

Newfoundland & Labrador Hydro

Requests for Information

NLH-1 to NLH-13

Q. NLH 1.0

- 1.1 Please provide the number of joint use poles and non-joint use poles, organized by the community in which they are located or to which they are closest in proximity, for all communities inside the Applicant's service territory.**
- 1.2 Please provide the number of joint use poles and non-joint use poles, organized by the community in which they are located or to which they are closest in proximity, for all poles outside the Applicant's service territory that are to be transferred to the Applicant (or to 11003 Newfoundland Inc.) under the Support Structures Purchase Agreement.**

A.

- 1.1** The number of joint use and non-joint use poles in Newfoundland Power's service territory organized by community as found in the joint use database is set out in Table 1 below. A review of the limitations of detailed data such as that contained in Table 1 can be found in the *General Overview* contained in Response to Information Request PUB 6.0.

Table 1

	Joint Use	Non Joint Use	Total
CAPPAHAYDEN	20	3	23
RENEWS	157	1	158
FERMEUSE	190	3	193
KINGMANS COVE	44	1	45
PORT KIRWAN	71	1	72
AQUAFORTE	61	2	63
FERRYLAND	207	5	212
CALVERT	119	4	123
CAPE BROYLE	284	16	300
ADMIRALS COVE	44	0	44
BRIGUS SOUTH	46	0	46
TORS COVE	193	151	344
BAULINE	36	0	36
ST. MICHAELS	12	2	14
BURNT COVE	30	6	36
MOBILE	74	1	75
WITLESS BAY	352	8	360
GALLOWS COVE	5	0	5

	Joint Use	Non Joint Use	Total
BAY BULLS	353	22	375
GOULDS	1167	99	1266
PETTY HARBOUR	30	53	83
MADDOX COVE	60	2	62
KILBRIDE	569	21	590
MOUNT PEARL	1936	296	2232
ST. JOHN'S	5902	1824	7726
HOLYROOD	365	35	400
SEAL COVE	156	2	158
UPPER GULLIES	137	0	137
KELLIGREWS	217	8	225
FOXTRAP	256	8	264
LONG POND	279	5	284
MANUELS	208	5	213
CHAMBERLAINS	318	53	371
TOPSAIL	202	8	210
PARADISE	1279	64	1343
CAPE ST. FRANCES	1	0	1
POUCH COVE	254	51	305
BAULINE	75	1	76
SHOE COVE	56	6	62
FLATROCK	310	6	316
TORBAY	735	5	740
LOGY BAY	163	22	185
OUTER COVE	81	4	85
MIDDLE COVE	31	0	31
WEDGEWOOD PK	67	0	67
WABANA	1773	75	1848
LANCE COVE	582	15	597
PORTUGAL COVE	711	2	713
ST. PHILLIPS	735	2	737
ST. THOMAS	105	0	105
LONG COVE	48	99	147
NORMAN'S COVE	74	21	95
CHAPEL ARM	231	217	448
LONG HARBOUR	29	74	103
MT. ARLINGTON HEIGHTS	13	1	14

	Joint Use	Non Joint Use	Total
BRANCH	181	180	361
POINT LANCE	13	1	14
ST. BRIDES	140	12	152
CUSLETT	55	102	157
ANGEL'S COVE	40	57	97
PATRICK'S COVE	75	30	105
SHIP COVE	71	65	136
BIG BARRASWAY	57	92	149
LITTLE BARRASWAY	78	131	209
SOUTH EAST PLACENTIA	263	13	276
POINT VERDE	136	15	151
PLACENTIA	111	11	122
JERSEYSIDE	140	26	166
FRESHWATER	107	110	217
ARGENTIA	122	46	168
FERNDAL	26	5	31
DUNVILLE	403	73	476
FOX HARBOUR	115	1	116
SHIP HARBOUR	45	5	50
HOPE HALL	109	11	120
GREEN'S HARBOUR	260	18	278
DILDO	159	4	163
NEW HARBOUR	224	4	228
SOUTH DILDO	52	5	57
OLD SHOP	56	2	58
BLAKETOWN	180	6	186
WHITBOURNE	359	34	393
MARKLAND	191	126	317
HARICOTT	190	9	199
COLLINET	111	1	112
NORTH HARBOUR	108	0	108
MOUNT CARMEL	49	1	50
ST. CATHERINES	257	5	262
MITCHELLS BROOK	13	0	13
FOREST FIELD	10	1	11
NEW BRIDGE	39	4	43
ST. JOSEPHS	96	0	96
O'DONNELLS	25	5	30

	Joint Use	Non Joint Use	Total
ADMIRALS BEACH	22	2	24
MALL BAY	11	0	11
RIVERHEAD	72	6	78
ST. MARY'S	106	9	115
POINT LAHAYE	74	0	74
GASKIERS	37	2	39
ST. VINCENTS	59	2	61
ST. STEPHENS	34	4	38
PETERS RIVER	98	26	124
ST. SHOTTS	19	0	19
TREPASSEY	210	50	260
BISCAY BAY	42	1	43
PORTUGAL COVE SOUTH	97	5	102
FAIRHAVEN	84	179	263
THORNLEA	29	61	90
BELLEVUE	111	47	158
CHANCE COVE	38	40	78
BAY DE VERDE	477	8	485
RED HEAD COVE	76	11	87
OLD PERLICAN	234	68	302
DANIELS COVE	24	0	24
GRATES COVE	214	2	216
CAPLIN COVE	120	4	124
LOW POINT	69	0	69
LOWER ISLAND COVE	138	0	138
JOBS COVE	85	3	88
BURNT POINT	45	2	47
GULL ISLAND	75	3	78
NORTHERN BAY	147	1	148
OCHER PIT COVE	85	0	85
WESTERN BAY	422	2	424
ADAMS COVE	139	0	139
BLACKHEAD	51	0	51
BROAD COVE	166	0	166
SMALL POINT	33	1	34
KINGSTON	15	0	15
PERRYS COVE	100	8	108
SALMON COVE	171	15	186

	Joint Use	Non Joint Use	Total
VICTORIA	429	97	526
FRESHWATER	84	3	87
CARBONEAR	907	54	961
BRISTOL'S HOPE	72	1	73
HARBOUR GRACE	395	44	439
RIVERHEAD	185	5	190
BRYANT'S COVE	136	2	138
TILTON	116	4	120
THICKETT	49	0	49
UPPER ISLAND COVE	221	6	227
BISHOP'S COVE	94	1	95
SPANIARD'S BAY	471	17	488
BAY ROBERTS	728	31	759
SHEARSTOWN	163	2	165
BUTLERVILLE	64	0	64
BARNEED	76	0	76
PORT DE GRAVE	99	0	99
NORTH RIVER	169	0	169
CLARKES BEACH	192	5	197
SOUTH RIVER	159	2	161
MACKINSONS	39	1	40
JUNIPER STUMP	22	0	22
TURK'S WATER	47	1	48
ROACHES LINE	192	3	195
CUPIDS	253	23	276
BRIGUS	245	2	247
GEORGETOWN	99	0	99
MARYSVAYLE	117	2	119
COLLIERS	287	3	290
CONCEPTION HARBOUR	311	9	320
BRIGUS JUNCTION	55	58	113
KITCHUSES	69	0	69
BACON COVE	54	70	124
AVONDALE	198	38	236
HARBOUR MAIN	113	4	117
CHAPEL'S COVE	123	2	125
HOLYROOD	157	27	184
SALMONIER LINE	144	2	146

	Joint Use	Non Joint Use	Total
LEAD COVE	44	0	44
SIBLEYS COVE	65	3	68
BROWNSDALE	211	0	211
NEW MELBOURNE	75	3	78
NEW CHELSEA	68	0	68
HANTS HARBOUR	187	0	187
WINTERTON	168	19	187
TURKS COVE	113	2	115
NEW PERLICAN	94	9	103
HEARTS CONTENT	142	152	294
HEARTS DESIRE	90	64	154
HEARTS DELIGHT	170	3	173
ISLINGTON	65	21	86
CAVENDISH	116	6	122
WHITEWAY	75	26	101
GRAND BEACH	2	0	2
GRAND BANK	199	18	217
FORTUNE	139	5	144
POINT MAY	194	3	197
LAMALINE	44	4	48
ALLENS ISLAND	17	0	17
POINT AU GAUL	25	0	25
TAYLOR'S BAY	0	1	1
LORDS COVE	63	2	65
LAWN	100	11	111
ST. LAWRENCE	194	11	205
LITTLE ST. LAWRENCE	15	0	15
GARNISH	52	148	200
FRENCHMAN'S COVE	16	2	18
EPWORTH	177	1	178
CORBIN	14	0	14
LITTLE SALMONIER	57	6	63
BURIN	82	8	90
COLLINS COVE	4	10	14
SHIP COVE	14	0	14
BURIN BAY	39	0	39

	Joint Use	Non Joint Use	Total
BULLS COVE	7	10	17
PORT AU BRAS	1	0	1
MORTIER	7	4	11
FOX COVE	1	0	1
BURIN BAY ARM	28	1	29
SALT POND	49	39	88
LEWINS COVE	35	11	46
SALMONIER	1	0	1
MARYSTOWN	299	139	438
LITTLE BAY	62	5	67
BEAU BOIS	1	0	1
WINTERLAND	43	72	115
MOORING COVE	54	2	56
SPANISH ROOM	80	2	82
ROCK HARBOUR	2	1	3
JEAN DE BAIE	22	0	22
TERRENCEVILLE	22	29	51
GRAND LE PIERRE	8	3	11
JACQUES FONTAINE	5	34	39
ST. BERNARDS	6	1	7
BAT L'ARGENT	66	93	159
LITTLE BAY EAST	4	17	21
LITTLE HARBOUR EAST	0	4	4
HARBOUR MILLE	6	16	22
BOAT HARBOUR WEST	129	30	159
BROOKSIDE	40	1	41
PARKERS COVE	18	21	39
BAIN HARBOUR	9	3	12
RUSHOON	92	41	133
RED HARBOUR	8	0	8
ENGLISH HARBOUR EAST	1	4	5
LITTLE HARBOUR EAST	6	104	110
SOUTHERN HARBOUR	62	139	201
ARNOLD'S COVE	114	159	273
ARNOLD'S COVE STATION	5	889	894
COME BY CHANCE	89	361	450

	Joint Use	Non Joint Use	Total
SUNNYSIDE	53	49	102
GOOBIES	85	143	228
NORTH HARBOUR	37	21	58
GARDEN COVE	70	42	112
SWIFT CURRENT	99	104	203
NORTH WEST BROOK	37	93	130
QUEEN'S COVE	101	26	127
LONG BEACH	31	85	116
HODGE'S COVE	14	4	18
CAPLIN COVE	5	34	39
LITTLE HEART'S EASE	57	129	186
BUTTER COVE	2	10	12
GOOSEBERRY COVE	6	11	17
SOUTHPORT	4	19	23
IVANY'S COVE	2	0	2
HILLVIEW	56	210	266
HATCHET COVE	41	52	93
ST. JONES WITHIN	53	12	65
ADEYTOWN	7	31	38
DEEP BIGHT	60	27	87
CLARENVILLE	416	243	659
SHOAL HARBOUR	90	74	164
RANDOM HEIGHTS	6	43	49
ELIOTT'S COVE	29	82	111
SNOOK'S HARBOUR	31	34	65
ASPEY BROOK	27	19	46
WEYBRIDGE	24	50	74
LADY COVE	13	6	19
HICKMAN'S HARBOUR	73	157	230
BRITANNIA	13	18	31
LOWER LANCE COVE	20	0	20
PETLEY	10	1	11
MILTON	55	126	181
GEORGE'S BROOK	48	94	142
HARCOURT	41	107	148
GIN COVE	4	23	27
MONROE	15	27	42
WATERVILLE	4	17	21

	Joint Use	Non Joint Use	Total
CLIFTON	7	124	131
BURGOYNE'S COVE	15	9	24
MORLEY'S SIDING	36	0	36
LETHBRIDGE	119	96	215
BLOOMFIELD	79	112	191
MUSGRAVETOWN	145	267	412
CANNING'S COVE	40	40	80
BUNYAN'S COVE	59	63	122
PORT BLANDFORD	102	192	294
CHARLOTTETOWN	28	6	34
BROOKLYN	165	6	171
PORTLAND	125	2	127
JAMESTOWN	170	3	173
WINTER BROOK	71	9	80
CHARLESTON	144	173	317
SWEET BAY	63	0	63
SOUTHERN BAY	112	146	258
PRINCETON	88	117	205
SUMMERVILLE	24	76	100
PLATE COVE WEST	25	58	83
PLATE COVE EAST	19	19	38
OPEN HALL	41	17	58
RED CLIFF	40	15	55
TICKLE COVE	44	16	60
KING'S COVE	35	132	167
DUNTARA	55	48	103
KEELS	64	2	66
STOCK COVE	20	29	49
KNIGHT'S COVE	27	27	54
UPPER AMHERST COVE	27	24	51
MIDDLE AMHERST COVE	39	26	65
LOWER AMHERST COVE	6	13	19
NEWMAN'S COVE	13	42	55
BIRCHY COVE	12	164	176
LOCKSTON	16	48	64
TRINITY	43	64	107
GOOSE COVE	29	35	64

	Joint Use	Non Joint Use	Total
DUNFIELD	25	74	99
TROUTY	53	110	163
OLD BONAVENTURE	58	1	59
NEW BONAVENTURE	37	2	39
PORT REXTON	125	147	272
TRINITY EAST	27	63	90
CHAMPNEY'S WEST	97	37	134
CHAMPNEY'S EAST	70	0	70
ENGLISH HARBOUR	62	22	84
MELROSE	15	20	35
PORT UNION	40	73	113
CATALINA	106	211	317
LITTLE CATALINA	14	40	54
ELLISTON	36	97	133
MABERLY	52	0	52
BONAVISTA	325	181	506
SPILLARS COVE	13	0	13
TERRA NOVA	74	37	111
TERRA NOVA NATIONAL PARK	256	164	420
GLOVERTOWN	157	375	532
TRAYTOWN	39	65	104
SANDRINGHAM	34	198	232
EASTPORT	71	306	377
SANDY COVE	6	0	6
ST. CHADS	4	4	8
BURNSIDE	40	106	146
HAPPY ADVENTURE	22	2	24
SALVAGE	20	0	20
GAMBO	335	283	618
HARE BAY	126	127	253
DOVER	9	3	12
TRINITY	93	362	455
CENTREVILLE	85	7	92
WAREHAM	57	2	59
INDIAN BAY	17	397	414

	Joint Use	Non Joint Use	Total
VALLEYFIELD	38	212	250
BADGERS QUAY	32	26	58
POOL'S ISLAND	11	45	56
GREENSPOND	12	0	12
BROOKFIELD	14	49	63
WESLEYVILLE	84	100	184
POUND COVE	67	31	98
TEMPLEMAN	27	24	51
NEWTOWN	138	0	138
CAPE FREELS	39	23	62
LUMSDEN	231	226	457
DEADMAN'S BAY	31	177	208
MUSGRAVE HARBOUR	491	245	736
LADLE COVE	35	28	63
ASPEN COVE	26	27	53
CARMANVILLE SOUTH	20	1	21
CARMANVILLE	252	180	432
NOGGIN COVE	31	46	77
FREDERICKTON	11	63	74
DAVIDSVILLE	18	196	214
MAINPOINT	78	4	82
GANDER BAY	61	2	63
GANDER	425	623	1048
BENTON	52	37	89
APPLETON	50	85	135
GLENWOOD	102	155	257
CLARKE'S HEAD	72	163	235
WINGS POINT	50	0	50
VICTORIA COVE	36	15	51
RODGERS COVE	55	12	67
HORWOOD	45	165	210
STONEVILLE	120	0	120
PORT ALBERT	40	1	41
BOYDS COVE	80	160	240
STRONGS ISLAND	0	49	49
SUMMERFORD	128	360	488
COTTLE'S ISLAND	19	97	116
VIRGIN ARM	33	21	54

	Joint Use	Non Joint Use	Total
CARTER'S COVE	7	0	7
CHANCEPORT	8	0	8
BRIDGEPORT	11	58	69
MORTON'S HARBOUR	22	89	111
WHALES GULCH	4	0	4
TIZZARD'S HARBOUR	24	131	155
FAIRBANKS EAST	7	25	32
HILLGRADE	29	206	235
NEWVILLE	76	3	79
INDIAN COVE	14	12	26
MERRITS HARBOUR	16	4	20
SALT HARBOUR	33	30	63
HERRING NECK	32	92	124
TOO GOOD ARM	52	52	104
GREEN COVE	16	0	16
PIKES ARM	42	0	42
COBBS ARM	67	0	67
BLACK DUCK COVE	37	4	41
KETTLE COVE	15	73	88
BAYVIEW	20	76	96
TWILLINGATE	272	66	338
LITTLE HARBOUR	20	0	20
PURCELL'S HARBOUR	15	0	15
DURRELLS	38	0	38
CROW HEAD	24	1	25
RAGGED POINT	4	0	4
FORTUNE HARBOUR	3	0	3
COTTRELL'S COVE	20	6	26
POINT OF BAY	75	0	75
PHILLIPS HEAD	12	0	12
NORTHERN ARM	112	77	189
LEADING TICKLES	58	20	78
GLOVERS HARBOUR	5	0	5
POINT LEAMINGTON	176	8	184
PLEASANTVIEW	8	0	8
BOTWOOD	340	170	510

