetation management program will be carried out as agreed to by the Joint Use Working Committee. Both parties shall ensure that their requirements for vegetation management are identified early enough in any year to be included in the following years planned program. Vegetation management costs shall be borne by the Owner. The Owner will respond to requests for tree trimming or clearing around its Pole Lines and will bear the associated costs.

## Appendix D

### Structural Value of Poles 2011

<u>Age</u>	<u>Percent Condition</u>	<u>NBV</u>
0	100.00%	\$1,540.00
1	96.38%	\$1,484.25
2	92.76%	\$1,428.50
3	89.14%	\$1,372.76
4	85.52%	\$1,317.01
5	81.90%	\$1,261.26
6	78.28%	\$1,205.51
7	74.66%	\$1,149.76
8	71.04%	\$1,094.02
9	67.42%	\$1,038.27
10	63.80%	\$ 982.52
11	60.18%	\$ 926.77
12	56.56%	\$ 871.02
13	52.94%	\$ 815.28
14	49.32%	\$ 759.53
15	45.70%	\$ 703.78
16	42.08%	\$ 648.03
17	38.46%	\$ 592.28
18	34.84%	\$ 536.54
19	31.22%	\$ 480.79
20	27.60%	\$ 425.04
21	23.98%	\$ 369.29
22	20.36%	\$ 313.54
23	16.74%	\$ 257.80
24	13.12%	\$ 202.05
25	9.50%	\$ 146.30
26	5.88%	\$ 90.55
27	2.26%	\$ 34.80
28	0.00%	\$ 1.00

## **Appendix E - Transfer Cost Factors**

## Appendix E

### Transfer Cost Factors

Pole Age	Factor
0	1.00
1	0.99
2	0.97
3	0.96
4	0.94
5	0.92
6	.0.90
7	0.88
8	0.87
9	0.85
10	0.83
11	0.81
12	0.79
13	0.77
14	0.76
15	0.74
16	0.72
17	0.70
18	0.68
19	0.66
20	0.64
21	0.62
22	0.60
23	0.57
24	0.55
25	0.53

Pole Age	Factor
26	0.51
27	0.49
28	0.46
29	0.44
30	0.42
31	0.39
32	0.37
33	0.35
34	0.33
35	0.30
36	0.28
37	0.26
38	0.24
39	0.22
40	0.21
41	0.19
42	0.17
43	0.16
44	0.14
45	0.13
46	0.12
47	0.10
48	0.09
49	0.08
50	0.07

Note: For pole ages over 50 years, the value listed for 50 years will apply.

***Pole Rental Agreement Between Newfoundland Power and Cable Operators***  
**Article 7 – Pole Installations, Replacements and Rearrangements**  
**Schedule 2 – Structural Value of Poles**

- 7.01 If the placement of the Facilities causes, in the reasonable opinion of the Power Company and the Licensee, the installation, replacement or relocation of any Poles or any Power Company equipment, the Power Company will install, replace or relocate the Poles and the Power Company equipment as necessary, and the Licensee shall, on demand and presentation of a statement of cost, reimburse the Power Company for its reasonable costs and expenses less any benefit derived by the Power Company from the alterations, such benefits to be restricted to replacement cost of a Pole of similar size less the Structural Value of the Pole being removed. The Structural Value shall be calculated as the estimated cost to install a new Pole of similar size multiplied by the appropriate percent condition factor as set forth in **Schedule 2** of the Agreement. Prior to commencing any work, the Power Company shall provide to the Licensee, in reasonable detail, a written estimation of costs and expenses and a reasonable period to elect or decline to have such work carried out. In any event, the Power Company undertakes to carry out any and all such work as economically as possible. In the event that the Licensee elects to decline to have such work carried out, then it shall, at its expense, remove the Facilities from the Pole(s) in question.

