

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE

437 So. Cataract Ave. Unit 3

San Dimas, CA 91773

Phone (909) 592-4001

Fax (909) 592-4636

January 13, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 12:40 p.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California
Ms. Sherri Goetz	Southern California Edison
Ms. Lupe Hernandez	AT&T Mobility
Ms. Shawn Henderson	T-Mobile USA
Ms. Paula Haney	NextG Networks (teleconference)
Mr. Daniel Lippert	City of Burbank
Mr. Cory Autrey	Sprint-Nextel
Ms. Lynn Prescott	Verizon Wireless (teleconference)
Ms. Jennie Corella	Committee Staff
Ms. Angela Pranata	Committee Staff

Mr. Walls opened the meeting at 12:45 pm. The first issue on the agenda is **Item 1462: Section 7.12 OT Costs/disaster replacements**. Ms. Goetz requested that this item remain open at this time. It was agreed to table this issue for the next ad hoc meeting.

The next issue on the agenda is **Item 1469: Salvage Value and depreciation for other than wood poles**. Ms. Walls reported that he contacted Mr. Chow in regards to salvage value schedules for alternative to wood poles. Mr. Walls stated that the manufactured life expectancy rates from the manufacturers are as follows:

- Concrete poles – 100 years
- Composite fiberglass – 40 – 80 years
- Lightweight steel – 60 – 80 years

Mr. Walls stated that this data is based on Shakespeare manufacturing, and rates might slightly differ based on different manufacturers. He added that he and Mr. Chow agreed that these numbers are unproven time wise. After discussion, Mr. Walls and Mr. Chow agreed that the schedule would be based on 40 years. He stated that currently, wood pole depreciation is based on 4% annually for 15 years, and he and Mr. Chow agreed on 2.5% annual depreciation for 24 years.

Mr. Wolfe inquired if any organizations place back into service any salvaged other than wood poles. He added that it would appear difficult to pull this type poles from the ground and in turn place them back into service.

Mr. Walls stated that the value would not be for the re-use of the pole, but for the depreciation value of the original purchase of the pole when set.

Ms. Prescott proposed contacting the committee accountant to arrive at a schedule. Ms. Corella responded that she originally contacted Mr. Hunt, the committee accountant, in regards to this issue. She added that he responded stating the longevity could be retrieved from manufacturers of this type pole, and that he was not seasoned in pole assets and their related depreciation schedules. He further stated that he is not aware of any IRS mandated schedules for the depreciation of pole assets.

Mr. Wolfe stated that it is very difficult to acquire information to aid in arriving at a depreciation schedule for other than wood poles. He added that his organization has tried to acquire this type information to no avail. Ms. Corella agreed and reiterated that Mr. Hunt stated that he is unaware of any mandates in applying a specific depreciation schedule for this type poles.

Mr. Walls stated that wood poles are fully depreciated at 25 years, and the same logic be applied to other than wood poles, using the low end of 40 years fully depreciated since the time wise is unproven, and the annual factor of 2.5%. It was agreed to give depreciation value up to 24 years.

The members agreed that this appears a fair rate and depreciation schedule. Ms. Corella would create the schedule and present it to the ad hoc members at their next meeting.

The next issue on the agenda is **Item 1473: Anchor Description**. Mr. Wolfe stated that he is not certain what his issue with the anchor descriptions is originally. Ms. Goetz stated that Mr. Wolfe stated a concern with the description, and she raised the concern of the anchor sizes being omitted in the description. Ms. Corella stated that this was discussed at an unofficial meeting, where Mr. Walls was not in attendance.

After some discussion it was agreed that this item be closed.

The last issue on the agenda is **Item 1477: Review AC for Travel Time**. This issue is to review every AC item and determine if travel should be included or excluded in the cost. It was agreed that the ad hoc would discuss this issue further at future meetings.

There were no items on miscellaneous items.

Review of Action Items:

- Ms. Corella to create depreciation schedule for other than wood-2.5% annual depreciation for 24 years.

The ad hoc meeting adjourned at 1.20 p.m. The next meeting will be scheduled for February 2009.