	Joint Use	Non Joint Use	Total
PETERVIEW	100	25	125
BISHOP FALLS	389	194	583
GRAND FALLS	1443	510	1953
WINDSOR	13	1	14
RED CLIFF	4	0	4
NORRIS ARM	19	349	368
NORRIS ARM NORTH	3	7	10
NOTRE DAME JUNCTION	34	106	140
LEWISPORTE	207	511	718
BROWN'S ARM	9	167	176
PORTERVILLE	4	0	4
LAURENCETON	3	7	10
STANHOPE	7	1	8
EMBREE	22	6	28
MASONS COVE	1	0	1
LITTLE BURNT BAY	4	2	6
MICHAEL'S HARBOUR	9	57	66
CAMPBELLTON	35	256	291
LOON BAY	16	96	112
NEWSTEAD	9	8	17
COMFORT COVE	14	0	14
BAYTONA	4	9	13
BIRCHY BAY	33	148	181
BUCHANS	88	40	128
BUCHANS JUNCTION	12	57	69
MILLERTOWN	52	43	95
BADGER	27	184	211
SPRINGDALE	77	153	230
BAIE VERTE JUNCTION	4	0	4
SHEPPARDSVILLE	1	1	2
SANDY POINT	4	0	4
BAIE VERTE	65	58	123

	Joint Use	Non Joint Use	Total
SEAL COVE	13	8	21
WILD COVE	1	11	12
LARK HARBOUR	105	1	106
YORK HARBOUR	26	7	33
FRENCHMAN'S COVE	38	3	41
JOHN BEACH	26	19	45
BENOITS COVE	109	12	121
HALFWAY POINT	31	6	37
MT. MORRIAH	66	5	71
CORNER BROOK	2288	382	2670
HUGHES BROOK	40	1	41
MASSEY DRIVE	111	7	118
IRISH TOWN	147	8	155
SUMMERSIDE	216	0	216
MEADOWS	202	6	208
GILLAMS	157	1	158
MCIVERS	196	23	219
COX'S COVE	166	3	169
STEADY BROOK	55	12	67
LITTLE RAPIDS	148	98	246
HUMBER VILLAGE	110	0	110
SOUTH BROOK	13	14	27
PASADENA	419	187	606
PYNNS BROOK	112	123	235
ST. JUDES	49	1	50
SPILLWAY	19	19	38
DEER LAKE	506	85	591
NICHOLSVILLE	90	11	101
REIDVILLE	71	5	76
CORMACK	81	12	93
HOWLEY	50	4	54
GALLANTS	25	5	30
BONNE BAY POND	3	0	3

	Joint Use	Non Joint Use	Total
MATTIS POINT	85	1	86
BARACHOIS BROOK	11	7	18
STEPHENVILLE			
CROSSING	310	35	345
BLACK DUCK SIDING	165	1	166
GULL POND	15	0	15
ST. GEORGES	326	40	366
ROSE BLANCHE	71	7	78
BURNT ISLAND	325	77	402
ISLE AUX MORTS	347	160	507
MARGAREE & FOX			
ROOST	48	0	48
PORT AUX BASQUES	550	54	604
CAPE RAY	80	2	82
TOMPKINS	12	0	12
ST. ANDREWS	90	6	96
LOCH LOMOND	17	0	17
SEARSTON	10	0	10
UPPER FERRY	18	1	19
O'REGANS	53	3	56
GREAT CODROY	16	1	17
MILLVILLE	38	0	38
WOODVILLE	9	0	9
CODROY	11	0	11
DOYLES	10	5	15
SOUTH BRANCH	20	2	22
COLD BROOK	64	1	65
PORT AU PORT	489	73	562
POINT AU MAL	148	4	152
FOX ISLAND RIVER	83	1	84
PORT AU PORT WEST	215	3	218
AGUATHUNA	96	2	98
BOSWARLOS	178	6	184
FELIX COVE	120	1	121
CAMPBELLS CREEK	154	50	204
ABRAHAMS COVE	37	2	39
PICCADILLY	108	2	110

	Joint Use	Non Joint Use	Total
WEST BAY	97	6	103
LOURDES	269	4	273
WINTERHOUSE	111	0	111
BLACK DUCK BROOK	137	0	137
THREE ROCK COVE	210	1	211
MAINLAND	63	0	63
SHIP COVE	92	0	92
LOWER COVE	131	22	153
SHEARS COVE	144	5	149
MARCHS POINT	56	0	56
RED BROOK	4	0	4
DEGRAS	74	1	75
CAPE ST. GEORGE	25	0	25
KIPPENS	200	8	208
STEPHENVILLE	570	191	761
COLD BROOK	95	0	95
NOEL'S BROOK	74	21	95
FLAT BAY	422	6	428
ST. THERESA'S	5	0	5
CARTYVILLE	60	5	65
ROBINSON'S	51	4	55
HEATHERTON	60	4	64
MCKAYS	20	24	44
JEFFERY'S	30	10	40
ST. DAVIDS	84	18	102
ST. FINTANS	28	0	28
LOCH LEVEN	19	0	19
HIGHLANDS	28	4	32

- 1.2 Detail on the number of joint use and non-joint use poles outside Newfoundland Power's service territory organized by community is not relevant to the proceeding nor is it necessary to a satisfactory understanding of the matters to be considered by the Board as required by Section 14(1) of the *Board of Commissioners of Public Utilities Regulations, 1996*.

Q. NLH 2.0

Please refer to Exhibit 9 and Exhibit 10, page 8 of 8, Table 3, filed by the Applicant. The recovery rate of \$32 has been calculated based on the current proportions of joint use poles (85%) relative to non-joint use poles (15%). Please provide a sensitivity analysis for the following cases, using the proposed \$32 recovery rate:

- (a) A shift in proportions to 90% joint use, 10% non-joint use.
- (b) A shift in proportions to 80% joint use, 20% non-joint use.

A. The sensitivity analyses requested are found in Table 1.

The shift in proportions for both cases requested were presumed to occur over a 10 year period ending in 2010. This is consistent with longer term trends in proportional composition which have been experienced. In the 10 year period ending in 2000, the proportion of non-joint use poles was reduced from 20% to 15%.

Both sensitivity analyses were performed in accordance with the methodology set out in Exhibit 10.

In both sensitivity analyses performed, the net present value of cashflows remained in excess of \$1,000,000 which indicates significant customer benefit in each case.

Table 1

**Sensitivity Analysis
(\$000s)**

	NPV Cash Flow	Annual Net Contribution to Revenue	Contribution as Percentage of Customer Rates
Base Case	1,624	544	0.16
a) Increase non-joint use pole percentage to 20% and reduce joint use pole percentage to 80%	1,729	570	0.17
b) Reduce non-joint pole ownership to 10% and increase joint use pole ownership to 90%	1,323	476	0.14

Q. NLH 3.0

Please indicate the reasons why the Applicant has decided to assign its rights and exclude from this Application the poles that are located outside its service areas.

- A.** Newfoundland Power's decision to assign its rights to support structures outside of its service territory was based upon a practical evaluation of circumstances existing in April 2001.

The Support Structures Purchase Agreement executed on March 1st, 2001 between Aliant Telecom and Newfoundland Power gave Newfoundland Power the right to purchase all of Aliant Telecom's support structures on the island of Newfoundland. Subsequent to March 1st, 2001 Newfoundland Power was made aware that, under an existing agreement, Newfoundland and Labrador Hydro ("Hydro") has a first right to purchase those poles in Hydro's service territory which were jointly used by Aliant Telecom and Hydro for a period of 6 months following the giving of notice. This created a degree of legal uncertainty with respect to Newfoundland Power's rights under the Support Structures Purchase Agreement insofar as poles in Hydro's service territory were concerned.

This legal uncertainty had practical ramifications. The purchase of the support structures under the Support Structures Purchase Agreement by Newfoundland Power is subject to Newfoundland Power's performance of due diligence with respect to the assets being purchased. For Newfoundland Power to conduct the necessary due diligence inquires with respect to support structures in Hydro's service territory would require Newfoundland Power to discuss and negotiate matters relating to these structures with third parties, including Hydro and CATV operators and contractors operating in Hydro's service territory. It was Newfoundland Power's assessment that such discussions would be relatively time consuming and difficult and would clearly jeopardize a closing of the support structure purchase by mid year 2001 as was agreed upon between Newfoundland Power and Aliant.

The mid year 2001 closing is important to Newfoundland Power for reasons of business certainty. The effective date of the transactions contemplated in the Application is January 1st, 2001. The consents and approvals of third parties such as the Board are necessary to conclude this transaction, however, the closing of the transaction requires significant further work to be completed following acquisition of the Board's approval.

The Aliant Telecom poles located outside Newfoundland Power's service territory represent in the order of \$3,000,000 or approximately 6% of the total investment contemplated by the Support Structures Purchase Agreement. The poles jointly used by both Aliant Telecom and Hydro represent in the order of 3% of the total investment.

Newfoundland Power determined that the efficiency gains to be realized for the benefit of its customers should not be delayed or put at risk by matters concerning such a small

proportion of the total assets involved in the proposed transactions. Accordingly, in April 2001, Newfoundland Power decided to assign its rights under the Support Structures Purchase Agreement to purchase the support structures outside of its service territory to an affiliate company. This effectively avoids the risk of delays and jeopardy to closing created by the issues related to the support structures outside Newfoundland Power's service territory.

11003 Newfoundland Inc., a corporation not regulated by the Board, has been permanently assigned the rights under the Support Structures Purchase Agreement to acquire those Aliant Telecom's support structures outside of Newfoundland Power's service territory.

The course undertaken by Newfoundland Power was the most effective way to ensure that the majority of consumer benefits which the proposed transaction provides can be realized in a timeframe consistent with the agreement between Aliant Telecom and Newfoundland Power with respect to closing in mid-2001.

Q. NLH 4.0

On page 3 of the Pre-filed Direct Evidence of the Applicant and in Exhibit 4 thereof, the Applicant references a Canadian Joint Use Survey conducted by it with respect to the practice of other electric distribution utilities. Please explain why Newfoundland and Labrador Hydro was not surveyed and secondly, why Newfoundland and Labrador Hydro was not referred to or referenced in any manner with respect to the said survey.

- A.** Section 4 of the *Electrical Power Control Act, 1994* (the "EPCA") requires that, in carrying out its duties and exercising its powers under the EPCA or under the *Public Utilities Act*, the Board shall apply tests that are consistent with generally accepted sound public utility practice. It is Newfoundland Power's practice in proceedings before the Board to present broad information on Canadian public utility practice where it believes such information would be of assistance to the Board in carrying out its responsibilities under the legislation.

The survey carried out by Newfoundland Power of joint use practices between Canadian electric distribution utilities and telecommunications utilities was intended to provide the Board with a broad overview of Canadian public utility practice in respect of the joint use of support structures. In particular, the survey sought information on relative pole ownership where the electric and telecommunications utilities shared ownership of the poles in their service territories and on the range of attachment fees where joint use arrangements were based principally on pole rentals.

Because the joint use arrangement between Newfoundland and Labrador Hydro and Aliant was understood by Newfoundland Power to be broadly similar to the existing arrangement between Newfoundland Power and Aliant, it was Newfoundland Power's judgment that information with respect to Newfoundland and Labrador Hydro's joint use arrangements would not materially add to the Board's understanding of the broad range of Canadian joint use practice. Further, it was presumed that the Board is generally aware of the joint use practices of Newfoundland and Labrador Hydro.

Q. NLH 5.0

- 5.1 Provide a copy of the original survey that was sent to Canadian electric distribution utilities as referenced at page 3 of the Applicant's pre-filed Evidence included with the Application and Exhibit 4 thereof.**
- 5.2 Provide a copy of the list of the 14 electric distribution utilities that were surveyed as referenced in 5.1 thereof.**
- 5.3 Provide a copy of the original responses received from the 12 electric distribution utilities that responded to the survey as referenced in 5.1 thereof. The Applicant may delete any reference to the responding utility or any other such information that may identify specifically the identify of the responding utility in order to address the confidentiality concern of the respondents that identified such a concern.**
- 5.4 Provide a copy of any other information or communications that were exchanged between the Applicant and the responding utilities pertaining to the survey as referenced in 5.1 hereof.**

A.

- 5.1 Listed below are the questions contained in the original telephone survey of electric distribution utilities as referenced at page 3 of the Applicant's prefiled evidence.
 - 1. Do you share poles with the telco?
 - are the poles jointly or separately owned
 - if separately owned, what is the ownership ratio
 - can you provide actual number of each type of pole
 - joint use
 - single use (electric)
 - single use (telco)
 - 2. Is there a rental charge per pole or a sharing of pole costs arrangement?
 - 3. If a rental charge, can you provide the number?
 - 4. If a sharing of costs, how is it determined?
 - 5. Who benefits from the CATV attachment revenue? Both utilities or telco only.
 - 6. What is ratio of poles to services for the electric utility?
 - 7. Do you provide engineering services to the telco?
 - 8. Do you provide any single use poles for the telco? (asked subsequently for Response to Information Request PUB 5.0).

- 5.2 Listed below are the names of the fourteen electric distribution utilities that were surveyed as referenced in 5.1.

Name of Utility

Nova Scotia Power Incorporated

Maritime Electric Company Limited

New Brunswick Power Commission

Hydro Quebec

Hydro One Networks Inc. (formerly Ontario Hydro)

Toronto Hydro

Manitoba Hydro-Electric Board

Saskatchewan Power Corporation

Utilicorp Networks Canada (formerly TransAlta distribution assets)

Canadian Utilities Limited (formerly Alberta Power)

EPCOR Utilities Inc. (formerly Edmonton Power)

ENMAX Corporation (formerly Calgary Power)

West Kootenay Power Ltd.

BC Hydro

- 5.3 Table 1 below contains the responses received from the twelve electric distribution utilities that responded to the survey. To preserve anonymity, the responses to Question 1 revealing numbers and types of poles are not provided. All respondent electric distribution utilities share poles with telecommunication providers.

Table 1
Responses to Electric Distribution Utility Survey

Respondents	Question 2	Questions 3 and 4		Question 5	Question 6	Question 7	Question 8
	Type of Arrangement	Ratio or Rate	CATV Rate	CATV Revenue	Ratio Poles/Services	Engineering Services	Single-use Telco Poles
Utility 1	Pole Charge	\$15.36	\$9.60	Both	na	No	No
Utility 2	Cost Sharing	60/40	\$15.86	Both	0.58	Install Poles	No
Utility 3	Pole Charge	\$15.89	\$15.89	Both	na	No	No
Utility 4	Pole Charge	\$6.42	\$6.42	Both	na	No	No
Utility 5	Cost Sharing	60/40	\$9.60	Both	0.95	No	No
Utility 6	Pole Charge	na	na	Telco	2.80	No	No
Utility 7	Cost Sharing	57/43	\$9.60	Both	0.92	No	No
Utility 8	Pole Charge	\$36.00	\$12.00	Both	0.54	No	No
Utility 9	Pole Charge	\$9.60	\$9.60	na	na	No	No
Utility 10	Cost Sharing	61/39	\$15.45	Both	na	No	No
Utility 11	Cost Sharing	60/40	\$14.90	Both	na	No	No
Utility 12	Pole Charge	\$10.50	\$9.60	Both	4.30	No	No

Note: "na" denotes information not available or information not provided by respondent.

- 5.4 There was no other information or communications exchanged between the Applicant and the responding utilities pertaining to the survey referenced in 5.1 above.

Q. NLH 6.0

- 6.1 Provide a copy of the existing Joint Use Agreement between the Applicant and Aliant as referenced at page 1 of the Applicant's Pre-filed Evidence included with the Application.**
- 6.2 Provide a copy of the current Statement of Rentals or similar such document that pertains to the existing Joint Use Agreement referenced in 6.1.**
- 6.3 Provide a copy of the most recent Pole Ownership Agreement or similar type document that was in place between the Applicant and Aliant Telecom Inc., or its predecessor company, prior to the filing of the Application or the signing of the Support Structures Purchase Agreement.**

A.

- 6.1 A copy of the existing Joint Use Agreement between Newfoundland Power Inc. (then, Newfoundland Light & Power Co. Ltd.) and Aliant Telecom Inc. (then, Newfoundland Telephone Company Limited) is provided with this Response to Information Request NLH 6.0.**
- 6.2 A copy of the current Statement of Rentals is provided with this Response to Information Request NLH 6.0.**
- 6.3 A copy of the most recent Pole Ownership Agreement between Newfoundland Power Inc. (then, Newfoundland Light & Power Co. Ltd.) and Aliant Telecom Inc. (then, Newfoundland Telephone Company Limited) is provided with this Response to Information Request NLH 6.0.**

NEWFOUNDLAND TELEPHONE COMPANY LIMITED
AND
NEWFOUNDLAND LIGHT AND POWER COMPANY LTD.
JOINT USE AGREEMENT
SCHEDULE "A"
EFFECTIVE JANUARY 1, 1994

JOINT USE AGREEMENT

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THIS AGREEMENT made at St. John's, in the Province of Newfoundland as of the 1st day of January, 1994.