**SCHEDULE 2**  
**STRUCTURAL VALUE OF POLES - XXXX**

<b>Pole Age</b>	<b>Percent Condition</b>	<b>Pole Age</b>	<b>Percent Condition</b>
0	100.000%	27	35.675%
1	96.471%	28	34.036%
2	93.296%	29	32.452%
3	90.286%	30	30.923%
4	87.428%	31	29.447%
5	84.618%	32	28.025%
6	81.873%	33	26.634%
7	79.188%	34	25.328%
8	76.559%	35	24.047%
9	73.979%	36	22.808%
10	71.449%	37	21.607%
11	68.966%	38	20.441%
12	66.528%	39	19.307%
13	64.129%	40	18.204%
14	61.789%	41	17.132%
15	59.487%	42	16.088%
16	57.230%	43	15.073%
17	55.020%	44	14.083%
18	52.858%	45	13.117%
19	50.472%	46	12.171%
20	48.676%	47	11.357%
21	46.660%	48	10.651%
22	44.866%	49	9.961%
23	42.783%	50	9.284%
24	40.924%	51	8.623%
25	39.119%	52	7.978%
26	37.369%		

The Percent condition shall be applied to the original cost of any such Pole.

***Government of Newfoundland -  
Department of Transportation & Works: P-Rates***



Highway Relocations  
Power System Units

General Conditions

1. Lines will be divided into three nominal classes:
  - a. Transmission 34.5 kV to 69 kV
  - b. Distribution – Primary 1.0 kV to 4.4 kV to ground
  - c. Distribution – Secondary 240 V to 600 V

Transmission circuits 34.5 to 69 kV are mostly on private right-of-way although extensive use is made of roadways in some areas. Transmission circuits above this voltage are on private right-of-ways.

Distribution circuits both primary and secondary are mostly along the roadways; the major exceptions being rear lot construction in urban areas and uninhabited rural areas where the lines follow a more direct route than the road.

2. The unit price will apply only where the lines are built on the road right-of-way. Where the lines are clear of the road right-of-way payments will be made on actual costs basis except that unit costs may be used where mutually agreeable.
3. Since power and telephone are frequently on jointly used poles which may belong to either party, the basic unit will be the bare pole with other units to cover the various types and sets of fittings.
4. As the relocation of one pole frequently requires the relocation or replacement of one or more adjacent poles and the final construction may contain more or less poles than the original, all payments will be based on the original poles in the line including ones which must be moved as a result of moving another.
5. Where a pole carries more than one type of circuit the payment shall be the sum of the units involved.

<u>Example 1</u>	Single Pole	P3
	Primary Crossarm Construction	P5
	Secondary	P6
	Transformer Single Phase	P7
	Street Light	P9
	Total Payment = P3 + P5 + P6 + P7 + P9	

6. Where special circumstances prevail or where by the nature of the work unit prices cannot properly be applied, the payments for relocation will be negotiated.

7. Clearing of right-of-way (brush cutting and burning or disposals) to permit relocation to be estimated on site or to be done on actual cost basis.
8. Prices to be reviewed within 3-years are subject to review at any time after the expiry of one year.

**Relocations For Dept. of Works Services & Transportation ( "P" Rates)**  
**Revised Rates - Effective May 1, 2013**  
**(Only Use If Within Road Right Of Way)**

<u>Number</u>	<u>Description</u>	<u>Rate</u>
P 1	Transmission Single Pole - tangent double arm including pole.	\$ 1,158
P 2	Transmission single pole - dead end and semi dead end including poles, guys and anchors.	\$ 1,852
P 3	Distribution single pole - 30, 35, 40 ft. long.	\$ 463
P 4	Distribution primary - single phase pole top pin construction including neutral.	\$ 139
P 5	Distribution primary - crossarm construction for 2 or 3 wire including neutral.	\$ 278
P 6	Distribution secondary - including service drops.	\$ 139
P 7	Transformer and mounting - one transformer.	\$ 186
P 8	Transformer and mounting - two or three transformers.	\$ 463
P 9	Street lighting - single fixture.	\$ 46
P 10	Guy and anchor.	\$ 278
P 11	Guys only - overhead or side guy.	\$ 70

**These rates apply only to plant located on the Dept. of Works, Services & Transportation right-of-way. Any plant, outside of this right-of-way or where NP has an easement, should be treated as a normal relocation.**