Jennie Corella, Manager of Operations

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February 10, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 9:05 a.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California (teleconference)
Mr. Wayne Brown	Southern California Edison
Ms. Lupe Hernandez	AT&T Mobility
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks (teleconference)
Mr. Daniel Lippert	City of Burbank
Mr. Cory Autrey	Sprint-Nextel
Mr. Randall Starkey	Time-Warner (teleconference)
Mr. Justin Cashmer	Verizon California (teleconference)
Ms. Jennie Corella	Committee Staff
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff

Mr. Walls opened the meeting at 9:10 am and allowed for introductions. The first issue on the agenda is **Item 1462: Section 7.12 OT Costs/disaster replacements**. This issue has been brought to the table by SCE. This addresses the concerns of premium pay when utilities are the first called out for natural disasters. Mr. Brown stated that he was not briefed on this issue prior to attending the meeting.

Ms. Hernandez reported that SCE was to provide their premium costs incurred from the Santiago fires to the ad hoc for consideration of arriving at an authorized cost.

Mr. Wolfe remarked that the approved cost would not be SCE cost alone, but a blending of all members' costs.

The consensus is to table this issue until next month.

The next issue on the agenda is **Item 1469: Salvage Value and depreciation for other than wood poles**. Ms. Walls reported that the members agreed on the salvage value schedule for other than wood poles at the previous meeting. Ms. Corella reported the other than wood salvage value schedules for E and M poles are now available on the web. She added that the formula is 2.5% depreciation per year for 24 years up to 40%. It was noted that if a member did not submit other than wood costs, the costs automatically default to the wood costs, unless the members have a special agreement.

The consensus is to close this item number.

The next issue on the agenda is **Item 1473: Anchor Description**. There was no discussion on this issue and the consensus is to close this item number.

The last issue on the agenda is **Item 1477: Review AC for Travel Time**. Mr. Walls questioned if this issue should be discussed later in the year.

Ms. Corella stated that this exercise is in preparation for the next time this ad hoc visits the authorized costs, which is in 2010 for the new 2011 costs.

Ms. Hernandez inquired if the objective is to create an authorized cost for travel time to the site.

The concern is to identify those costs, which should not include travel time, and those costs that should be allowed travel time.

Mr. Walls added that in his opinion, identifying those costs that should, or should not include travel time would be a difficult task. He added that discussed at a previous meeting, was the issue that each utility has its respective travel costs and at the end of the day is a wash among members.

Mr. Autrey stated that according to his recollection, the ad hoc members were to remove any travel time costs from their submitted final costs.

Mr. Wolfe stated that the issue of travel time was discussed for the pole costs, and it was agreed that travel should not be included in pole costs.

The consensus is that this issue should remain open for further discussion.

Under **miscellaneous items** Mr. Walls inquired if anyone had any historical recollection of a discussion in regards to a break and temporary repair in concrete. Ms. Corella discovered a document in regards to this issue and gave a copy to Mr. Walls. Mr. Walls stated that he would further research this issue and bring it back to the table at the next meeting.

Review of Action Items:

- SCE to provide data from Santiago fire in regards to item 1462.

The ad hoc meeting adjourned at 9.30 a.m. The next meeting will be scheduled for March 2009.

Jennie Corella, Manager of Operations

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE

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March 10, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 9:00 a.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California (teleconference)
Ms. Sherri Goetz	Southern California Edison
Ms. Lupe Hernandez	AT&T Mobility
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Mr. Justin Cashmer	Verizon California (teleconference)
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff

Mr. Walls opened the meeting at 9:10 am and allowed for introductions. The first issue on the agenda is **Item 1462: Section 7.12 OT Costs/disaster replacements**. Ms. Walls inquired if SCE would like to report on this item. Ms. Goetz responded that she did not have any information on this item, and requested that this item remain open.

The consensus is to table this issue until next month.

The next issue on the agenda is **Item 1477: Review AC for Travel Time**. Ms. Goetz stated that at an earlier ad hoc meeting, the members had reviewed the costs to determine if any specific cost required travel and those costs that do not. She added that the ad hoc agreed to discuss this issue further.