BETWEEN: NEWFOUNDLAND TELEPHONE COMPANY LIMITED, a body duly incorporated under the laws of the Province of Newfoundland, having its registered office at the City of St. John's, in the Province of Newfoundland,

hereinafter called "Newfoundland Telephone",

AND: NEWFOUNDLAND LIGHT & POWER CO. LIMITED, a body duly incorporated under the laws of the Province of Newfoundland, having its registered office at the City of St. John's, in the Province of Newfoundland,

hereinafter called the "Power Company",

WHEREAS the Power Company and Newfoundland Telephone desire to continue and expand Joint Use of their respective Poles and Joint Use of Buried Construction when and where Joint Use provides operating advantages and economic benefit to the Parties hereto and their respective customers;

AND WHEREAS the conditions determining the necessity or desirability of Joint Use depend upon the service requirements to be met by each Party including consideration of safety and economy, and each Party should be the sole judge of what the character of its circuits

should be to meet its service requirements and as to whether or not these service requirements can properly be met by the Joint Use of Poles or Buried Construction;

AND WHEREAS the Administrative Practices attached as Schedule "A" to this Agreement provide for the detailed administration of the Agreement through a Joint Use Committee;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH THAT in consideration of the premises and of the mutual covenants herein contained, the Parties hereby covenant and agree each with the other as follows:

ARTICLE I

DEFINITION OF TERMS

1.01 The following definitions shall apply in this Agreement including the Administrative Practices attached as Schedule "A", unless the context clearly requires otherwise:

ANCHOR means all the physical components, excluding guys, used for anchoring a Pole.

ANNUAL OWNERSHIP PERCENTAGE means the percentage of the total Joint Use Poles which is the annual ownership objective for Newfoundland Telephone as set out in the Collateral Agreement.

APPLICATION means a written request for a Joint Use Permit made in accordance with Sections 4 and 16 of the Administrative Practices.

ATTACHMENT means any cable, wire, material, apparatus or fixture used by either

Party and attached to a Pole.

BOARD

means the Board of Commissioners of Public Utilities of Newfoundland.

BURIED CONSTRUCTION

means the trench and/or any underground duct work, in which wires, materials or apparatus of a Party are located.

CATV COMPANY

means a company, person or other entity licensed by the CRTC to distribute cable television signals with attachments to the Facilities of either of the Parties to this Agreement.

COLLATERAL AGREEMENT

means a collateral agreement entered into by the Parties regarding Joint Use Pole Ownership bearing the date of this Agreement.

CONTROL CABLE

means a cable used by the Power Company to transmit system control and data signals.

C.S.A.

means the Canadian Standards Association.

CRTC

means the Canadian Radio-television and Telecommunications Commission.

FACILITIES

means Poles, Anchors, Grounding Systems, Pole Cries, Buried Construction and related rights-of-way.

GOVERNING BODY

means any body having legislative or regulatory powers affecting the Parties and includes the Board, the CRTC, and Federal, Provincial, Municipal or other authority having jurisdiction over highways or other public places, acting under legislative authority to carry out duties in maintaining and improving public highways or other public places.

GROUNDING SYSTEM

means the ground rod or ground coil, wire and all physical components required to connect the neutral

conductor to earth.

JOINT OWNERSHIP RATIO

means the ratio of the percentage of total Joint Use Poles owned by the Power Company to the percentage of total Joint Use Poles owned by Newfoundland Telephone.

JOINT USE

means the use by both Parties and, in relation to Facilities, means Facilities used by both Parties, in accordance with the terms of this Agreement.

JOINT USE COMMITTEE

means the committee defined in Article III of this Agreement.

JOINT USE FILE

means the jointly operated and maintained data base used by the Parties as provided in Section 14.07 of the Administrative Practices.

JOINT USE RATIO

means the ratio agreed by the Parties as provided in Article VIII of this Agreement.

JOINT USE REQUEST

means the form as provided in SECTION 16 of the Administrative Practices.

LINE CLEARING

means the provision of adequate clearance from tree interference for all circuits supported by Joint Use Poles and includes items such as the following: underbrushing, tree removals, cabling or guying of trees, pruning or trimming, application of chemical herbicides, treatment of cuts, and disposal of debris.

OTHERS

means persons, firms or corporations who are not a Party.

OWNER

means the Party who owns or controls the Facility.

PARTY

means a party to this Agreement.

PERMIT

means the instrument in writing by which the Owner authorizes Joint Use of a Facility.

POLE

means a utility pole owned by a Party and used to distribute electrical power or telecommunications signals.

POLE LINE

means two or more Poles installed in a sequence to service a particular area.

POLE UNIT

means a Facility other than Buried Construction.

POLE TOP EXTENSION

means a device attached to the top of a Pole to increase the effective height of the Pole.

REARRANGE/REARRANGEMENT

means the removal of Attachments from one position on a Pole and the placing of the same Attachments in another position on the same Pole.

REGION 1

means the territory to which the joint use agreement between the Parties effective January 1, 1988 applied.

REGION 2

means all territory, other than Region 1, to which this Agreement applies.

REPLACE/REPLACEMENT

means the substitution of a new or different Pole for an existing Pole.

SACRIFICED VALUE

means the cost recovered for Poles prematurely displaced as set forth in Section 17 of the Administrative Practices.

STRUCTURAL VALUE

means the sale price of Poles and Anchors sold in place as set forth in Section 17 of the Administrative Practices.

SUBSTANDARD POLE

means, subject to Section 7.06 (b)(i), a Joint Use Pole which does not conform to the specifications of Section 19 of the Administrative Practices.

TENANT

means the Party making, applying for or having the permission to make

- 10 -

Joint Use of a Pole belonging to the
other Party.

TRANSFER

means the removal of Attachments
from one Pole and the placing of the
same Attachments on another Pole.

ARTICLE II

TERRITORY AND SCOPE OF AGREEMENT

2.01 The Parties shall, in accordance with this Agreement:

- (a) co-operate in the planning, design, installation and maintenance of Facilities for Joint Use with a view to providing maximum economic and service advantages to the customers of both Parties;
- (b) continue Joint Use of Facilities which are on the date of this Agreement jointly used by the Parties;
- (c) permit the Joint Use of Facilities which are not on the date of this Agreement, jointly used by the Parties;
- (d) discontinue the Joint Use of Facilities.

2.02 Joint Use Policy

- (a) Each Party agrees to the policy of the Joint Use of Facilities whenever such Joint Use is desirable in the judgment of both Parties.

(b) Each Party is to determine the requirements of its own service and the character, design and construction of its own Attachments on Joint Use Poles and of its own cables, wires and materials in Joint Use Buried Construction, subject to the provisions and specifications of the Administration Practices in Schedule "A".

(c) Each Party reserves the right to exclude from Joint Use any of its Facilities which in the Party's judgment:

(i) are necessary for its sole use, or

(ii) carry, or are intended to carry, circuits of such character that would make Joint Use of such Facilities undesirable.

2.03 Schedule "A" attached hereto and included as part of this Agreement (hereinafter referred to as the "Administrative Practices") shall be read in conjunction with each of the Articles contained herein, provided that in the event of conflict between any Article and the Administrative Practices, the Article shall prevail. Any additions or amendments thereto shall be subject to the approval of the Parties as outlined in the Administrative Practices and shall have effect from the date specified in the written approval endorsed thereon.

2.04 This Agreement is effective within the territories in which both Parties operate and distribute their respective services as of the date hereof and shall cover all Facilities now existing or hereafter constructed or acquired in the above territories or any territories that may be brought under this Agreement by mutual consent.

2.05 All other agreements between the Parties for the Joint Use of Facilities within the territories covered by this Agreement are hereby abrogated and annulled.

ARTICLE III

JOINT USE COMMITTEE

3.01 The Parties shall establish and maintain a liaison committee to be known as the Joint Use Committee, consisting of four members, two of whom shall be appointed by each of the Parties.

3.02 The Joint Use Committee shall:

- (a) promote and co-ordinate the planning, design, installation and maintenance of Facilities for Joint Use;
- (b) administer the terms and conditions of this Agreement;
- (c) consider all matters respecting Joint Use of Facilities and negotiate transactions respecting the institution, continuance or discontinuance of the Joint Use of particular Facilities;
- (d) negotiate all questions and problems which come under dispute regarding Joint Use;
- (e) initiate such studies, audits, surveys, sampling and other activities as may be necessary to formulate, revise and amend the Administrative Practices; and

- (f) initiate annual reviews and modifications as required by the Administrative Practices for the construction, management, preservation and use of Joint Use Facilities, and the rentals and payments to be made in respect thereof.

ARTICLE IV

DEALING WITH PROPERTY

- 4.01 Nothing in this Agreement shall limit or affect the rights of the Owner to deal with or dispose of Facilities which are not Joint Use Facilities.
- 4.02 The Owner may, after giving at least six months prior written notice to the Tenant, discontinue, terminate or otherwise dispose of any of its Joint Use Facilities. Such discontinuance, termination or other disposition of Facilities by the Owner shall not give rise to any liability to the Tenant.
- 4.03 In the event of discontinuance, termination or disposal of Facilities under Clause 4.02 the Tenant shall, during the six month notice period, have the first right to purchase such Facilities from the Owner at the Structural Value as provided in SECTION 17 - PRICE SCHEDULES.

ARTICLE V

SPECIFICATIONS

- 5.01 All construction in connection with the Joint Use of Facilities shall, at all times, meet the specifications provided in SECTION 19 - CONSTRUCTION PRACTICES which are to be based on C.S.A. Standards as a minimum, except where the Parties may mutually agree to make trial installations using new techniques and materials.
- 5.02 Subject to Clause 5.01 above, the character, design and construction of Attachments is solely the responsibility of the Party who owns such Attachments.

ARTICLE VI

DIVISION OF COSTS

- 6.01 The division of costs for erecting and maintaining Joint Use Facilities shall at all times be equitable to both Parties and shall be determined and borne by the Parties in the manner set forth in the Administrative Practices.
- 6.02 Any payment made by the Tenant under any of the provisions of this Agreement shall not entitle the Tenant to the ownership of any part of the Facilities for which it has contributed in whole or in part, other than as expressly provided in this Agreement or the Collateral Agreement.

ARTICLE VII

OWNERSHIP

7.01 (a) The Parties agree to work toward a Joint Ownership Ratio equal to the Joint Use Ratio in accordance with the terms of the Collateral Agreement.

(b) There shall be a determination of the number of Joint Use Poles owned by each Party as of December 31 of each year that this Agreement is in force.

(c) The Parties agree that as of December 31st, 1993 the current best estimate of the Ownership of Joint Use Poles is:

Poles owned by Power Company	118,482
Poles owned by Newfoundland Telephone	44,972
Total Joint Use Poles	163,454

From these numbers the Joint Ownership Ratio as of December 31st, 1993 was 72.49 % Power Company, 27.51 % Newfoundland Telephone. At any time, this estimate of the Ownership of Joint Use Poles may be adjusted to reflect any better estimate to which both Parties may agree.

7.02 Subject to, and in accordance with, the terms of the Collateral Agreement, the Parties agree that:

- (a) As of December 31, 1994, the Annual Ownership Percentage for Newfoundland Telephone shall be the percentage of the total Joint Use Poles that it owned as of December 31st, 1993, plus 2%.
- (b) The Annual Ownership Percentage for Newfoundland Telephone for each year end after 1994 for which this Agreement is in force, shall be the percentage of the total Joint Use Poles that Newfoundland Telephone owned as of December 31 of the previous year, after any sale under the Collateral Agreement, plus 2% until the Joint Ownership Ratio equals the Joint Use Ratio. At that time, the annual Joint Ownership Ratio shall be maintained equal to the Joint Use Ratio until changed by agreement of the Parties.

7.03 Either Party may from time to time transfer to the other party the ownership of Joint Use Poles where the Parties agree that it is desirable.

7.04 Any transfer of ownership of Poles under this Agreement by a duly executed Bill of Sale shall be free and clear of any liens and encumbrances.

ARTICLE VIII

RENTALS

- 8.01 Until the calendar year following the attainment of a Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone, the Parties shall pay rentals as calculated in SECTION 14 - RENTALS.
- 8.02 During the term of this Agreement, the Joint Use Ratio used to calculate rentals shall be 60% Power Company, 40% Newfoundland Telephone.
- 8.03 Commencing in the calendar year following the attainment of a Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone, no Pole rentals shall be exchanged between the Parties. The Parties shall maintain the Joint Ownership Ratio of 60% Power Company, 40 % Newfoundland Telephone by sharing opportunities to install and installing Joint Use Pole Units or Pole Units projected for Joint Use in the appropriate ratio.
- 8.04 Payments made by Others for the use of Joint Use Facilities shall be shared in accordance with SECTION 15 - RENTALS FROM OTHERS.

ARTICLE IX

PARTIES' RIGHTS WITH RESPECT TO OTHERS

9.01 Any rights or privileges granted to Others by the Owner in respect of the use of its Facilities in Region 1 prior to January 1, 1979, and in Region 2 prior to January 1, 1994, shall not be affected by this Agreement. These rights and privileges shall be deemed to include those contained in an agreement between Unitel Newfoundland and the Power Company dated January 21st, 1994.

9.02 Notwithstanding anything to the contrary contained in this Agreement, either Party may at any time and from time to time grant to Others any rights or privileges with respect to any Facilities which are not Joint Use Facilities.

9.03 Any Pole Unit, which is not a Joint Use Pole Unit and in respect of which rights or privileges have been granted to Others, may at any time be approved for Joint Use, if in the opinion or judgment of the Owner, Joint Use of the Pole Unit will not unduly interfere with the rights or privileges granted to such Others. The Owner may continue any such rights or privileges of Others notwithstanding the fact that the Pole Unit may become a Joint Use Pole Unit.

9.04 The Owner may at any time and from time to time grant to

Others rights and privileges with respect to any of the Owner's Facilities, provided, however, that in the case of a Joint Use Pole:

- (a) The Owner shall not, without the prior written consent of the Tenant, grant any rights or privileges to any Others with respect to any part of the space in which the Tenant has the right to attach its Attachments as provided in SECTION 19 - CONSTRUCTION PRACTICES. If the Owner wishes to grant any rights or privileges to Others with respect to any part of such space on a Joint Use Pole, the Owner shall request approval in writing and shall provide to the Tenant all relevant information and data concerning the rights or privileges which it wishes to grant. The Tenant shall examine the desirability and feasibility of allowing such rights or privileges within such space, and upon the Tenant giving its consent in writing the Owner may then grant such rights or privileges. If the Tenant does not give its consent, the Tenant shall give the Owner written reasons for its refusal, within ninety (90) days of the request for approval.
- (b) The Owner shall not grant new rights or privileges to Others for the use of space on its Poles outside the space in which the Tenant has the right to attach its Attachments as provided in SECTION 19 - CONSTRUCTION

PRACTICES unless such new rights or privileges do not unduly interfere with the rights or privileges of the Tenant.

9.05 The Owner shall ensure that the exercise by Others of rights or privileges granted in Region 1 after January 1, 1979, and in Region 2 after January 1, 1994, in respect of its Joint Use Poles shall be as provided in SECTION 19 - CONSTRUCTION PRACTICES.

9.06 Notwithstanding anything to the contrary in this Agreement, Attachments made by Others as a result of an order by the Board or the CRTC shall be governed by the terms and conditions of such order.

ARTICLE X

LIABILITIES & DAMAGES

10.01 This Agreement is intended for the mutual benefit and protection of the Parties and non-conformity therewith shall not create any presumption of fault on the part of either Party in favour of any Others.

10.02 Whenever any liability is incurred by either or both of the Parties for injuries to, or death of any persons, including employees of either Party, or for damage to any property, or for any other damages or injuries, arising out of the construction, installation, presence, or use of Joint Use Facilities under this Agreement, the liability for such damages, as between the Parties, shall be as follows:

- (a) Each Party shall be wholly liable for all injury to, or death of any persons, including employees of either Party, or for damage to any property, including the property of either Party, caused solely by its negligence.
- (b) Each Party shall be liable for all injury to, or death of any persons, including employees of either Party, or for damage to any property, including the property of either

Party, caused by the negligence of both Parties in the same proportion that its negligence contributed to the injury, death or damage.

- (c) In the event that the Parties are unable to agree upon the proportion of liability, the issue of apportionment of liability between the Parties shall be decided by arbitration as provided in ARTICLE XVIII - ARBITRATION. The cost of such arbitration shall be borne by the unsuccessful Party, or if neither Party is successful, the costs shall be borne equally.
- (d) In respect of a damage claim which is made against, or affects, both Parties, the Parties agree to use their best efforts to settle the claim upon reasonable terms agreed to by both Parties. In the event that the proportion of liability of each Party has been agreed upon, or decided by arbitration, and the claimant desires to settle upon terms acceptable to one of the Parties but not to the other Party, the following shall apply:
 - (i) The Party to which the settlement is acceptable may give written notice to the other Party of its willingness to accept the settlement amount.
 - (ii) If the other Party does not agree to accept the

settlement within fifteen (15) days after such notice the Party which gave the notice (the "Notice Party") may choose to withdraw from the dispute and the other Party (the "Disputing Party") shall defend the claim. The Notice Party may choose to defend its own position in the dispute.

