

Southern California Joint Pole Committee

444 E. Huntington Drive, Suite 205
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March 16, 1999

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 11:00 a.m., at the Committee office. Those in attendance were:

Mr. Malcolm Brown	AirTouch Cellular
Ms. Lupe Hernandez	Pacific Bell
Mr. Ralph Hammond	Sprint PCS
Mr. Chris Bengtsson	City of Los Angeles
Mr. Dan Lewis	GTE of Calif., Inc.
Ms. Kathleen Dell	L.A. Cellular
Mr. Ernie Solorzano	So. Calif. Edison Co.
Ms. Sherri Goetz	So. Calif. Edison Co.
Ms. Jennie Corella	Committee Staff

Chairperson, Mr. Ernie Solorzano brought the meeting to order at 11:45 a.m. The first topic of discussion involved Item 1207: Pole Inspections. Mr. Solorzano reported that he was waiting for research information from his staff. He would meet with his staff the following Tuesday.

The next item on the agenda was Composite Poles, Item 1265. Mr. Solorzano is waiting on information from Pac Bell. The issue is how composite poles will be used in the field. Ms. Dell reported a problem with burned poles. A positive aspect of composite poles is the possibility of not burning. She stated composite poles should be considered for the Malibu area and any other high wind areas prone to fires. Another positive aspect of composite poles is the expected life span of 50-60 years. Mr. Solorzano stated there are unresolved issues in reference to using composite pole, and at this time Item 1265 is still an open item.

Mr. Bengtston brought up the issue of pole tagging responsibility, which was given Item no. 1283 at the previous Routine Revision meeting. It was assigned no. 15 of Authorized Costs with a cost of \$25.00 to be shared equally.

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The decision was to put Item No. 1283 on the March Administrative Board agenda under discussion.

Ms. Willis stated that Section 14.9 required verbiage; Ms. Goetz agreed. The decision was that verbiage would be created for Section 14.9.

The meeting adjourned at 12:30 p.m., until April 22, 1999.

Jennie Corella, Office Manager

Southern California Joint Pole Committee

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June 17, 1999

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. Malcolm Brown	AirTouch Cellular
Mr. Dan Lewis	GTE of Calif., Inc.
Ms. Lupe Hernandez	Pacific Bell
Mr. Ernie Solorzano	So. Calif. Edison Co.
Mr. Chris Bengtsson	City of Los Angeles
Ms. Jennie L. Corella	Committee Staff

Chairman Ernie Solorzano brought the meeting to order. The first topic of discussion involved Item 1207: Pole Inspections. Mr. Solorzano met with Pacific Bell, Pacific Gas and Electric, and City of Los Angeles, to examine and discuss pole inspection costs. After review, Mr. Solorzano announced that he had arrived at costs for Authorized Costs, Item 12: Pole Inspections and Treatment. He presented the following costs:

- | | | |
|------|-------------------|---------|
| • A. | Visual Inspection | \$19.00 |
| • B. | Partial Dig | \$24.00 |
| • C. | Sound and Bore | \$22.00 |
| • D. | Full Treatment | \$46.00 |
| • E. | Reject | \$20.00 |

The suggested effective date for the costs is July 1, 1999. Item 1207: Pole Inspection and Treatment, will be on the **Discussion Calendar** of the July Administrative Board meeting.

The next topic of discussion was Item 1265: Alternative to Wood Poles. Mr. Solorzano stated he is working on costs for composite poles. Composite poles are manufactured in different classes. In arriving at a single unit cost, there are several costs to be considered, such as pre-drilled holes, steps, and hardware for the common area. Mr. Solorzano quoted a cost of approximately

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\$250.00 per pole. Overall costs, including labor, is \$1,100.00. The life-term of a composite pole is 80 years, and requires minimum inspection. Mr. Solorzano stated that in the short-term, it appears costly, but in the long-term it is cost-efficient. Mr. Bengtsson remarked that he is witnessing a new trend toward composite, or steel poles, and commended Mr. Solorzano on his research. The need for costs for alternative to wood poles will remain ongoing, therefore, Item 1265 will remain an open item.

The meeting adjourned at 10:20 a.m.

Jennie L. Corella, Office Manager

(Attachment)

SOUTHERN CALIFORNIA JOINT POLE COMMITTEE
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October 19,1999

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 11: 00 a.m., at the Committee office. Those in attendance were:

Mr. Chris Bengtsson – City of Los Angeles
Mr. Dan Lewis – GTE California
Ms. Lupe Hernandez - Pacific Bell
Mr. Ernie Solorzano - So. Calif. Edison Co.
Ms. Kathy Dell - L.A. Cellular
Mr. Malcolm Brown – AirTouch Cellular
Ms. Lynn Prescott – AirTouch Cellular
Mr. Dennis Ennis – Pacific Bell
Ms. Jennie L. Corella- Committee Staff

Chairman, Ernie Solorzano brought the meeting to order. The first topic of discussion involved Item 1265: Alternative to Wood Poles. Ms. Dell stated that the issue is how to handle alternatives to wood poles in the Routine Handbook, without using Section 1.2. Mr. Lewis suggested using the same formulas, and matrix to arrive at alternative pole prices. During previous discussions on alternative poles, it was suggested using Section 6 to address the issue. Mr. Bengtsson stated that Sections 4, and 7 would need to be addressed, because they will apply to alternative poles. He suggested creating additional sub-sections for Sections 4 and 7, regarding composite, steel, and other alternative poles. He questioned the need for any language changes in the Routine Handbook because the addition of sub-sections would address the issues.