Mr. Autrey stated that the ad hoc discussed if a cost should be established for travel time, or should travel be included in those costs that require travel.

Ms. Hernandez stated that in her opinion, travel time should not be included in authorized costs. Ms. Walls responded that he agrees with Ms. Hernandez. He added that his view is that travel time is offset among all joint members. In example he used a pole replacement scenario. He stated that a member has to travel to the site to design it, member 2 has to visit the site for confirmation prior to approval, member 1 travels for construction, and member 2 travels to complete the transaction. Therefore, the travel expense is offset among members. He added that DWP does not take into account any travel expense.

Mr. Wolfe inquired if travel expense is considered in the pole costs. Travel to site is considered in pole costs. He added that in his opinion, he is

in agreement with Ms. Hernandez and Mr. Walls that travel time should not be included in authorized costs.

The members then reviewed the costs when at an earlier ad hoc meeting, the members had identified those costs where time should be included and should not.

After brief discussion, the chair of the ad hoc, Mr. Walls stated that in his opinion, all members involved in the JPA process usually offset one another in regards to travel time and costs. He added that DWP is of the opinion that this issue does not warrant further review. He then inquired if members agree on closing this issue. The consensus is to close this item number.

Under **miscellaneous items** Mr. Walls reported that he did not have any pertinent information on Break and Temporary Repair, an issue he brought to the table at the previous meeting. He requested that this issue remain open on the agenda.

Review of Action Items:

- There are no actions

The ad hoc meeting adjourned at 9.30 a.m. The next meeting will be scheduled for April 2009.

Jennie Corella, Manager of Operations

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April 14, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 9:00 a.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California (teleconference)
Ms. Sherri Goetz	Southern California Edison
Ms. Lynn Prescott	Verizon Wireless
Ms. Lupe Hernandez	AT&T Mobility
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Walls opened the meeting at 9:05 am and allowed for introductions to ensure that all present would be accounted for. He then addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. Ms. Walls inquired if SCE had any information to share with the ad hoc on this item. Ms. Goetz responded that SCE did not have any data to report, and requested that this item be tabled at this time. The consensus is to table this issue until next month.

Under **miscellaneous items** is the issue of Break and Temporary Repair, an issue Mr. Walls brought to the table at an earlier meeting. He requested that this issue remain open on the agenda and tabled for next meeting.

Mr. Walls stated that the ad hoc should review each line item to ensure if the action is still practiced today, and it's validity. Since authorized costs are to be reviewed in 2010 for prices to become effective in 2011, it was agreed to assign an item number to this concern, and start the review process at the next ad hoc meeting. **Item 1487: Review of Authorized Costs line Items** has been assigned to this ad hoc.

Mr. Wolfe inquired what is the objective of reviewing the authorized costs. Mr. Walls responded that when he reviewed those authorized costs associated with power, he noted some costs that in his opinion are outdated. He added that maybe the terminology requires revision, or the action is no longer in process.

The ad hoc members are to review the costs associated with their respective organizations such as communications or power for validity and to be prepared to discuss their concerns at the next ad hoc meeting.

Review of Action Items:

- Ad hoc members are to review the costs associated with their respective organizations

The ad hoc meeting adjourned at 9.15 a.m. The next meeting will be scheduled for May 2009.

Jennie Corella, Manager of Operations

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May 12, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 1:00 p.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California
Ms. Sherri Goetz	Southern California Edison
Ms. Lynn Prescott	Verizon Wireless
Ms. Lupe Hernandez	AT&T Mobility
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jean Baccus	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Walls opened the meeting at 1:10 pm and addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. This issue was brought to the table by SCE. Ms. Goetz requested that this item be tabled for the next meeting. This item remains open.

Item 1487: Review of Authorized Costs line Items is next on the agenda. Mr. Walls inquired if any members had the opportunity to review the costs to identify questionable costs. The members responded that they did not have the opportunity to review any costs. Mr. Walls stated that the objective of this exercise is to prepare for next year when the ad hoc committee would be reviewing the costs for 2011 revisions. He added that there is no great urgency at this time; however, it is beneficial to get an early start on reviewing the costs since it is a lengthy process.