(iii) Where the amount of the liability of the Parties, as later agreed upon or determined by an independent court or tribunal, is less than the proposed settlement amount, then the Notice Party shall pay to the Disputing Party its proportion of the proposed settlement amount and its proportion of the costs and expenses of the Disputing Party.

(iv) Where the amount of the liability of the Parties, as later agreed upon or determined by an independent court or tribunal, is equal to or greater than, the proposed settlement amount, the Disputing Party shall bear all its own costs and expenses and will reimburse the costs, if any, incurred by the Notice Party after the date of the Notice. The sole responsibility of the Notice Party in that event shall be to pay the

amount corresponding to its proportion of the proposed settlement amount.

- (e) In the adjustment between the Parties hereto of any claim for damages arising hereunder, the liability assumed hereunder by the Parties and the calculation of the amount of any settlement under this Clause 10.02, shall include, in addition to the amounts paid to the claimant, all costs, charges, and expenses incurred by the Parties or either of them in connection therewith which shall include reasonable solicitor's fees on a solicitor and client basis and other costs and expenses incidental to any suit, action, investigation, claim or proceeding. Such adjustment shall be carried out promptly.
- (f) Any and all liability arising as the result of either Party's negligence in failing to maintain minimum ground clearances required by the C.S.A. standards or this Agreement shall be borne by the negligent Party or Parties in proportion to the negligence of the Party or Parties. All costs associated with repairing / Replacing Facilities damaged as the result of negligence on the part of either Party in failing to maintain minimum ground clearances required by the C.S.A. standards or this Agreement shall be borne by the negligent Party or Parties in proportion to the negligence of the Party or

Parties. For the purposes of this Clause 10.02 (f), the Tenant's failure to maintain the clearances for which it is responsible shall not affect the Owner's proportion of liability, if any.

- 10.03 (a) Subject to Clause 10.02, the Owner shall save, defend, keep harmless and fully indemnify the Tenant from and against any and all losses, costs (including, without limitation, reasonable solicitor's fees on a solicitor and client basis and other costs and expenses incidental to any suit, action, investigation, claim or proceeding) charges, damages, accidents, claims, demands, awards, suits or other proceedings which the Tenant may at any time or times hereafter bear, sustain, suffer, or be put to, by reason of, or on account of injury to or death of any person or persons, or damage to or destruction of any of the property of the Tenant or of any other person, arising out of or in respect of use by or presence of Others on any of the Owner's Poles, as provided in ARTICLE IX - PARTIES' RIGHTS WITH RESPECT TO OTHERS, which were Joint Use Poles prior to the granting of rights or privileges to these Others as provided in ARTICLE IX - PARTIES' RIGHTS WITH RESPECT TO OTHERS, provided, however, that the Tenant shall be responsible for its own negligence and for the negligence of its agents or employees.

(b) Except as provided in Clause 10.03(a) above, in case of damage to Facilities or Attachments of either Party by Others, each Party is responsible for recovering its own damages. In an emergency, when a Joint Use Pole is Replaced by the Tenant, the Tenant will bill the Owner for work done on behalf of the Owner who, in turn, will bill the person causing the damage for the actual costs.

10.04 Except as provided in this Article X, each Party shall bear its own losses and costs in causes where a claim or demand does not arise from the negligence of the other Party, its agents or employees.

ARTICLE XI

DEFAULTS

11.01 Where either Party defaults in any of its obligations under this Agreement, the Party not in default may give the Party in default written notice of such default. If such default continues thirty (30) days after notice thereof, the Party not in default may, in addition to any other remedy it may have, forthwith terminate this Agreement as far as it concerns the future granting of Joint Use in such of the Joint Use territories covered by this Agreement as it, in its sole discretion, shall determine, and such termination shall not in any way affect the rights and liabilities of the Parties in any territories where no such termination has occurred and such rights and liabilities in such area shall continue to be governed by the terms of this Agreement provided, however, that nothing contained in this Clause 11.01 shall affect any rights or obligations which either Party may have under The Public Utilities Act, R.S.N. 1990, c.P-47 or the Telecommunications Act, S.C. 1993, c.38.

11.02 (a) Where either Party defaults in the performance of any work which it is obligated to do under this Agreement the Party not in default shall advise the Party in default forthwith by written notice of such default and should

such default continue for fifteen (15) days after notice thereof, the Party not in default may elect to do such work, and the Party in default shall pay the other Party one-hundred and fifty percent (150%) of the actual cost of the work. For the purpose of ascertaining liability arising out of the work so done, such work shall be deemed to have been completed by the Party in default.

(b) Notice of default under Clause 11.01 may operate as notice of default under this Clause 11.02.

11.03 A default under the Collateral Agreement shall be deemed to be a default under this Agreement, and a default under this Agreement shall be deemed to be a default under the Collateral Agreement.

ARTICLE XII

IMPOSSIBILITY OF PERFORMANCE

12.01 Where the performance by either of the Parties of any of their respective obligations as contained in this Agreement shall to any extent be prevented, restricted, delayed, or interfered with by reason of any of the following:

- (i) war, revolution, civil commotion, riots, acts of public enemies, blockade or embargo, any strike, lockout or other labour difficulty or work stoppage, explosion, epidemic, fire, flood, freeze, severe winter conditions, ice blockage, acts of God or order of any Governing Body having jurisdiction;
- (ii) the prohibition, restraint, restriction or prevention from installing, constructing or Replacing Facilities or for making available any portion of any such Facilities by any statute law, by-law, ordinance, regulations, judgement, or by the property rights of Others, or the removal, or threat of removal of any easement, right-of-way, servitude or other privilege;

then such Party shall, on written notice to the other, be

excused from the performance of such obligations but only to the extent of the period of such prevention, restriction, delay or interference, provided that the provisions contained in this Article shall not apply to the obligations of such Party to pay the amounts required to be paid to the other Party in the manner and at the time provided in this Agreement. The foregoing notwithstanding neither Party shall be liable to pay rental fees or charges for any period during which and to the extent that such Party is prevented from using the other Party's Facilities by reason of the Owner of such Facilities being unable to perform any of its obligations under this Agreement for any reason whatsoever.

ARTICLE XIII

ASSIGNMENT OF RIGHTS

13.01 Except as otherwise provided in this Agreement, neither Party shall assign or otherwise dispose of this Agreement, or any of its rights or interests hereunder in any of the Joint Use Facilities or any Attachments to Others without the written consent of the other Party which shall not be unreasonably withheld, provided, however, that nothing herein contained shall prevent or limit the right of either Party to mortgage any or all of its property, rights, privileges and franchises, or lease or transfer any of them to another corporation organized for the purpose of conducting a business of the same general character as that of such Party, or to enter into any merger or consolidation and in the case of the foreclosure of such mortgage, or in the case of such lease, transfer, merger or consolidation, its rights and obligations hereunder shall pass to and be acquired and assumed by the purchaser on foreclosure, or the transferee, lessee, assignee, or merged or consolidated company, as the case may be.

ARTICLE XIV

NOTICES

- 14.01 (a) (i) Any notice required to be given under this Agreement shall be in writing from one Party's representative on the Joint Use Committee to the other Party's representative on the Joint Use Committee and shall be sufficiently given if sent by registered mail, sent by facsimile transmission or delivered by hand and addressed, in the case of the Power Company, to its Head Office, St. John's, Newfoundland, and in the case of Newfoundland Telephone to its Head Office, St. John's, Newfoundland.
- (ii) A notice sent by registered mail is deemed to have been given on the third business day following such mailing.
- (iii) A notice sent by facsimile transmission, shall be deemed to have been given on the business day following the transmission of the communication.

(iv) A notice delivered by hand shall be deemed to have been given on the date of actual delivery.

(b) Where the notice is a notice of termination or default, notwithstanding Clause 14.01(a) above, it shall not be effective unless given from the President of one Party to the President of the other Party with copies sent to the Party's representatives on the Joint Use Committee.

14.02 Either Party may at any time, and from time to time, change its address for notice, or the person designated to receive such notice, provided in this Article XIV by giving notice in writing, as provided in this Article XIV, to the other Party of this change.

ARTICLE XV

INVOICES AND PAYMENTS

- 15.01 Annual rentals shall be calculated in accordance with SECTION 14 - RENTALS and shall be due and payable in equal monthly instalments on the 1st of each month.
- 15.02 Accounts shall be deemed overdue if not paid within thirty (30) days after the receipt of the invoice. The Parties shall pay interest charges on overdue accounts at a monthly rate of one twelfth (1/12) of the annual rate determined as the lowest current prime commercial lending rate during that month at the Bank of Montreal plus one percent (1%). Such interest charges shall be compounded at the monthly rate for each month or part month the account remains overdue.
- 15.03 Upon completion of work performed by either Party, the expense of which is to be borne wholly or in part by the other Party, the Party performing the work shall, after its completion, deliver to the other Party an invoice showing the work completed and an itemized list of labour, materials and other expenses. In the event that a project is not completed within thirty (30) days, progress billing indicating work completed may be rendered monthly.

15.04 Failure to make any payment required under this Agreement within thirty (30) days after the receipt of an invoice shall, at the election of the other Party, constitute a default under this Agreement.

15.05 Where, under this Agreement, it is considered advisable by agreement of both Parties, in the interest of economy, to use unit charges as representing the cost of certain operations in lieu of actual costs, nothing in the foregoing terms of this Article XV shall preclude the practice of so doing.

ARTICLE XVI

WAIVER OF TERMS OR CONDITIONS

16.01 The failure of either Party to enforce any of the terms or conditions of this Agreement shall not constitute a general or specific waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

ARTICLE XVII

PAYMENT OF TAXES

17.01 Each Party shall be responsible for the payment of all taxes, rates and assessments lawfully levied on property owned by it or treated as owned by it under ARTICLE IX - PARTIES' RIGHTS WITH RESPECT TO OTHERS, upon Joint Use Poles or contained in Joint Use Buried Construction, and the taxes and the assessments which are levied on these Joint Use Facilities shall be paid by the Owner thereof, but any tax, fee or charge levied on the Owner's Poles or Buried Construction solely because of their use by the Tenant shall be paid by the Tenant.

ARTICLE XVIII

ARBITRATION

- 18.01 (a) Where any dispute or difference arises as to any matter or thing relating to or in respect of this Agreement, such dispute or difference shall be referred to arbitration in accordance with the provisions of The Arbitration Act, R.S.N. 1990, c.A-14, as amended, and shall be submitted to a sole arbitrator agreed upon between the Parties. The decision of the sole arbitrator shall be final and binding upon the Parties.
- (b) Where the Parties are unable to agree upon a sole arbitrator, such dispute or difference shall be referred to three (3) arbitrators. One (1) arbitrator shall be appointed by each Party, and the remaining arbitrator, who shall be chairman, shall be selected by the arbitrators appointed as herein provided. The decision of any two (2) arbitrators shall be final and binding upon the Parties.
- (c) The costs of any such arbitration, including reasonable compensation for the arbitrator, or arbitrators, shall be borne and paid equally by the Parties, or as the arbitrator or arbitrators may otherwise direct.

ARTICLE XIX

TERM OF AGREEMENT

19.01 Regardless of the date of execution, this Agreement shall continue in force for the period from January 1, 1994 to December 31, 1999 and shall not be terminable during such period except as stated elsewhere in this Agreement.

19.02 After December 31, 1999, this Agreement shall continue in full force and effect indefinitely unless and until terminated by notice in writing as hereinafter provided in this Article XIX.

19.03 (a) This Agreement may be terminated by at least twelve (12) months notice in writing, given at any time following the commencement date of this Agreement, by either Party to the other, provided that such notice of termination may not specify a termination date prior to the period ending December 31, 1999.

(b) This Clause 19.03 does not apply to a notice of termination given under either ARTICLE XI - DEFAULTS or ARTICLE XX - REGULATORY IMPACT.

19.04 Notwithstanding any termination of this Agreement, existing Joint Use shall continue to be covered by the terms of this Agreement until:

- (i) such Joint Use has been discontinued by the Tenant;
- (ii) a new Joint Use agreement is executed by the Parties; or
- (iii) a relevant order is made by a Governing Body;

whichever occurs first.

ARTICLE XX

REGULATORY IMPACT

20.01 The Parties recognize that Newfoundland Telephone is subject to regulation by the CRTC. Newfoundland Telephone shall provide notice to the Power Company of any regulatory hearing scheduled by the CRTC which involves consideration of any term of this Agreement. Where the CRTC makes an order affecting any term of this Agreement, then, subject to Clause 20.03, this Agreement shall be deemed to be modified to comply with such order.

20.02 The Parties recognize that the Power Company is subject to regulation by the Board. The Power Company shall provide notice to Newfoundland Telephone of any regulatory hearing scheduled by the Board which involves consideration of any term of this Agreement. Where the Board makes an order affecting any term of this Agreement, then, subject to Clause 20.03, this Agreement shall be deemed to be modified to comply with such order.

20.03 Where an order of the Board or the CRTC, shall result in a modification of any term of this Agreement as described in Clauses 20.01 or 20.02 and the modification affects either:

(a) Article VI or Clauses 7.01 and 7.02 of Article

VII of this Agreement; or

(b) Sections 14.01, 14.02, 14.03, 14.04, 14.05, 14.06, 14.09 or 15 of the Administrative Practices in Schedule "A" to this Agreement; or

(c) Article III or IV of the Collateral Agreement;

then the Party directly subject to the order of the Governing Body shall provide written notice of the order to the other Party within thirty (30) days of the filing of the written order. The Party which is not directly subject to the Governing Body which has made the order shall have the right, but not the obligation, to terminate this Agreement forthwith by written notice of termination to the other Party.

20.04 The exercise of the right of termination provided in Clause 20.03 may be made when the Party not directly subject to a Governing Body becomes aware of the order of that Governing Body whether as a result of the written notice of the other Party or otherwise.

20.05 (a) The right of termination provided in Clause 20.03 may only be exercised in the event that the Party which is not directly subject to the Governing Body which has made

the order, has suffered an alteration in its overall position greater than \$250,000 per annum, over the remainder of the term of this Agreement.

(b) For the purposes of this ARTICLE XX - REGULATORY IMPACT, a Party's overall position for a year shall be the sum of:

(i) the gross Pole rentals payable to that Party by the other Party for that year; and

(ii) that Party's share of the rentals from Others for that year calculated in accordance with SECTION 15 - RENTALS FROM OTHERS.

20.06 The right of termination provided in Clause 20.03 may only be exercised by giving notice in writing within six (6) months from the date when the order of the Governing Body came to the attention of the Party not directly subject to the Governing Body. Failure by the applicable Party to provide notice of termination within six (6) months shall result in the loss of the right to terminate.

ARTICLE XXI

MISCELLANEOUS PROVISIONS

21.01 This Agreement shall enure to the benefit of and shall be binding upon the successors, and subject to ARTICLE XIII - ASSIGNMENT OF RIGHTS upon the assigns of the Parties respectively.

21.02 (a) In this Agreement and in Schedule "A", the words "Article" and "Clause" shall refer to specific portions of the Agreement itself, and the word "Section" shall refer to specific portions of Schedule "A".

(b) The headings used in this Agreement and in Schedule "A" are for information purposes only and shall not be construed as part of this Agreement.

Miller
T Davis

Two tens

X F Davis

Elizabeth Babstock

A. F. Ryan

K. B. B. B.

SCHEDULE "A"
ADMINISTRATIVE PRACTICES

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SECTION 1 - GENERAL

1.01 Introduction

These Administrative Practices form part of the Joint Use Agreement and contain policies, price schedules, forms, procedures and specifications essential to the detailed administration and operation of the Agreement. The success of the Agreement is dependent on a good relationship between the Parties at all levels. This can only be achieved if each Party carries out the intent of the Agreement, co-ordinates its work to meet the time schedules outlined and gives work on Joint Use Facilities a high priority.

1.02 Transmission Line Poles

Transmission Line Poles are not part of the Joint Use Agreement and the Power Company is not obligated to permit attachment. In the event that transmission line poles are used as crossing poles by Newfoundland Telephone, the Parties agree that:

(a) New Joint Use Crossing Beneath Transmission Lines

Where construction of new Joint Use Facilities involves crossing under a transmission line, an analysis of the practicality and cost between raising transmission line structure(s) and going underground will be made by the Parties. If the Parties determine that the transmission

line structure(s) should be raised, then both Parties will share the cost equally, as they would for an underground duct bank.

- (b) Upgrading of Existing Transmission Line Structures for Additional Newfoundland Telephone Clearance.

Where the Power Company agrees to upgrade existing transmission line structures to provide additional clearances required by Newfoundland Telephone, then the work will be carried out by the Power Company and the cost shall be paid by Newfoundland Telephone.

1.03 Circuit Limitations

These Practices are in accordance with the requirements for Joint Use involving supply circuits operating at a voltage of 25 KV or less phase to phase. In general, Joint Use involving supply circuits exceeding 25 KV phase to phase and communication circuits will not be permitted.

1.04 Voltage Conversion Co-ordination

Communication circuit requirements or protection and grounding vary with certain primary voltages and systems. The Power Company shall give Newfoundland Telephone a minimum of sixty

(60) days prior written notice of a proposed change in primary voltage or system.