The issue of depreciation was discussed. According to Mr. Solorzano, SCE would depreciate alternative poles in the same method as wood poles. However, he is unsure of the method that should be used when depreciating alternative poles within the Committee. Fiberglass poles, obviously, should have a greater life expectancy than wood poles. The issue of creating separate structural and salvage values was discussed as well.

Ms. Hernandez reminded the members that at an earlier meeting, they agreed to record and capture any issues applicable to wood poles that should be considered when using composite and steel poles.

Mr. Solorzano stated that SCE would like to have prices established for composite and steel poles. SCE submitted a pole price matrix for fiberglass poles.

Ms. Corella distributed a 2000 pole price matrix for wood, as well as fiberglass poles. The members commented on the high cost of fiberglass poles versus the cost of wood poles. Ms. Dell questioned whether there were some areas that would be averse to using fiberglass poles. Mr. Bengtsson responded that fiberglass poles are superior to wood in every respect with the exception of budgetary constraints. Ms. Dell had a concern as to whether members had the opportunity to respect the use of fiberglass poles. Mr. Bengtsson stated that members have the option to reject any action. He also stated that currently only one member is constructing fiberglass poles, and he was opposed to changing the Routine Handbook to accommodate one member. Mr. Bengtsson stated that even if poles are expected to last 80 years there are many situations for replacing poles. Is it necessary to purchase a pole with an 80 years life

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expectancy? Mr. Solorzano agreed that he would continue handling fiberglass poles under section 1.2. The members agreed that if the reason for using a fiberglass pole versus a wood pole was legitimate, they had no problem with the use of fiberglass.

The next topic of discussion involved Item 1292: 2000 Pole Prices. DWP has yet to submit pole prices. Mr. Bengtsson stated that he is continuing to work on pole prices, and intends to submit his prices within the next week.

Mr. Solorzano had a question of using the weighted average in arriving at pole prices. Ms. Dell stated that members should research as to whether they experience a percentage saving in placing a pole jointly, as opposed solely placing a pole. Mr. Bengtsson stated that jointly placing a pole is a benefit to all members.

The next item on the agenda was ground rods. Mr. Bengtsson reported that DWP has received requests to install ground rods. His issue is whether there is a need to place an item cost for ground rods in Authorized Costs. He asked the members if they are installing, or receiving requests to install ground rods. The members in attendance had not received any requests at this time. Being that there is only one member installing ground rods, the members felt that there is no need at this time to add an item in Authorized Costs for ground rods.

Mr. Lewis reminded the members that Authorized Costs are reviewed every two years. He stated rather than addressing each individual item, all the costs should be adjusted by a specific percentage point. Due to the fact that she attended the last Authorized Costs review meeting, Ms. Dell was asked for her opinion. She stated the need for the members to agree and arrive at the percentage point. She suggested using the Consumer Price Index as a guide. Mr. Bengtsson suggested using the percentage change in pole prices. Authorized Costs will be reviewed at the next meeting.

The meeting adjourned at 12:30 p.m., until November 16, 1998.

Jennie L. Corella, Office Manager

Southern California Joint Pole Committee

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November 16, 1999

A meeting of the **ad hoc Committee on Authorized Cost Elements** took place on the above date, at 10:45 a.m., at the Committee Office. Those in attendance were:

Mr. Chris Bengtsson	City of Los Angeles
Ms. Lupe Hernandez	Pacific Bell
Mr. Dennis Ennis	Pacific Bell
Mr. Dan Lewis	GTE of Calif., Inc.
Mr. Ernie Solorzano	So. Calif. Edison Co.
Ms. Sherri Goetz	So. Calif. Edison Co.
Ms. Lynn Prescott	AirTouch Cellular
Mr. Ralph Hammond	Sprint PCS
Mr. Mike Bogner	Sprint PCS
Ms. Jennie L. Corella	Committee Staff
Ms. Kathleen Greene	Committee Staff

Chairman, Ernie Solorzano brought the meeting to order. The first topic of discussion pertained to Item 1265: Alternative to Wood Poles. Mr. Solorzano reiterated the issue of the increased use by SCE of composite poles within a set rules of criteria such as high fire area, woodpeckers, and high decay. He stated he would like to illustrate that composite poles are three times the cost of wood poles, however, are a greater investment. He distributed cost comparison worksheets for wood versus composite poles. Mr. Solorzano explained that initially the expenditure for a composite pole would be greater than the initial cost of wood. However, over a period of thirty years the costs reach a break-even point, and the life of a composite pole extends two to three times the life of wood. Therefore, according to Mr. Solorzano, the composite pole is of greater value.

The next topic on the agenda was Item 1292: 2000 Pole Prices. Item 1292 is on the Discussion Calendar for the November 1999 Administrative

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Board Meeting. Ms. Corella distributed the revised Pole Price worksheet matrix. The prior worksheet did not contain DWP prices. The issue of arriving at pole prices using a different method than the weighted average was discussed. It was agreed that the issue of continuing to use the weighted average to arrive at pole prices would need to be discussed in future meetings.

The next topic of discussion involved Authorized Costs. Mr. Lewis reminded the members that, Authorized Costs must be reviewed every two years. It was the consensus of the members that Authorized Costs be increased relative to the Consumer Price Index (CPI). It was agreed to increase Authorized Costs by a 3 percent increase. Item No. 1293 was assigned to 2000 Authorized Costs, and would be put on the next Administrative Board Meeting under unknown items.

Before adjourning the meeting, Mr. Solorzano reiterated the fact that, during the next year, SCE will use composite poles, but would also like to inform the members that there is a possibility of implementing the use of steel poles as well. The meeting adjourned at 11:40 AM.

Jennie L. Corella, Office Manager