Mr. Wolfe questioned as to the purpose of this exercise. Mr. Walls responded by stating that the question is if these costs are current and applicable today? Should or could the list of costs be downsized? As an example he referred to AC items 1 and 2. He stated that in regards to trenching within his organization, on the rare occasion that this occurs, it would be billed to the customer, perhaps as a street improvement. He added that very rarely would this be a joint ownership cost. Therefore; this would become a special agreement, and eliminate the process of members having to submit costs that are rarely utilized. He further added that this is merely the perspective of DWP.

Mr. Walls inquired if the current software billing application could extrapolate how many times a year this cost is invoked. Ms. Corella responded that the current application does not count the number of times any specific cost is invoked.

Ms. Prescott stated that she has no problem with making this cost a special agreement. She added that the trenching costs are nearly reaching the costs of a new pole, and would prefer to discuss this and arrive at the greatest cost effective method.

Ms. Corella inquired if Mr. Walls would like to return some of these costs to Section 1.2.

He responded to the affirmative, and stated that some costs are utilized so infrequently that costs need not be submitted at time of review, but return to 1.2.

As another example, Mr. Walls stated that Item 6 – Pole Stubbing could be revised with another title. Mr. Wolfe stated that in his opinion the verbiage plates, is a misnomer.

Mr. Walls noted another example with Item 12 – Pole Inspection and Treatment. He stated there are five types, and questioned if all five are necessary.

Mr. Walls questioned if SCE continues to utilize items 17 and 18. Ms. Goetz responded that she believes the SCE does continue to use these costs, but is unaware of the frequency.

The consensus is that this item remains open.

Under **miscellaneous items** is the issue of Break and Temporary Repair. Mr. Walls reported that he reviewed the authorized costs minutes of August 2004 where he had a discussion with AT&T California and Verizon California. In the discussion if DWP requires breaking the concrete to set a pole, then DWP patches with asphalt, and communications would come later and saw-cut and repair it. This would be an AC item 10-A transaction. The consensus is that this is for temporary or permanent repair since the description does not differentiate. Mr. Walls proposed closing this issue. This issue is now closed.

Mr. Wolfe reported that he became aware of a robotic auger. He inquired if any of the members were aware of this type auger. Mr. Walls reported that DWP has utilized a robotic auger. Mr. Wolfe inquired if there should be a cost associated with the use of a robotic auger.

Next Mr. Wolfe reported that AT&T California is not equipped to PTD alternative to wood poles. He added that there is the possibility that they could PTD composite fiberglass, but is almost certain in regards to steel and concrete poles, that AT&T California could not handle PTD.

Lastly Mr. Wolfe reported that a court ruling decision has been made in regards to the disposal of poles, which would be considered hazardous waste. He added that his organization has always treated poles as hazardous waste, but for those members that continue using the land fills,

this is shortly coming to a halt. Therefore, the disposal costs might require review. Mr. Walls responded that DWP treats poles as hazardous waste.

Review of Action Items:

- Ad hoc members to review authorized costs in regards to Item 1487.

The ad hoc meeting adjourned at 1.45 p.m. The next meeting will be scheduled for June 2009.

Jennie Corella, Manager of Operations

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June 9, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 9:00 a.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls	City of LA -DWP
Mr. Robert Wolfe	AT&T California (teleconference)
Ms. Lynn Prescott	Verizon Wireless (teleconference)
Ms. Lupe Hernandez	AT&T Mobility
Mr. Steve Rodriguez	T-Mobile USA
Ms. Paula Haney	NextG Networks
Mr. Cory Autrey	Sprint-Nextel
Mr. Ihab Ibrahim	City of Banning
Ms. Jean Baccus	Committee Staff
Ms. Angela Pranata	Committee Staff
Ms. Jennie Corella	Committee Staff

Mr. Walls opened the meeting at 9:05 am and allowed for introductions. He then addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. In that SCE was not represented, Mr. Walls tabled this item until the next meeting where SCE is represented.