1.05 Prior Notification of Work on Joint Use Facilities

For safety of personnel and security of service, a Party who proposes to perform work on Joint Use Facilities shall notify the other Party before commencing such work. When personnel of Newfoundland Telephone are erecting Poles or tree trimming along existing lines carrying Power Company circuits energized at voltages above 750 volts to ground, Power Company personnel must be notified daily before and after any work is performed. Notwithstanding the provisions of ARTICLE XIV - NOTICES of the Agreement, such notification need not be written notice. Furthermore, before work begins on erecting Poles, along an existing line, carrying Power Company circuits energized at voltages above 750 volts to ground, clearance shall be obtained from the control authority of the Power Company in the area. Newfoundland Telephone's authorized representative must obtain a protection guarantee and have a tag placed on the feeder being worked on prior to beginning work. When work is finished for the day, Newfoundland Telephone's authorized representative must notify the Power Company to have this protection guarantee released and the tag removed. The costs for having a protection guarantee established and released shall be as agreed between the Parties and borne by

Newfoundland Telephone.

1.06 Information Respecting Electrical Faults

- (a) Where Newfoundland Telephone encounters difficulties which may be attributable to an electrical fault, it may request in writing a listing of electrical faults recorded by the Power Company, and the Power Company will attempt to provide a written listing to Newfoundland Telephone within thirty (30) days of the request.

- (b) Where for any reason during the placement of Poles by Newfoundland Telephone into energized circuits owned by the Power Company an electrical fault occurs, Newfoundland Telephone's authorized representative shall immediately cease work and notify the Power Company's local control authority. If the feeder trips for any reason whatsoever, it shall not be re-energized until assurance is received from Newfoundland Telephone's authorized representative that all workmen are clear and the line may be re-energized. Where a trip is due to an electrical fault caused by Newfoundland Telephone, the Power Company may request a written report of the incident. This report shall be submitted not more than five business days following the request.

1.07 Procedure for Pole Pinning

The following outlines the Parties responsibilities for Pole pinning:

Newfoundland Telephone shall:

- (a) give notice to Power Company area office one full day in advance of any Pole installation in energized lines;
- (b) reimburse the Power Company for its Pole pinning and inspection costs as agreed between the Parties;
- (c) retrieve Newfoundland Telephone cover-up and Pole guards from the Power Company premises; and
- (d) Replace burnt Poles which occur before the Power Company inspections.

Power Company shall:

- (a) inspect Poles to determine if pinning is required. This inspection shall take place no later than the next business day after the Poles are installed;
- (b) pin Poles;

- (c) transport Newfoundland Telephone's cover-up and Pole guards to the Power Company's premises; and
- (d) replace burnt Poles which occur after the Power Company inspections.

SECTION 2 - JOINT USE COMMITTEE

2.01 Composition

- (a) Each Party shall notify the other Party in writing of the names of its Joint Use Committee members and of any changes made from time to time.
- (b) Each Party may substitute a representative for a Joint Use Committee member for the purpose of attending a Joint Use Committee meeting.
- (c) Additional personnel may be utilized from time to time to assist the Joint Use Committee.
- (d) Working committees may be established by the Joint Use Committee to act as a task force on special problems.

2.02 Responsibilities

The Joint Use Committee shall:

- (a) promote and co-ordinate the planning, design, installation and maintenance of Facilities for Joint Use;

- (b) administer the terms and conditions of this Agreement;
- (c) consider all matters respecting Joint Use of Facilities and negotiate transactions respecting the institution, continuance or discontinuance of the Joint Use of particular Facilities;
- (d) negotiate all questions and problems which come under dispute regarding Joint Use;
- (e) initiate such studies, audits, surveys, samples and other activities as may be necessary to formulate, revise and amend the Administrative Practices; and
- (f) initiate annual reviews and modifications, as required of the Administrative Practices for the construction, management, preservation and use of Joint Use Facilities, and the rentals and payments to be made in respect thereof.

2.03 Frequency of Meetings

Meetings of the Joint Use Committee shall be convened quarterly; however, any member may at any time request such a meeting on short notice and without formality.

2.04 Decisions

No decision or recommendation shall be made unless there is unanimous agreement by all members of the Joint Use Committee.

2.05 Pole Census

From time to time as determined by the Joint Use Committee, the Parties shall jointly conduct a Pole census to ensure a mutually acceptable degree of accuracy of Joint Use records. Each Party will participate equally in the census, bear its own costs and complete the census within an agreed time frame.

SECTION 3 - PLANNING & CO-ORDINATION

3.01 Identification of Joint Use Facilities

Each Party is responsible for planning its own Facilities; however, the Parties shall identify and co-ordinate planning for proposed Facilities anticipated within a five (5) year planning period. Such Facilities shall be categorized as to their ultimate suitability or non-suitability for Joint Use.

3.02 Purpose of Planning

The final decision to go Joint Use is subject to the rights of each Party under Clause 2.02 of ARTICLE II - TERRITORY AND SCOPE OF AGREEMENT. No matter how comprehensive the planning effort may be, circumstances may dictate changes in plan or the identification of new requirements. The purpose of planning, however, is to stabilize this process as much as possible to promote sound long term decisions and ensure the orderly development of Joint Use Facilities.

3.03 Planning Meetings

Both Parties, through the Joint Use Committee, shall ensure that:

- (a) two formal joint meetings are held annually to review and update the five (5) year construction program of each Party relative to proposed Joint Use Facilities;
- (b) the personnel of both Parties meet or contact one another as required on individual jobs as they are identified and for which Joint Use possibilities exist;
- (c) before each Party approves its budget for the next budget year, it determines as near as possible by discussion with the other Party, the estimated cost of Joint Use Facilities to be constructed in that year by each Party.

3.04 Unidentified Facilities

Both Parties recognize that it will not be possible to identify and document all Facilities to be constructed within the five year planning period. However, as such Facilities are identified by a Party, it shall immediately notify in writing and co-ordinate for Joint Use and each party should then organize its resources so as to have the capability of fulfilling its obligations under this Agreement.

3.05 Planning for Joint Use Ownership

Both Parties recognize that it is a mutual objective to obtain a Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone. Accordingly, where this Agreement provides that one Party shall Replace or place a Pole Unit the Parties may agree that the other Party will Replace or place the Pole Unit so as to assist in reaching the Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone.

3.06 Mixed Ownership

Both Parties recognize that one Party's ownership of a Pole Line is preferable to mixed ownership where such sole ownership is a practical alternative to mixed ownership.

SECTION 4 - APPLICATIONS AND PERMIT

4.01 Initial Contact

Where either Party:

- (a) wishes to place Attachments on a Pole belonging to the other Party which is not a Joint Use Pole; or
- (b) wishes to place additional Attachments, or upgrade existing Attachments on a Joint Use Pole belonging to the other Party,

an authorized representative shall contact an authorized representative of the other Party to determine if such Joint Use can be achieved.

4.02 Exception to Procedure

The procedures in this Section 4 shall not be required for additional Attachments or upgraded Attachments on a Joint Use Pole that would not significantly increase the loading on the Pole such as service drops, secondary runs, street lights, transformer changes, etc.

4.03 Application for Permit

- (a) Where the Tenant, or prospective Tenant, wishes to obtain a Permit, it shall apply by Joint Use Request to the Owner, or prospective Owner, in the form shown in SECTION 16 - FORMS, together with engineering plans and shall specify the location of the Pole in question, the amount of space required, the character of the Attachments including the number, type and diameter of existing or proposed conductors and cables, the character of the circuits to be used, and, where applicable, the existing span lengths.
- (b) In case of emergency, oral notification subsequently confirmed by written Application may be given.

4.04 Processing of Application

- (a) Where the Application is acceptable to the Owner, the Owner shall indicate approval by signing a copy of the Joint Use Request which shall then constitute a Permit. Upon receipt of the Permit, the Tenant shall have the right to use the space for Attachments of the character specified on the Application.
- (b) Where the Application is unacceptable to the Owner, the

Owner shall, within thirty (30) days after receipt of the Joint Use Request, return a copy to the Tenant indicating that Joint Use is unacceptable.

4.05 Permits for Existing Joint Use Poles

Existing Poles owned by either Party which were in Joint Use prior to the date of this Agreement shall be included under this Agreement and all Permits now in force for the Joint Use of Poles shall be deemed to be approved Permits under the terms of this Agreement.

Transfer costs.

5.04 Tenant Undertakes Replacement of Facilities

Where Facilities are not suitable, as provided in SECTION 19 - CONSTRUCTION PRACTICES, for the proposed Tenant's Attachments and the Owner does not agree to Replace the Facilities, the Tenant shall Replace the Facilities. 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 Facility Replaced for which the Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

5.05 Additional Pole Units in Existing Pole Lines

(a) Where a proposed Tenant requires, in reasonable engineering judgment, that an additional Pole Unit be installed in an existing Pole Line and the Owner does not require the additional Pole Unit, the Tenant will install the additional Pole Unit and pay the attachment costs of both Parties.

SECTION 5 - ESTABLISHING JOINT USE OF EXISTING POLE UNITS

5.01 Application of this Section

This Section 5 applies to the establishment of Joint Use of existing Pole Units of a Party.

5.02 Replacement of Poles, Pole Units or Facilities

Where there is Replacement of Poles, Pole Units or Facilities the Party undertaking the Replacement shall make any other necessary changes, including Line Clearing in the Pole Line containing the Facilities, as may be necessary to meet the requirements of SECTION 19 - CONSTRUCTION PRACTICES.

5.03 Owner Undertakes Replacement of Facilities

Where Facilities are not suitable, as provided in SECTION 19 - CONSTRUCTION PRACTICES, for the proposed Tenant's Attachments, and the Owner agrees to Replace the Facilities the Owner shall Replace the Facilities. 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 Facility Replaced by the Owner which the Tenant is required by Section 8 - TRANSFER COSTS to pay

- (b) Where both Parties require that an additional Pole Unit be installed in an existing Pole Line, the Parties shall decide which Party shall install the Pole Unit based on normal Pole placement arrangements between the Parties in the area and each Party shall bear its own attachment costs.
- (c) Where one Party requires a Joint Use Pole Unit in a non-Joint Use Pole Line or where a Party desires an additional Pole Unit which is not required in reasonable engineering judgment for Joint Use, then the Party requiring the Pole Unit will install it, pay the attachment costs of both Parties and pay to the other Party a percentage of the cost of the Joint Use Pole Unit equal to the other Party's percentage in the Joint Use Ratio.
- (d) In this Section 5.05, an "additional Pole Unit" includes a mid-span Pole Unit if required in a span length between two Pole Units that exceeds 61 meters.

5.06 Installing and Modifying Attachments

Each Party shall supply and install, Transfer, Rearrange and remove its own Attachments on the Poles, including any special

equipment such as protection, special crossarms, guys or other types of construction required to sustain unbalanced loads due to its Attachments. Each Party shall perform such work promptly and in such a manner as not to interfere with the service of the other Party.

5.07 Pole Top Extensions

A Pole Top Extension may serve as an expedient where clearances cannot be met without replacing Poles or making other extensive Rearrangements of the Facilities. It is not intended to be used as an alternative for selecting the correct length of Pole when designing new Facilities. Where Pole Top Extensions are used, they shall be provided and installed at the sole expense of the Party using them. When the supporting Pole requires Replacement, the Pole Top Extension shall be removed at the expense of the Party owning it and the new Pole to be placed shall be of such dimensions as to provide the clearance as provided in SECTION 19 - CONSTRUCTION PRACTICES.

5.08 Modifications to be Made Prior to Attaching

Existing Facilities shall be brought into conformity with SECTION 19 - CONSTRUCTION PRACTICES, before any Attachments requiring a Permit are placed by the Tenant.

SECTION 6 - ESTABLISHING JOINT USE OF NEW FACILITIES

6.01 Application of this Section

This Section 6 applies to the establishment of Joint Use of new Facilities.

6.02 Co-ordination and Ownership

The construction of new Facilities shall be co-ordinated between the Parties to reach agreement concerning Pole 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 Facilities include:

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

6.03 Construction of Joint Use Facilities

The Owner shall design the Facilities, obtain joint rights-of-way as provided in SECTION 13 - RIGHTS-OF-WAY, construct the Facilities and do the necessary Line Clearing to make the Facilities suitable for Joint Use as provided in SECTION 19 - 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.

6.04 Joint Use Occupancy Time Frame

Where the Tenant identifies that a Pole will be required for Joint Use, then billing shall commence following Attachment or five (5) years after placement of the Pole by the Owner, whichever comes first.

6.05 Assumed Joint Use Poles

New Poles placed in circumstances where it is obvious to the Owner that the Tenant will be placing its Attachments on those Poles, shall be assumed to be Joint Use Poles and designated as Joint Use in the Joint Use File by the Owner. The Owner shall provide to the Tenant a monthly listing of assumed Joint Use Poles added to the Joint Use File. The Tenant shall review

the monthly listing, identify those Poles on which the Tenant shall not be placing its Attachments and request that the Owner cancel the designation of those Poles as Joint Use.

6.06 Additional Non-Joint Use Facilities

At the time of construction, the Owner may, if requested by the Tenant, place additional non-Joint Use Pole Units which are required for the sole use of the Tenant. Upon completion of such work the Owner may invoice the Tenant for its actual costs. Such Pole Units will become the property of the Tenant upon payment of the invoice.

6.07 Responsibility for Installing Attachments

Each Party shall supply and install, at its own expense, its own Attachments on new Joint Use Poles, including any special equipment such as protectors, special crossarms and guys or other types of construction required to sustain unbalanced loads due to its Attachments. Each Party shall perform such work promptly and in such a manner as not to interfere with the service of the other Party. Each Party will place its Attachments on new Joint Use Poles as provided in SECTION 19 - CONSTRUCTION PRACTICES.

6.08 Pole Identification

All new Joint Use Poles are to be marked to show ownership and date placed and shall be numbered as provided in SECTION 19 - CONSTRUCTION PRACTICES.

SECTION 7 - ADDING, CHANGING, REPLACING AND RELOCATING EXISTING
JOINT USE FACILITIES OR ATTACHMENTS

7.01 Application of this Section

This Section 7 applies to additions and changes to existing Joint Use Facilities or Attachments.

7.02 Replacement of Poles, Pole Units or Facilities

Where there is Replacement of Poles, Pole Units or Facilities, the Party undertaking the Replacement shall make any other necessary changes, including Line Clearing in the Pole Line containing the Facilities, as may be necessary to meet the requirements of SECTION 19 - CONSTRUCTION PRACTICES.

7.03 Owner Undertakes Replacement of Facilities

Where Joint Use Facilities are not suitable, as provided in SECTION 19 - CONSTRUCTION PRACTICES, for the proposed additional Attachments, and the Owner agrees to Replace the Facilities, the Owner shall Replace the Facilities. 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 Facility Replaced for which the

Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

7.04 Tenant Undertakes Replacement of Facilities

Where Facilities are not suitable, as provided in SECTION 19 - CONSTRUCTION PRACTICES, for the proposed additional Attachments and the Owner does not agree to Replace the Facilities, the Tenant shall replace the Facilities. 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 Facility Replaced for which the Tenant is required by SECTION 8 - TRANSFER COSTS to pay Transfer costs.

7.05 Additional Pole Units in Existing Joint Use Pole Lines

- (a) Where one Party requires, in reasonable engineering judgment, that an additional Pole Unit be installed in an existing Joint Use Pole Line and the other Party does not require the additional Pole Unit, the Party requiring the Additional Pole Unit will install it and pay the attachment costs of both Parties.

- (b) Where both Parties require that an additional Pole Unit be installed in an existing Joint Use Pole Line, the Parties shall decide which Party will install the Pole Unit based on normal Pole placement arrangements between the Parties in that area and each Party shall bear its own attachment costs.
- (c) Where one Party requires that a Joint Use Pole Unit be installed in a non-Joint Use Line or where a Party desires an additional Pole Unit which is not required in reasonable engineering judgment for Joint Use, then the Party requiring the Pole Unit will install it, pay the attachment costs of both Parties and pay to the other Party a percentage of the cost of the Joint Use Pole Unit equal to the other Party's percentage in the Joint Use Ratio.
- (d) In this Section 7.05, an "additional Pole Unit" includes a mid-span Pole Unit if required in a span length between two Pole Units that exceeds 61 meters.

7.06 Replacement of Substandard Joint Use Poles

- (a) Substandard Poles in Region 1 which were placed prior to January 1, 1988 shall be Replaced by the Owner before additional Attachments requiring a Permit are placed on

those Poles and each Party shall bear its own Transfer Costs. Substandard Poles in Region 1 which were placed after January 1, 1988 shall be Replaced by the Owner before additional Attachments requiring a Permit are placed on those Poles, and the Transfer costs of both Parties shall be paid by the Owner.

(b) Substandard Poles in Region 2 which were placed prior to January 1, 1992 shall be Replaced by the Owner before additional Attachments requiring a Permit are placed on those Poles and the following rules shall apply:

(i) except as provided in Section 7.06(b)(ii) and (iii), such Poles shall be deemed not to be Substandard Poles;

(ii) where the Pole fails to meet C.S.A. standards for the Owner's non-Joint Use, each Party shall bear its own Transfer costs.

(iii) in cases where it can be reasonably established that a transformer was placed subsequent to the attachment of the initial communication cable, each Party shall bear its own Transfer costs.

(c) Substandard Poles in Region 2 which were placed after

January 1, 1992 shall be Replaced by the Owner before additional Attachments requiring a Permit are placed on those Poles, and the Transfer costs of both Parties shall be paid by the Owner.

7.07 Replacement of Specific Poles

Where a Joint Use Pole carrying Attachments such as distribution terminals, load coils, repeaters, cross boxes, air dryers, terminals of aerial cable, transformers, service wires, underground connections, etc., or at such locations as dead ends, corners, junctions, etc., is to be Replaced, the new Pole should be placed in the same hole which the Replaced Pole occupied. However, if this is not possible, the Pole 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 Pole is placed in a mutually acceptable location to minimize the cost to both Parties.

7.08 Emergency Pole Replacement

To maintain or restore service during emergencies when immediate attention is required, the Power Company may Replace Joint Use Poles owned by either Party and temporarily secure

Newfoundland Telephone Attachments in a safe manner. In cases where Newfoundland Telephone owns the Pole, it will reimburse the Power Company for the actual costs of such Pole Replacement.

7.09 Transferring and Rearranging Attachments

Where it is necessary to Replace, Transfer or Rearrange Attachments due to the Replacement or relocation of a Joint Use Pole Unit, the Owner or Tenant, before making such change, shall issue a Joint Use Request. In case of emergency, oral notice may be given and subsequently confirmed in writing. Upon receipt of the Joint Use Request, the Owner or Tenant will Transfer or Rearrange its Attachments according to the following rules:

- (i) Transfers during emergency - Attachments are to be Transferred or Rearranged immediately after the Pole Replacement or relocation;
- (ii) Transfers affecting service - Attachments are to be Transferred or Rearranged within thirty (30) days after the Pole Replacement or relocation;
- (iii) 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.

7.10 Modifications to be Made Prior to Additional Joint Use

Existing Facilities shall be brought into conformity with SECTION 19 - CONSTRUCTION PRACTICES, before any additional Attachments are made.

7.11 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 Joint Use Pole or the Transferring or Rearranging of Attachments thereon, the Owner shall notify the Tenant of such requirement without delay and the date on which the required work is to be done. The work shall be carried out by the Parties as provided in Section 7.09. Each Party shall bear its own costs except that:

- (a) 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 or hinder the right of the Owner to remove or relocate all of its Facilities and Transfer or Rearrange Attachments.

- (b) Where a Joint Use Pole is upgraded because only the Tenant's Attachments are too low to meet the requirements of the Governing Body, the Tenant shall pay to the Owner a percentage of the Sacrificed Value of the Pole being Replaced equal to the Tenant's percentage in the Joint Use Ratio.

SECTION 8 - TRANSFER COSTS8.01 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 EXHIBIT C to SECTION 17 - PRICE SCHEDULES. This cost factor shall not apply to costs associated with Rearrangements.

8.02 Transfer Costs and the Replacement of Facilities

- (a) Except as expressly provided elsewhere in this Agreement, where a Pole Unit 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 Pole Unit 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 Pole Unit, which upgrade would have required the Replacement of the Pole Unit in any event, then each Party shall bear its own Transfer costs associated with that Pole Unit.

- (c) For purposes of Section 8.02 (b), the Replacement of a Pole which cannot accommodate a transformer, with a longer Pole which can accommodate a transformer, will be considered an upgrade of service capability where there is a reasonable indication that a transformer will be placed on the Replacement Pole within five (5) years of the date of Replacement.

8.03 Transfer of Attachments due to Routine Maintenance

Where Transferring of Attachments is involved in the Replacement of Joint Use Poles 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 shall pay the cost of Transferring, Rearranging or removing both Parties Attachments.

SECTION 9 - POWER COMPANY CONTROL CABLES IN THE COMMUNICATION SPACE9.01 Application of this Section

This Section 9 applies to the planning, establishment and changing of Joint Use in circumstances involving Control Cables which are attached in the communication space. The other provisions of the Agreement apply to circumstances involving Control Cables which are not expressly addressed in this Section 9. This Section 9 is not intended to limit the Power Company's right to attach Control Cables on Joint Use Poles in the power space.

9.02 Control Cables on Non-Joint Use Poles

Where a Control Cable is attached to a non-Joint Use Pole owned by the Power Company to which Newfoundland Telephone proposes to make Attachments, Newfoundland Telephone may relocate the Control Cable to the bottom of the communication space, provided that ground clearances required by the Control Cable can be maintained. The cost of Rearranging the Control Cable shall be borne by Newfoundland Telephone.

9.03 Control Cables on Existing Joint Use Poles

The Power Company may attach a Control Cable to an existing Joint Use Pole where the communication space can accommodate the Control Cable. The Control Cable shall be attached at the bottom of the communication space. Where Rearrangement of Newfoundland Telephone's Attachments are required to attach a Control Cable to a Joint Use Pole, the cost of such Rearrangement shall be borne by the Power Company.

9.04 Joint Use Poles with Control Cables in the Communication Space

Where it is necessary to Rearrange Attachments or Replace a Joint Use Pole Unit installed prior to January 1, 1994 for proposed additional Attachments in the communication space and a Control Cable is attached in the communication space of the Pole Unit, and:

- (a) the Control Cable was attached in the communication space prior to January 1, 1994 and the presence of the Control Cable deprives Newfoundland Telephone of normal use of two feet of communication space, or
- (b) the Control Cable was attached in the communication space on or after January 1, 1994, and the proposed additional Attachments could have been made to the Pole in the

absence of the Control Cable,

then each Party shall bear its own costs, including Transfer costs. The design of the communication space for the Replacement Pole shall not affect the obligation of each Party to bear its own costs, including Transfer costs, as provided in this Section 9.04.

9.05 Establishing Joint Use of New Joint Use Poles

Where the Power Company plans to attach a Control Cable on new Joint Use Poles, i.e. Poles installed on or after January 1, 1994, the new Joint Use Poles shall be designed and constructed to accommodate the attachment of the Control Cable at the bottom of the communication space. The Power Company shall notify Newfoundland Telephone at least once during each calendar year of its Control Cable requirements. The Parties shall incorporate the Control Cable requirements into Joint Use planning.

9.06 Revenue Generated from Control Cable

Where the Power Company receives revenue from Control Cables attached in the communication space on Joint Use Poles, other than revenue from electrical rates, then the Power Company shall pay an attachment rate equal to the CATV attachment rate

for each such Joint Use Pole. The revenue from such attachment rate shall be shared by the Parties in accordance with SECTION 15 - RENTALS FROM OTHERS.

SECTION 10 - MAINTENANCE OF FACILITIES AND ATTACHMENTS

10.01 Maintenance of Joint Use Facilities

The Owner shall maintain its Joint Use Facilities in a safe and serviceable condition in accordance with SECTION 19 - CONSTRUCTION PRACTICES and shall Replace deteriorated or damaged Joint Use Poles. Except as otherwise provided in this Agreement or the Collateral Agreement, the cost of maintaining and Replacing Facilities shall be borne by the Owner. Each Party shall bear the cost of Transferring, Rearranging or removing its Attachments.

10.02 Maintenance of Attachments

Each Party shall at all times maintain at its expense all of its Attachments in accordance with SECTION 19 - CONSTRUCTION PRACTICES and shall keep them in safe condition and good repair; provided however, that neither Party shall be required to Rearrange any Attachments installed prior to January 1, 1979 in Region 1 and prior to January 1, 1992 in Region 2, and carried on one side of any Joint Use Pole so as to occupy the other side.

10.03 Maintenance of Rights-of-Way

- (a) Any tree trimming and cutting necessary to maintain clearance requirements of both Parties on existing Joint Use Lines should normally be performed by the Owner of the Line. Where there is a hazard in clearing adjacent to energized power lines on Poles owned by Newfoundland Telephone, the Power Company may, at the request of Newfoundland Telephone, do such clearing and be reimbursed by Newfoundland Telephone. Newfoundland Telephone shall reimburse the Power Company a percentage of the cost equal to the percentage of the Pole Line owned by Newfoundland Telephone.
- (b) Before the Power Company submits its plan for Joint Use tree trimming and cutting for the next budget year, it will notify Newfoundland Telephone of the communities in which this work is planned and the estimated cost. Newfoundland Telephone's requirements for tree trimming and cutting around existing communication cables shall be provided to the Power Company to be included with specifications provided to the contractor describing how this work is to be completed. Newfoundland Telephone representatives shall be provided with an opportunity to inspect the completed work before payment.

SECTION 11 - TERMINATION OF JOINT USE

11.01 Termination of Joint Use by Owner

- (a) Where the Owner has no further requirement for any Joint Use Facility, it shall give notice in writing to the Tenant at least one hundred and eighty (180) days prior to the date on which it intends to remove its Attachments and the Tenant shall have the right, prior to the expiration of the notice, to purchase the Facility at its Structural Value as provided in SECTION 17 - PRICE SCHEDULES.
- (b) Where the Tenant desires to purchase the Facility, it shall notify the Owner in writing to that effect within the period of notice provided in Section 11.01. A bill of sale to cover the transfer of ownership of the Facility shall be prepared and executed.
- (c) Where, at the expiration of the one hundred and eighty (180) day period, the Owner has removed its Attachments from the Pole but the Tenant has not removed all of its Attachments, then notwithstanding the provisions of Section 11.02, the Facility shall become the property of the Tenant. In such event, the Tenant shall save harmless

the former Owner from all obligations, liabilities, damages, costs, expenses and charges incurred thereafter because of, or arising out of, the presence or condition of the Facility or Attachments and a bill of sale to cover the transfer of ownership of the Facility shall be prepared and executed and the Tenant shall pay the Owner the Structural Value of the Facility as provided in SECTION 17 - PRICE SCHEDULES.

11.02 Termination of Joint Use by the Tenant

- (a) Where the Tenant desires, at any time, to discontinue the Joint Use of a Facility, it shall give to the Owner an appropriate Joint Use Request in the form provided in SECTION 16 - FORMS, which shall specify the location of the Facility in question and the Tenant shall remove from the Facility any and all of its Attachments. Upon being satisfied that all Attachments of the Tenant have been removed from the Facility, the Owner shall indicate acceptance by signing the Joint Use Request and shall return a copy to the Tenant.
- (b) Except as provided in Section 11.02(c), the Tenant shall pay to the Owner the full rental for the Facility for the calendar year in which the Attachments are removed.

- (c) Where in the five (5) years immediately preceding removal of the Attachments, the Owner has, at the request of the Tenant, incurred expenses to provide for Joint Use of the Pole, the Tenant shall pay rental for the Pole from the date of removal of the Attachments to the date five (5) years after the date of Attachment to the Pole.

SECTION 12 - HIERARCHY OF SIGNING AUTHORITY12.01 Transaction Approvals

Transactions listed below require the signing authorities as shown:

<u>TRANSACTION</u>	<u>POWER COMPANY</u>	<u>NEWFOUNDLAND TELEPHONE</u>
Agreement Approval	President	President
Amendment of Administrative Practices	Vice-President	Vice-President
Amendment of Construction Practices	Vice-President	Vice-President
Notice of Default	President	President
Joint Use Request	Superintendent	Engineer - Outside Plant
Termination of Agreement	President	President

Transactions not specifically listed above may be approved by the signature of a single officer of the Power Company and a single officer of Newfoundland Telephone.

12.02 Change of Authorities

By written notice under this Agreement, either Party may change their own signing authorities as provided in Section 12.01.

SECTION 13 - RIGHTS-OF-WAY

13.01 Tenant Rights-of-Way

Where existing Facilities are to be brought under Joint Use, the Tenant shall be responsible for obtaining such easements or rights-of-way as it may require and shall bear the associated costs.

13.02 Joint Rights-of-Way

- (a) Where new Joint Use Facilities are proposed, the Owner shall obtain joint easements and joint rights-of-way. When the Parties mutually agree, the Tenant may obtain the joint easements and joint rights-of-way at the expense of the Owner. Neither Party warrants to the other that any joint easement or joint right-of-way obtained by them is valid or sufficient for the Party's purpose. It is understood that neither Party can guarantee that the easement grantor has the legal authority to grant the required easement. Each Party will be responsible for its own relocation cost if such easement is invalid.
- (b) Where only verbal permission for Anchors is obtained and relocation or removal is required, then each Party shall

bear the associated cost of its own Facilities.

13.03 Distribution Line Easements

All distribution line easements are to be acquired as outlined in Sections 13.02 and 13.06 and the Party installing the Pole is responsible for obtaining such easements.

13.04 No Warranty for Use of Owner's Rights-of-Way

The Owner gives no warranty of permission from property owners, municipalities or Others for the use of the Owner's right-of-way by the Tenant, and if objection is made and the Tenant is unable to adjust the matter satisfactorily within one hundred and eighty (180) days the Owner may then, by notice in writing at any time, require the Tenant to remove its Attachments from the Facilities involved, and the Tenant shall, within one hundred and eighty (180) days after receipt of the notice, remove its Attachments from the Facilities at its own expense. Nothing in this Section shall be deemed to confer to the Tenant any authority to maintain its Attachments on the Owner's Facilities for the period of one hundred and eighty (180) days or any portion thereof, or otherwise to infringe upon any legal rights of the property owners, municipalities or Others.

13.05 Clearing of Rights-of-Way

Where the Tenant adds, Replaces, Transfers or Rearranges Poles and/or Attachments to existing Facilities, the Tenant shall be responsible for all necessary Line Clearing and/or trimming. At the request of the Tenant, the Owner may carry out the required tree clearing and/or trimming and the Tenant shall bear the cost.

13.06 Right-Of-Way Acquisition

The following procedures are to be followed when acquiring rights-of-way that are required for installation of Joint Use Facilities:

- (a) All rights-of-way shall be acquired by the acquisition of easement rights except where a licence is acquired or the fee simple title to the relevant property is purchased.
- (b) All rights-of-way boundaries shall be adequately defined (ie: referenced to landmarks, survey monuments, etc.) so as to provide for future boundary determination. While the location of Facilities in relation to the right-of-way boundaries should be indicated, Facilities should not be used as boundary references.

- (c) All rights-of-way shall be obtained prior to the installation of Facilities by either Party.
- (d) Where an easement is required but cannot be obtained by negotiation and no practical alternate route exists, the easement shall be acquired through the procedures outlined in the Public Utilities (Acquisition of Lands) Act, R.S.N. 1990, c. P-48 or the Telecommunications Act, S.C. 1993, c. 38. This procedure shall only be used as a last resort.
- (e) Installation of Facilities on property over which the property owners will only give written or verbal permission (ie. no easement) shall be avoided whenever possible.
- (f) An easement shall not be required where the Facilities are used only to service the particular property upon which they are installed. If there is a reasonable expectation that the Facilities may be used to service adjacent properties, reasonable efforts to obtain an easement shall be made, with adequate provision to extend the Facilities to such adjacent properties.
- (g) Where a right-of-way is required over Crown land, application shall be made a reasonable time before the

anticipated construction start date. In determining a reasonable time, the Parties shall have reference to the practices of the appropriate government authority.

- (h) All reasonable efforts shall be made to ensure that the name of the grantor(s) appearing on the right-of-way document reflects current ownership of the pertinent property.

Duly executed right-of-way documents shall be registered at the Registry of Deeds for Newfoundland and thereafter filed at the records office of each Party.

SECTION 14 - RENTALS

14.01 Revenue Neutrality

- (a) In this section "revenue neutrality" shall be achieved in the calendar year following the attainment of a Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone.
- (b) Until revenue neutrality is achieved rentals between the Parties shall be calculated as provided in this Section 14.
- (c) After revenue neutrality is achieved the Parties shall not be required to:
 - (i) perform the calculations necessary to comply with Sections 14.02, 14.03, 14.04, 14.05, 14.06, and 14.09, or
 - (ii) to comply with Sections 14.08 (b) and (c) and 14.10.

14.02 Annual Carrying Charge

The annual carrying charge for Joint Use Pole Units for each Party shall be calculated by multiplying its average embedded

cost of a Pole Unit by its annual carrying charge rate except that, in each calendar year, the difference between the annual carrying charge rates of the Parties, and the difference between the average embedded costs of the Parties, shall not exceed 5 percent of the lower rate or cost.

14.03 Composition of Annual Carrying Charge Rate

The annual carrying charge rate of each Party shall include without limitation, such expense items as depreciation, maintenance, administration and taxes as well as return on Joint Use Pole Units.

14.04 Basis of Rental Rates

Rental rates shall be computed annually and represent an equitable share of the annual carrying charge for each Pole Unit. The annual rental rate for each Pole Unit of a Party, shall be calculated by multiplying the annual carrying charge, as calculated in Section 14.02, by the percentage of the Joint Use Ratio ascribed to the other Party in ARTICLE VIII - RENTALS.