Item 1487: Review of Authorized Costs line Items is next on the agenda. Mr. Walls reported that he was unable to review the costs in the past month. The other members responded that they too were unable to devote time to reviewing the costs. The object of this exercise is to gain an early start on reviewing and discussing the costs that would be proposed for the year 2011.

Ms. Hernandez recommended assigning a batch of items to be reviewed and agreed by the ad hoc prior to moving on to a second batch.

The consensus is that the ad hoc would review items 1 through 19, and when the costs are agreed on by the members, then the ad hoc would move on to the next batch of item costs.

Ms. Corella is to send out a reminder to the ad hoc members one week prior to the next meeting to be prepared to discuss item costs 1 through 19 at the July meeting.

The third issue on the agenda is **Item 1492: 2010 Pole Prices**. Ms. Corella stated that every year the authorized costs ad hoc committee reviews the pole price matrix and definitions of elements prior to sending the documents out to the members for completion.

Ms. Hernandez stated that according to her recollection, the ad hoc agreed that the next time they would visit the AC costs they would discuss those items which should, or should not, include travel time. She added that if travel is included in the pole costs, then it should not be included in authorized costs and vice-versa. She further added that the consensus is to standardize the method that members calculate their pole costs in regards to travel time.

Mr. Autrey inquired if travel time is included in transport and handling.

Mr. Wolfe stated that it appears to him that the ad hoc discusses this issue every year. The definition of elements should be standardized and not change that often. He added that in collaborating with the NCJPA members they agree on an average time for travel, planning and engineering. However, the SCJPC members establish their individual costs. In this situation, members have different travel time.

Mr. Walls suggested that members review and discuss each individual element definition to ensure that it is agreeable. The members reviewed and discussed elements 1 through 12. The consensus is that the definitions are agreeable, with the exception of number 9 – Engineering and Planning. The primary concern with this element is arriving at a standard unit of time. After extensive discussion, the consensus is to allocate one hour of the loaded labor rate for engineering and planning. The definition for planning and engineering has been revised.

Ms. Hernandez stated that she recollects the committee deciding previously on one hour for planning and engineering and had stated as such on the matrix. She added that at some point in time it was deleted. Therefore, she stated that she would like to research old minutes to determine where and when the one-hour was added and how the ad hoc arrived at deleting it.

Mr. Wolfe questioned the last sentence in parenthesis, of number nine-element definition. After reviewing the sentence it was agreed to delete the entire sentence.

The pole price matrix would reflect one hour above the planning and engineering column. Members are to input one hour of their respective loaded labor rate in this column.

Mr. Walls stated that the matrix and elements definitions should be sent to members for completion. He inquired what the ad hoc considers sufficient turn-around time for completing the pole price matrix. It was agreed that the target date for returning any completed pole price matrix would be September 1, 2009.

There were no **miscellaneous items** for discussion.

Review of Action Items:

- Ad hoc members to review authorized costs items 1 – 19 and be prepared to discuss the costs at the next meeting.

The ad hoc meeting adjourned at 10.05 a.m. The next meeting will be scheduled for July 2009.

Jennie Corella, Manager of Operations

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September 15, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 1:00 p.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls - City of LA -DWP
Ms. Shawn Henderson - AT&T Mobility
Ms. Lynn Prescott - Verizon California
Mr. Larry Chow – Southern California Edison
Mr. Robert Wolfe – AT&T California
Mr. Steve Rodriguez – T-Mobile USA
Ms. Paula Haney – NextG Networks
Mr. Cory Autrey – Sprint-Nextel
Mr. Don Beckermann- MCI Comm (teleconference)
Ms. Debra Okano – AT&T Mobility (teleconference)
Ms. Angela Pranata – Committee Staff
Ms. Jean Baccus – Committee Staff
Ms. Jennie Corella – Committee Staff

Mr. Walls opened the meeting at 1:05 pm and addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. In that this issue was originally brought to the table by SCE, Mr. Walls inquired if Mr. Chow had anything to report to the ad hoc.

Mr. Chow responded that he did not have anything formally to report. However, he added that SCE might move in a different direction in terms of straight overtime costs. He added that in speaking with the evaluation personnel within his organization, the costs of placing a pole on overtime could be included in the price of the pole. He further added that by using the current pole price matrix, the evaluation staff could arrive at the cost of the pole including overtime costs by reviewing the costs of overtime in an aggregate year. The members discussed this issue briefly and agreed that this item should remain open.