14.05 Composition of Embedded Costs

The average embedded cost of a Joint Use Pole Unit shall be

assumed to be equal to the average embedded cost of all treated wood Pole Units owned by each of the Parties. Embedded costs shall include, without limitation, engineering, design and construction costs, land and easement acquisition costs, and material, labour and Owner's overhead costs. Notwithstanding anything contained in this Agreement, Newfoundland Telephone's calculation of average embedded cost shall not include the embedded cost of Pole Units formerly owned by Terra Nova Telecommunications Inc., and, the Power Company's calculation of average embedded cost shall not include the embedded cost of Pole Units used as transmission line poles.

14.06 Calculation of Annual Carrying Charge

The Annual Carrying Charge per Pole Unit shall be calculated using the embedded costs as at December 31 in the preceding year and the annual carrying charge rates as at December 31 of the preceding year. The annual rental rates shall be effective for each calendar year.

14.07 Joint Use File

Both Parties agree to use the Joint Use File to record the following:

- (a) the total number of Joint Use Poles;
- (b) the total number of Attachments by the Parties and by Others;
- (c) the number of Poles occupied by each Party as Owner and as Tenant;
- (d) the number of Attachments made by each Party; and
- (e) the number of Poles occupied by CATV Companies.

Both Parties shall have access to the Joint Use File and all transactions between the Parties or between the Parties and Others shall be based on the numbers contained in the Joint Use File. The Joint Use File shall be based upon the system for recording Pole and Attachment numbers, developed and currently used by the Power Company, and Newfoundland Telephone shall continue to reimburse the Power Company for access to the Joint Use File in accordance with the present arrangement between the Parties. The system may be updated or replaced by written agreement of both Parties.

14.08 Data to be Exchanged Annually

No later than March 15 of each year, each Party shall submit

a written statement to the other Party giving the following information:

- (a) the total number of Poles owned on December 31 of the preceding year;
- (b) the total embedded cost of Pole Units owned on December 31 of the preceding year;
- (c) the calculation of the actual carrying charge rate for the preceding year;
- (d) total number and location of Joint Use Poles occupied as Owner on December 31 of the preceding year;
- (e) total number and location of Joint Use Poles occupied as Tenant on December 31 of the preceding year; and
- (f) total number and location of future Joint Use Poles owned by each Party which have passed the five (5) year Joint Use occupancy time frame as provided in Section 6.04.

In the event of any discrepancy between the information provided by the Parties, the discrepancy shall be referred to the Joint Use Committee.

14.09 Net Annual Rentals

(a) Net annual rentals for each calendar year shall be calculated annually prior to April 1 of the current year by multiplying the Owner's number of Joint Use Poles at December 31 of the previous year by the rental rate calculated in Section 14.04. One twelfth (1/12) of the difference between the net annual rentals of the Parties shall be invoiced monthly throughout the calendar year. For the months of January, February and March of the current year, the amount invoiced shall be the same as invoiced in December of the preceding year, and an adjustment for these three months shall be calculated and invoiced as soon as the net annual rentals are calculated for the current year.

(b) In the event that the calculation of the net annual rentals is delayed beyond April 1, the amount invoiced monthly until the calculation is completed shall be the amount invoiced in March; and an adjustment shall be calculated and invoiced as soon as the calculation is completed.

14.10 Details of Rental Calculations

The Joint Use rentals for the period January 1 to December 31,

1994 as detailed on Sheets 2 to 9 inclusive of EXHIBIT A of this Section are hereby approved and similar calculations shall be performed annually. The form attached as Sheet 1 of EXHIBIT A of this Section shall be used for approval of the annual calculation of Joint Use Rentals.

14.11 Annual Review

Utilizing the information provided under Sections 14.08 and 14.09, and such additional information as may be necessary, the Parties shall carry out an annual review in order to ascertain whether the required Joint Ownership Ratio specified in Clause 7.02 of ARTICLE VII - OWNERSHIP has been achieved.

APPROVAL OF RENTALS

Joint use rentals for the period January 1, 1994 to December 31, 1994 as calculated in the Administrative Practices Section 14 Exhibit A in the attached sheets are hereby approved.

NEWFOUNDLAND TELEPHONE COMPANY LIMITED NEWFOUNDLAND LIGHT & POWER CO. LIMITED

DATE : _____ DATE : _____

STATEMENT OF RENTALS
FOR
JANUARY 1, 1994 TO DECEMBER 31, 1994

THE NUMBER OF JOINT USE POLES AT DECEMBER 31, 1993 AS RECORDED IN THE
COMPUTERIZED JOINT USE FILE IMPLEMENTED BY BOTH PARTIES:

JOINT USE POLES

<u>TELEPHONE</u> <u>OWNED</u>	<u>POWER</u> <u>OWNED</u>	<u>TOTAL</u>
44,867	118,482	163,349

TELEPHONE COMPANY RENTALS FOR POWER COMPANY POLES

118,482 JOINT USE POLES @	\$42.94	\$5,087,617
---------------------------	---------	-------------

POWER COMPANY RENTALS FOR TELEPHONE COMPANY POLES

44,867 JOINT USE POLES @	\$66.02	<u>\$2,962,119</u>
--------------------------	---------	--------------------

NET ANNUAL RENTAL

\$2,125,498

NET MONTHLY BILLING TO TELEPHONE COMPANY FOR
PERIOD JANUARY 1, 1994 TO DECEMBER 31, 1994

1/12 OF 2125498

\$177,124.81

CALCULATION OF JOINT USE RENTAL RATES
EFFECTIVE JANUARY 1, 1994 TO DECEMBER 31, 1994

	NLP EMBEDDED COST AT DECEMBER 31, 1993	NTC EMBEDDED COST AT DECEMBER 31, 1993
BARE POLES	83,481,930	
ANCHORS 22.46%	18,750,041	
RIGHT-OF-WAY	679,529	
GROUNDING 2.30%	1,920,084	
TOTAL PLANT		39,158,714
LESS 0.14% FOR 71C		55,372
LESS GUY COST 7.00%		2,741,110
TOTAL	104,831,585	36,362,232
# OF POLES IN SERVICE	189,956	62,574
EMBEDDED COST/POLE	\$551.87	\$581.11
ACCR	19.45%	18.99%
JUR	60.00%	40.00%
MAX. VARIANCE	5.00%	5.00%

ANNUAL RENTAL RATE WITH JUR OF 40% NTC - 60% NLP
 NTC RENTAL RATE/NLP POLE $\$551.87 * 19.45\% * 40.00\%$ = \$42.94
 NLP RENTAL RATE/NTC POLE $\$579.46 * 18.99\% * 60.00\%$ = \$66.02

NOTE : NTC EMBEDDED COST OF \$581.11 IS LIMITED TO \$579.46 BECAUSE OF 5% CAP

ANNUAL CARRYING CHARGE RATES
1993

	<u>POWER COMPANY</u>	<u>TELEPHONE COMPANY</u>
ANNUAL FIXED CHARGE RATE	16.77%	16.35%
MAINTENANCE	2.69%	2.63%
	<u>19.45%</u>	<u>18.99%</u>

NEWFOUNDLAND TELEPHONE COMPANY LIMITED
CALCULATION OF LEVELLIZED RATE OF RETURN AND INCOME TAX
1993

COST OF MONEY

DEBT	51.20%	@	10.00%	=	5.12%
PREFERRED	0.20%	@	4.60%	=	0.01%
COMMON EQUITY	48.60%	@	13.00%	=	<u>6.32%</u>

WEIGHTED AVERAGE COST OF CAPITAL 11.45%

CAPITAL RECOVERY FACTOR 11.45% FOR 27 YEARS 12.10%

LESS DEPRECIATION STRAIGHT LINE FOR 27 YEARS LIFE 3.70%

LESS DEFERRED TAX -0.34%

(2.95% - 3.70%) = 44.84% 8.73%

RATE OF RETURN

LEVELLIZED BOND INTEREST 3.90%

5.12%	*	8.73%
<u>11.45%</u>		

LEVELLIZED CAPITAL COST 2.95%

12.10%	*	3.70%
11.45%	+	3.70%

INCOME TAX

CAPITAL RECOVERY FACTOR 12.10%

LESS LEVELLIZED CAPITAL COST 2.95%

9.14%

LESS LEVELLIZED BOND INTEREST 3.90%

5.24%

INCOME TAX @ 44.84% 4.26%

(1 - 44.84%)

CALCULATION OF AVERAGE ANNUAL FIXED CHARGE RATE

RATE OF RETURN 8.73%

STRAIGHT LINE DEPRECIATION 3.70%

INCOME TAX 4.26%

DEFERRED TAX -0.34%

AVERAGE ANNUAL FIXED CHARGE RATE 16.35%

NEWPOUNDLAND LIGHT & POWER CO. LIMITED
CALCULATION OF LEVELLIZED RATE OF RETURN AND INCOME TAX
1993

COST OF MONEY

DEBT	49.30%	@	9.87%	=	4.87%
PREFERRED	3.56%	@	9.53%	=	0.34%
COMMON EQUITY	47.13%	@	13.50%	=	<u>6.36%</u>

WEIGHTED AVERAGE COST OF CAPITAL 11.57%

CAPITAL RECOVERY FACTOR 11.57% FOR 27.8 YEARS 12.15%
LESS DEPRECIATION STRAIGHT LINE FOR 27.8 YEARS LIFE 3.60%
8.55%
LESS DEFERRED TAX
(3.12% - 3.60%) * 46.40% -0.22%
RATE OF RETURN 8.77%

LEVELLIZED BOND INTEREST 4.87% * 8.77% 3.69%
11.57%

LEVELLIZED CAPITAL COST 0.1214703 * 0.04 3.12%
0.1156774 * 0.04

INCOME TAX

CAPITAL RECOVERY FACTOR 12.15%
LESS LEVELLIZED CAPITAL COST 3.12%
9.03%

LESS LEVELLIZED BOND INTEREST 3.69%
5.34%

INCOME TAX @ 46.40% * 5.34% - 5.34% 4.62%
(1 - 46.40%)

NEWFOUNDLAND LIGHT & POWER CO. LIMITED
CALCULATION OF ANNUAL CARRYING CHARGE RATE
1993

RATE OF RETURN	8.77%
STRAIGHT LINE DEPRECIATION	3.60%
INCOME TAX	4.62%
DEFERRED TAX	<u>-0.22%</u>
ANNUAL FIXED CHARGE RATE	16.77%
MAINTENANCE	<u>2.69%</u>
TOTAL CARRYING CHARGE RATE	19.45%

NEWFOUNDLAND TELEPHONE COMPANY LIMITED
CALCULATION OF TREATED POLE & ANCHOR OPERATING COST
1993

POLE & ANCHOR MAINTENANCE

MAINTENANCE COST			\$394,715
POLE & ANCHOR PLANT IN SERVICE (AVERAGE 1993)			\$37,871,890
MAINTENANCE FACTOR	$\frac{394715}{37871890}$	* 100	1.04%

OVERHEAD

OUTSIDE PLANT (PLANNING & ENGINEERING)			\$53,609
BILLING RECORDS, ETC.			\$52,672
EXECUTIVE & ADMINISTRATION			\$268,390
OTHER (GENERAL SERVICES, LICENSES, ETC.)			\$227,730
			<hr/>
			\$602,401
POLE & ANCHOR PLANT IN SERVICE (AVERAGE 1993)			\$37,871,890
OVERHEAD FACTOR	$\frac{602401}{37871890}$	* 100	1.59%
TREATED POLE & ANCHOR MAINTENANCE	1.59%	+ 1.04%	2.63%

NEWFOUNDLAND LIGHT & POWER CO. LIMITED
CALCULATION OF TREATED POLE & ANCHOR OPERATING COST
1993

MAINTENANCE COSTS - POLE, CONDUCTOR, FITTINGS	4221969 * 0.2	\$ 844,394
OPERATING SUPERVISION		\$87,175
GENERAL EXPENSES		
CUSTOMER SERVICES - SUPERVISION, STATISTICS, & FORECASTS		\$5,000
ACCOUNTING - SUPERVISION, PLANT, BILLING, AUDITING, TAXES & ASSESSMENTS		\$1,408,909
GENERAL - SUPERVISION & ADMINISTRATION, LEGAL, GENERAL OPERATIONS, PUBLIC LIABILITY INSURANCE, SAFETY.		<u>\$433,160</u>
	TOTAL	\$2,778,638
AVERAGE COST OF TREATED POLE AND ANCHOR IN PLANT	- 1993	
	$\frac{101785100 + 105048064}{2}$	\$103,416,582
TREATED POLE AND ANCHOR OPERATING COST AS PERCENT OF POLE AND ANCHOR COST	$\frac{2778637.8}{103416582} * 100$	2.69%

SECTION 15 - RENTALS FROM OTHERS

15.01 Sharing of CATV Rental Payments

- (a) The Parties agree that all rentals payments collected from the CATV companies for attachment to Joint Use Poles shall be shared in the ratio of 62.5% Newfoundland Telephone, 37.5% Power Company up to the common rates per Pole charged by the Parties. CATV revenues generated by rate differentials higher than the common rates shall be shared on a 62.5% / 37.5% basis in favour of the Party with the higher rate.
- (b) The sharing of rental payments in Section 15.01 (a) above shall be achieved according to the following rules:
 - (i) Where the rate charged to the CATV company for the Attachment is the same whether the Pole is owned by Newfoundland Telephone or the Power Company:
 - (A) Newfoundland Telephone 62.5%
 - (B) Power Company 37.5%
 - (ii) Where the rate charged to the CATV company for the Attachment is greater if Newfoundland Telephone owns the Pole than if the Power Company owns the Pole:

- (A) Newfoundland Telephone 62.5%
- (B) Power Company 37.5%

(iii) Where the rate charged to the CATV company for the Attachment is greater if the Power Company owns the Pole than if Newfoundland Telephone owns the Pole:

(A) Newfoundland Telephone 62.5% of the applicable Newfoundland Telephone rate plus 37.5% of the difference between the Newfoundland Telephone rate and the Power Company rate;

(B) the Power Company 37.5% of the applicable Newfoundland Telephone rate plus 62.5% of the difference between the Newfoundland Telephone rate and the Power Company rate.

15.02 Calculation and Collection of CATV Rental Payments

(a) CATV rental payments between the Parties shall be calculated on a monthly basis utilizing the Pole counts contained in the jointly operated Joint Use File. The Parties agree to maintain Attachment records up to date, to take whatever action is reasonable to collect outstanding payments from CATV companies (current and back billing) and to take all reasonable steps to resolve

bona fide disputes with CATV companies regarding CATV billing. The form attached as EXHIBIT A of this Section shows a typical calculation of the amount due monthly.

- (b) To ensure that rental payments shared are based on actual CATV payments, an annual adjustment for each calendar year shall take place in the month of March of the following year. The form attached as EXHIBIT B of this Section shows a typical calculation of the adjusted amount due monthly.

15.03 Cumulative Collection Ratio

- (a) In respect of the sharing of rental payments, as provided in Sections 15.01 and 15.02, the Parties shall share the rental payments actually collected from the CATV companies so long as:
 - (i) neither Party's annual cumulative collection ratio is below 80% of the amount billed; and
 - (ii) the difference between the annual cumulative collection ratios of the two Parties is not more than 10%.
- (b) The cumulative collection ratio shall be the ratio of the amounts collected to the amounts billed. The annual cumulative collection ratio for each calendar year, shall

be calculated in the month of March of the following year.

(c) Where either of the events provided in Sections 15.03 (a) (i) or (ii) occur, then the Party with the higher annual cumulative collection ratio shall have the right but not the obligation to re-open and renegotiate the sharing of rental payments as provided in Sections 15.01 and 15.02. Such renegotiations shall be conducted between Vice-Presidents of the Parties.

(d) This Section 15.03 shall not become effective until the calendar year following the expiration of six (6) months after the date of an order of the Public Utilities Board respecting the Power Company's current CATV rate application.

15.04 Distribution of Rental Payments from Others

(a) Subject to Section 15.04 (b) below, it is agreed that payments made by any Others for Attachments in the communication space of Joint Use Poles shall be shared between Newfoundland Telephone and the Power Company in the manner provided in Section 15.01 as if the phrase "CATV Companies" in 15.01 read "Others".

- (b) Where only one Party has established a rate to be charged to a specific person, firm, or corporation, then the payments shall be shared equally between the Parties until January 1st of the calendar year in which the other Party establishes a rate to be charged to that specific person, firm or corporation. Beginning on that January 1st, the payments shall be shared as if both attachment rates had existed as of January 1st.

15.05 Payment

All payments under this Section 15 shall be handled in accordance with ARTICLE XV - INVOICES AND PAYMENTS.

Administrative Practices
Section 15
Exhibit "A"
Sheet 1 of 1

March Adjustment of CATV Revenue Sharing Based on Billing
CATV Company: XXXXXXXXXXXX
For Month of August 1993 (September Billing)

NP OWNED POLES						
Reg	3-P Poles	NP Rate	NTC Rate	SHARING		
1	5753	1.2675	0.81	From	NP Share	NTC Share
				Common - 0.81 Differential -0.4575	\$1,747.47 \$ 1,645.00	\$2,912.46 \$ 987.00
2	0	1.161	0.51	Common -0.51 Differential -0.7575	\$ 0.00 \$ 0.00	\$ 0.00 \$ 0.00
Total Billed by NP \$4,705.53						
NTC OWNED POLES						
Reg	3-P Poles	NP Rate	NTC Rate	SHARING		
1	2234	1.2675	0.81	From	NP Share	NTC Share
				Common - 0.81 Differential - 0	\$ 678.58 \$ 0.00	\$1,130.96 \$ 0.00
2	0	1.2675	0.51	Common - 0.51 Differential - 0	\$ 0.00 \$ 0.00	\$ 0.00 \$ 0.00
Total Billed by NTC \$1,809.54						
				Total Share	\$4,071.05	\$5,030.42
				Billed	\$7,291.93	\$1,809.54
				Send/(Received)	\$3,220.88	(\$3,220.88)

To ensure that revenues are shared based on actual CATV payments, an annual adjustment for the calendar year shall take place in the month of March of the following year.