Item 1487: Review of Authorized Costs line Items is next on the agenda. Mr. Walls reported that the ad hoc members had an assignment to review items 1 through 19. He inquired if any members had reviewed the items and would like to open discussion.

Ms. Haney reported that in speaking with a NextG vendor, the vendor informed her that the current prices could be in line with last year's costs.

Mr. Walls stated that his intent in reviewing the costs is to determine if the costs continue to be valid and necessary costs, not necessarily if the costs are current with today.

He started the review with AC item 1 and inquired if this should remain an authorized cost or should be a 1.2 special agreement.

Mr. Wolfe responded stating that in his opinion, this should remain an AC in that it would allow members to price their jobs, and in the multi party environment, some members do not respond in a timely manner.

Ms. Prescott proposed identifying those costs that would require extensive review and discussion.

Mr. Chow agreed that the ad hoc should create a list of all costs and notate dates, comments and discussions on every item so in the future the ad hoc committee has a tracking record of dialogue specific to each item.

An Excel spreadsheet has been created to track ad hoc item comments. The members then proceeded to address items 1 through 19. All comments for revisions have been noted on the spreadsheet.

Mr. Wolfe questioned using the term “plates” versus “truss” in item 6. He recommended researching the use of truss to determine if it is proper to revise the term, “plates”.

The members discussed the item costs and made notations for future reference.

The third issue on the agenda is **Item 1492: 2010 Pole Prices**. Mr. Walls stated that he has not submitted his pole costs at this time, and is aware that other members are requiring additional time, therefore, he proposed tabling this item for the next meeting.

There were no **miscellaneous items** for discussion.

Review of Action Items:

- Ms. Corella to send reminder to members to submit their pole costs.

The ad hoc meeting adjourned at 2.20 p.m. The next meeting will be scheduled for October 2009.

Jennie Corella, Manager of Operations

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October 13, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 2:00 p.m., at the Committee office. Those in attendance were:

Mr. Scott Hunter - City of LA -DWP
Ms. Shawn Henderson - AT&T Mobility
Ms. Lupe Hernandez – AT&T Local Services
Ms. Lynn Prescott - Verizon California
Mr. Larry Chow – Southern California Edison
Mr. Robert Wolfe – AT&T California (teleconference)
Mr. Steve Rodriguez – T-Mobile USA
Ms. Paula Haney – NextG Networks
Mr. Cory Autrey – Sprint-Nextel
Ms. Angela Pranata – Committee Staff
Ms. Jean Baccus – Committee Staff
Ms. Jennie Corella – Committee Staff

Mr. Hunter opened the meeting at 2:05 pm and addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. Mr. Chow stated that he would like to table this first item until he could compile data within his organization to pertain to this topic. This item is tabled until the next ad hoc meeting.

Item 1487: Review of Authorized Costs line Items is next on the agenda. In that this exercise is in preparation for the 2011 revised costs, it was agreed to table this item and to concentrate on the 2010 proposed pole prices.

The members then addressed **Item 1492: 2010 Pole Prices**. Ms. Corella inquired when Mr. Wolfe would be submitting pole costs for AT&T California. He added that he intends to submit costs prior to the next ad hoc meeting.

Ms. Corella reported that since the last meeting she has received costs from SCE, DWP, and the City of Pasadena and are now included in the latest draft.

Ms. Prescott inquired if AT&T California is normally included in the weighted average. Ms. Corella responded that historically, AT&T California opts to publish their costs individually, and would not be included in the weighted average if this were the path chosen by AT&T California for 2010.

The members briefly reviewed the submitted costs. Ms. Hernandez questioned the direct labor costs for the City of Lompoc in that it appears

high. Ms. Haney stated that they are a small municipality. Ms. Corella stated that they did not include G&A, and these costs could be included in the loaded labor rate.

The members discussed the costs and stated that for those members who do not submit pole costs, they would automatically default to the weighted average.

Mr. Wolfe commented that although historically AT&T California has published their costs, there is the possibility that they might fall into the weighed average.

Ms. Prescott suggested that when Ms. Corella receives costs from AT&T California to include the costs in the third draft and forward it to the ad hoc members for their review in preparation for the next meetings discussion.

There were no **miscellaneous items** for discussion.

Review of Action Items:

- Mr. Wolfe (AT&T California) to submit his pole costs within the next two weeks.
- Ms. Corella to incorporate AT&T California costs into third pole cost draft and forward third draft to ad hoc members.
- Ad hoc members to review third pole price draft and become prepared to discuss any questions at the next ad hoc meeting.

The ad hoc meeting adjourned at 2.25 p.m. The next meeting will be scheduled for November 2009.

Jennie Corella, Manager of Operations

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November 10, 2009

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 9:00 a.m., at the Committee office. Those in attendance were:

Mr. Dennis Walls - City of LA -DWP
Ms. Shawn Henderson - AT&T Mobility
Ms. Lupe Hernandez – AT&T Local Services
Ms. Lynn Prescott - Verizon California
Ms. Sherri Goetz – Southern California Edison
Mr. Steve Rodriguez – T-Mobile USA
Ms. Paula Haney – NextG Networks
Mr. Randall Starkey – Time Warner Cable (teleconference)
Mr. Kyle Levy – Committee Staff
Ms. Jean Baccus – Committee Staff
Ms. Jennie Corella – Committee Staff

Mr. Walls opened the meeting at 9:05 am and addressed the first issue on the agenda, **Item 1462: Section 7.12 OT Costs/disaster replacements**. Ms. Goetz requested that this item be tabled for the next ad hoc meeting.

Item 1487: Review of Authorized Costs line Items is next on the agenda. Mr. Walls reported that he was unable to review the assigned costs and questioned if any members had reviewed the costs and would like to open discussion. There were no respondents. Therefore, the consensus is to table this item for the next ad hoc meeting.

The members then addressed **Item 1492: 2010 Pole Prices**. Mr. Walls inquired if any members have any concerns with the submitted costs on draft III. It was agreed to then review all costs submitted by the members.

Initially, the members reviewed the proposed weighted average costs. There were no concerns with the proposed weighted average costs. It was noted that those members not submitting costs for 2010 would default to the weighted average costs.

The members then reviewed the costs submitted by those members opting to publish their costs individually. Those members are Edison, City of Anaheim, City of Los Angeles (DWP), Verizon California, AT&T Mobility, AT&T California, T-Mobile, and the City of Pasadena.

There is concern with the City of Anaheim's submitted 100-foot pole cost, which reflects a 57% increase in costs. Ms. Corella would contact the City of Anaheim to determine if the cost is correct.

Mr. Walls commented that in regards to the costs for DWP, it was discovered that historically, the formula calculations for the poles were performed incorrectly. The error has been corrected; therefore, the result is a percent increase in costs that are relatively higher. Moving forward DWP would be utilizing the new pole pricing method.

Mr. Hernandez noted that the costs submitted by Verizon California reflect a high percentage drop. It was noted that the costs submitted by AT&T California are also relatively low. The consensus is to contact Verizon California and AT&T California to determine if their respective costs are correct.

The committee then reviewed those costs for other than wood submitted by Edison and the City of Los Angeles. Ms. Prescott questioned the range in price between Edison and the City of Los Angeles in regards to Lightweight steel poles. Mr. Walls responded that this could be due to different vendors. He added that he would obtain the vendor and report it to the ad hoc committee. Ms. Goetz stated that she also would obtain the lightweight steel pole vendor and report to the committee.

The consensus is to place this item number on the discussion calendar of the next Board meeting with the possibility of Board approval.

There were no **miscellaneous items** for discussion.

Review of Action Items:

- Ms. Corella to contact the City of Anaheim in regards to the 100 foot FOB cost.
- Ms. Corella to contact Verizon California and AT&T Local Services to questions their costs.
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The ad hoc meeting adjourned at 9.25 a.m. The next meeting will be scheduled for January 2009.

Jennie Corella, Manager of Operations