Administrative Practices
Section 15
Exhibit "B"
Sheet 1 of 1

March Adjustment of CATV Revenue Sharing Based on Collections
CATV Company: XXXXXXXXXXXX
For Month of August 1993 (September Billing)

NP OWNED POLES						
Reg	3-P Poles	NP Rate	NTC Rate	SHARING		
1	4053	1.161	0.81	From	NP Share	NTC Share
				Common - 0.81	\$1,231.10	\$2,051.83
				Differential -0.351	\$ 889.13	\$ 533.48
2	0	1.161	0.51	Common -0.51	\$ 0.00	\$ 0.00
				Differential -0.651	\$ 0.00	\$ 0.00
Total Collected by NP \$4,705.53						
NTC OWNED POLES						
Reg	3-P Poles	NP Rate	NTC Rate	SHARING		
1	2234	1.161	0.81	From	NP Share	NTC Share
				Common - 0.81	\$ 678.58	\$1,130.96
				Differential - 0	\$ 0.00	\$ 0.00
2	0	1.161	0.51	Common - 0.51	\$ 0.00	\$ 0.00
				Differential - 0	\$ 0.00	\$ 0.00
Total Collected by NTC \$1,809.54						
				Total Share	\$2,798.80	\$3,716.27
				Collected	\$4,705.53	\$1,809.54
				Should Have Sent/(Received)	\$1,906.73 (\$3,220.88)	(\$1,906.73) \$3,220.88
				Owed by/(To)	(\$1,314.15)	\$1,314.15

X

SECTION 16 - FORMS

16.01 General

The purpose of this Section is to provide a completed exhibit of the Joint Use Request form.

16.02 Joint Use Request

The form attached as Exhibit A shall be used by the Owner/Tenant to:

- (a) Request the placement or Replacement of Joint Use Facilities;
- (b) Obtain permission from the Owner to establish the Joint Use of Facilities;
- (c) Notify the Owner of a cancellation of Joint Use Facilities;
- (d) Request that the other Party Transfer its Attachments from an existing jointly used Facility to Replacement Facility;

- (e) Update or correct the Joint Use Pole File to reflect any modification in Joint Use Facilities in the field; or
- (f) Request that the Owner perform miscellaneous work on the Joint Use Facilities.

JOINT USE REQUEST

SECTION 10
EXHIBIT A

Sheet _____ of _____

REQUEST # _____

From/ Company _____ Name _____

Request Date _____

To/ Company _____ Name _____

Drawing Included (Y/N) _____

☐ Pole Work (Required By) _____

NLP Job # _____

☐ Attachment Work

NTC Job # _____ Plan # _____

☐ Joint Use ☐ Future Joint Use ☐ Non Joint Use

Associated NTC Job # _____ Plan # _____

Approved _____

Community: _____ NLP Area _____ NTC Region _____ NTC Exchange _____

Street/Location _____

Reason for Work ☐ New Service ☐ Upgrading ☐ Deterioration ☐ Clearance ☐ Other (specify below) _____

STRUCTURE TABLE — RECORD INITIAL ACTIVITY ONLY

STR	ACT	NEW POLE #	CLS	HGT	MAT'L	TREAT	ANC	NTC POLE #	EXISTING POLE #	OWNER	CATV

Activity Codes: Apply: (A) Cancel: (C) Transfer: (T) Anchor: (Y) Misc. Work: (M)
Placement: (P) Replacement: (R) Modification: (X) CATV: (Y)

(a) OFFER: ☐ Accepted ☐ Rejected Signed: _____ Date: ____/____/____

Reason for Rejection: _____

(b) Pole Installation Complete: ____/____/____ Signed: _____ Trans Req'd By: ____/____/____
☐ Service ☐ Non-Service

(c) Transfers Completed NLP: ____/____/____ Signed: _____ JUS Updated By: _____

(d) Transfers Completed NTC: ____/____/____ Signed: _____ JUS Updated By: _____

(e) Poles Removed: ____/____/____ Signed: _____ JUS Updated By: _____

(f) Apply/Cancel Approved: ____/____/____ Signed: _____ JUS Updated By: _____

(g) Misc. Work Complete: ____/____/____ Signed: _____

SECTION 17 - PRICE SCHEDULES**17.01 Sacrificed and Structural Value Price Schedules**

The Sacrificed and Structural Value schedules are included in these Administrative Practices to provide a pricing mechanism for Poles prematurely displaced or for the sale of Poles in place. The schedules are not intended to provide the basis for determining the sale price of Poles designed to achieve the balance of Pole ownership as stated in the Agreement.

(a) **Sacrificed Value of Poles (EXHIBIT A)**

This schedule covers the cost to be recovered by the Owner for Poles prematurely displaced to meet the requirements of the Tenant. The Owner is to remove and retain ownership of the displaced Pole. The Owner will not bill the Tenant for the Sacrificed Value of Poles Replaced to meet the requirements of the Owner.

(b) **Structural Value of Poles and Anchors (EXHIBIT B)**

This schedule covers the sale price of Poles and Anchors sold in place. Pole identification shall be changed at the time of such sale.

17.02 Price Schedule Update

The Sacrificed Value and Structural Value of Poles for the period January 1, 1994, to December 31, 1994, as shown in EXHIBITS A and B of this Section are hereby approved. These values shall be reviewed by the Joint Use Committee once a year and adjustments shall be made as required. The forms attached as Sheet 1 of EXHIBITS A and B shall be used for approval of Sacrificed Value and Structural Value of Poles as required.

17.03 Schedule of Transfer Cost Factors

The schedule of Transfer cost factors (EXHIBIT C) is included in these Administrative Practices to provide the cost factors for calculating Transfer costs for Replacement of Facilities.

ADMINISTRATIVE PRACTICES

SECTION 17

EXHIBIT A

SHEET 1 of 2

SACRIFICED VALUE OF POLES

The Sacrificed value of Poles for the period _____
_____ to _____ as described in the
Administrative Practices SECTION 17 EXHIBIT A attached and dated
_____ are hereby approved.

NEWFOUNDLAND TELEPHONE COMPANY
LIMITED

NEWFOUNDLAND LIGHT & POWER
CO. LIMITED

DATE: _____

DATE: _____

SACRIFICE VALUE OF POLES 1994

AGE	Condition	<= 30 Ft.	35 Ft.	40 Ft.	>= 45 Ft.	Anchor
0	100.000%	699.85	777.52	836.02	877.19	344.35
1	96.471%	675.15	750.08	806.52	846.24	332.20
2	93.296%	652.93	725.40	779.97	818.39	321.27
3	90.286%	631.86	702.00	754.81	791.98	310.90
4	87.428%	611.86	679.77	730.92	766.91	301.06
5	84.618%	592.20	657.93	707.42	742.26	291.38
6	81.873%	572.99	636.58	684.47	718.18	281.93
7	79.188%	554.20	615.71	662.03	694.63	272.68
8	76.559%	535.80	595.26	640.05	671.57	263.63
9	73.979%	517.74	575.20	618.48	648.94	254.75
10	71.449%	500.03	555.53	597.33	626.75	246.04
11	68.966%	482.66	536.23	576.57	604.96	237.49
12	66.528%	465.59	517.27	556.19	583.58	229.09
13	64.129%	448.81	498.62	536.13	562.53	220.83
14	61.789%	432.43	480.42	516.57	542.01	212.77
15	59.487%	416.32	462.53	497.32	521.82	204.84
16	57.230%	400.52	444.98	478.45	502.02	197.07
17	55.020%	385.06	427.79	459.98	482.63	189.46
18	52.858%	369.93	410.98	441.90	463.67	182.02
19	50.472%	353.23	392.43	421.96	442.74	173.80
20	48.676%	340.66	378.47	406.94	426.98	167.62
21	46.660%	326.55	362.79	390.09	409.30	160.67
22	44.866%	313.99	348.84	375.09	393.56	154.50
23	42.783%	299.42	332.65	357.67	375.29	147.32
24	40.924%	286.41	318.19	342.13	358.98	140.92
25	39.119%	273.77	304.16	327.04	343.15	134.71
26	37.369%	261.53	290.55	312.41	327.80	128.68
27	35.675%	249.67	277.38	298.25	312.94	122.85
28	34.036%	238.20	264.64	284.55	298.56	117.20
29	32.452%	227.11	252.32	271.31	284.67	111.75
30	30.923%	216.41	240.43	258.52	271.25	106.48
31	29.447%	206.08	228.96	246.18	258.31	101.40
32	28.025%	196.13	217.90	234.29	245.83	96.50
33	26.634%	186.40	207.09	222.67	233.63	91.71
34	25.328%	177.26	196.93	211.75	222.18	87.22
35	24.047%	168.29	186.97	201.04	210.94	82.81
36	22.808%	159.62	177.34	190.68	200.07	78.54
37	21.607%	151.22	168.00	180.64	189.53	74.40
38	20.441%	143.06	158.93	170.89	179.31	70.39
39	19.307%	135.12	150.12	161.41	169.36	66.48
40	18.204%	127.40	141.54	152.19	159.68	62.69
41	17.132%	119.90	133.21	143.23	150.28	58.99
42	16.088%	112.59	125.09	134.50	141.12	55.40
43	15.073%	105.49	117.20	126.01	132.22	51.90
44	14.083%	106.67	109.50	117.74	123.53	48.49
45	13.117%	109.14	107.12	109.66	115.06	45.17
46	12.171%	111.57	110.23	105.41	116.21	41.91
47	11.357%	113.65	112.90	108.98	120.19	39.11
48	10.651%	115.46	115.23	112.07	123.65	36.68
49	9.961%	117.23	117.49	115.10	127.02	34.30
50	9.284%	118.96	119.72	118.06	130.33	31.97
51	8.623%	120.66	121.89	120.96	133.57	29.69
52	7.978%	122.31	124.02	123.79	136.72	27.47

ADMINISTRATIVE PRACTICES

SECTION 17

EXHIBIT B

SHEET 1 OF 2

STRUCTURAL VALUE OF POLES

The Structural Value of Poles for the period _____
_____ to _____ as described in the
Administrative Practices SECTION 17 EXHIBIT B attached and dated
_____ are hereby approved.

NEWFOUNDLAND TELEPHONE COMPANY
LIMITED

NEWFOUNDLAND LIGHT & POWER
CO. LIMITED

DATE: _____

DATE: _____

STRUCTURAL VALUE OF POLES 1994

AGE	Conatition	<= 30 Ft.	35 Ft.	40 Ft.	>= 45 Ft.	Anchor
0	100.000%	813.31	956.11	1,115.51	1,190.64	344.35
1	96.471%	779.57	917.07	1,070.54	1,142.42	332.20
2	93.296%	749.22	881.94	1,030.08	1,099.04	321.27
3	90.286%	720.44	848.64	991.73	1,057.91	310.90
4	87.428%	693.11	817.02	955.31	1,018.86	301.06
5	84.618%	666.25	785.93	919.50	980.46	291.38
6	81.873%	640.01	755.56	884.52	942.95	281.93
7	79.188%	614.34	725.86	850.31	906.27	272.68
8	76.559%	589.20	696.77	816.81	870.34	263.63
9	73.979%	564.53	668.22	783.93	835.09	254.75
10	71.449%	540.35	640.23	751.70	800.52	246.04
11	68.966%	516.61	612.76	720.06	766.59	237.49
12	66.528%	493.30	585.79	688.99	733.28	229.09
13	64.129%	470.36	559.25	658.42	700.50	220.83
14	61.789%	447.99	533.36	628.60	668.53	212.77
15	59.487%	425.98	507.89	599.27	637.07	204.84
16	57.230%	404.40	482.92	570.51	606.24	197.07
17	55.020%	383.27	458.47	542.35	576.04	189.46
18	52.858%	362.60	434.55	514.80	546.50	182.02
19	50.722%	339.79	408.15	484.39	513.89	173.80
20	48.676%	322.62	388.28	461.51	489.35	167.62
21	46.660%	303.35	365.98	435.82	461.81	160.67
22	44.866%	286.20	346.13	412.96	437.29	154.50
23	42.783%	266.28	323.08	386.42	408.83	147.32
24	40.924%	248.51	302.52	362.73	383.43	140.92
25	39.119%	231.25	282.55	339.73	358.77	134.71
26	37.369%	214.52	263.19	317.43	334.86	128.68
27	35.675%	198.32	244.44	295.84	311.71	122.85
28	34.036%	182.65	226.31	274.96	289.31	117.20
29	32.452%	167.51	208.79	254.77	267.67	111.75
30	30.923%	152.89	191.87	235.29	246.78	106.48
31	29.447%	138.78	175.54	216.48	226.61	101.40
32	28.025%	125.19	159.81	198.36	207.18	96.50
33	26.634%	111.89	144.42	180.64	188.17	91.71
34	25.328%	99.40	129.97	163.99	170.33	87.22
35	24.047%	87.15	115.80	147.67	152.83	82.81
36	22.808%	75.31	102.09	131.88	135.90	78.54
37	21.607%	63.83	88.80	116.58	119.49	74.40
38	20.441%	52.68	75.90	101.72	103.55	70.39
39	19.307%	41.84	63.36	87.27	88.06	66.48
40	18.204%	31.29	51.15	73.22	72.99	62.69
41	17.132%	21.04	39.29	59.56	58.34	58.99
42	16.088%	11.06	27.74	46.25	44.07	55.40
43	15.073%	1.36	16.51	33.32	30.21	51.90
44	14.083%		5.56	20.70	16.68	48.49
45	13.117%			8.39	3.48	45.17
46	12.171%					41.91
47	11.357%					39.11
48	10.651%					36.68
49	9.961%					34.30
50	9.284%					31.97
51	8.623%					29.69
52	7.978%					27.47

**ADMINISTRATIVE PRACTICES
SECTION 17
EXHIBIT C**

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
26	0.51
27	0.49
28	0.46
29	0.44
30	0.42

POLE AGE	FACTOR
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
51	0.07
52	0.06
53	0.05
54	0.05
55	0.04
56	0.03
57	0.03
58	0.03
59	0.02
60	0.02

SECTION 18 - JOINT USE BURIED CONSTRUCTION

18.01 Policy, Planning and Co-ordination

- (a) In any area it is mutually desirable to undertake Joint Use Buried Construction, suitable cost sharing and other arrangements should be agreed upon by representatives of both Parties. Both Parties shall co-ordinate early in the planning stage of Joint Use Buried Construction.
- (b) The Parties will decide upon acquisition of land, rights of way, commissioning of surveys, contracting, designing, engineering, administering and including Facilities of Others with respect to Joint Use Buried Construction.
- (c) Each Party is responsible for making its own arrangements for any contributions in aid of construction to which it may be entitled.
- (d) Joint plowing or the Joint Use of an underground duct and manhole system is not permitted under this Agreement.

18.02 Contracting

Where Joint Use Buried Construction is undertaken by employing

the services of a contractor, the Party contracting the work shall provide adequate field supervision. The other Party shall provide a field representative for consultation. Materials which are not supplied under the terms of such a contract shall be supplied by the Party requiring same.

18.03 Specifications

Joint Use Buried Construction shall meet the requirements of both Parties as provided in SECTION 19 - CONSTRUCTION PRACTICES.

18.04 Cost Sharing

Each Party shall equally share in all costs related to the digging and backfilling of the Joint Use trench. This will also apply to the cost of providing special fill material, sand, ducts, service markers, etc. The Party undertaking the construction shall be paid 50% of the other Party's estimated share of the cost prior to construction and the balance of the other Party's share of the actual cost, shall be paid upon completion of construction. Except as otherwise provided in this Agreement, the cost of placing and connecting each Party's Facilities shall be borne by each Party separately. Each party shall bear the total cost of any trench provided for its sole use.

18.05 Maintenance

Opening of Joint Use trenches for maintenance purposes shall be co-ordinated between the Parties whenever possible in order to eliminate unnecessary duplication of effort. The Parties shall equally share the cost of excavation and backfill where such work is required in the maintenance of the Facilities of both Parties.

SECTION 19 - CONSTRUCTION PRACTICES**19.01 General - C.S.A. Standards**

The objective of this Section is to provide guidelines and requirements for the construction of Joint Use Facilities. These practices shall meet, as a minimum, the requirements for Joint Use Construction of overhead and underground electrical supply and communications circuits as specified in C.S.A. Standard CAN3 - C22.3 No.1 - M85 as of January 1, 1994. Any future amendments to these C.S.A. Standards shall not be immediately incorporated into this Section but shall be reviewed by the Joint Use Committee which shall decide the time and extent of incorporation of such amendments to this Section.

Unforeseen conditions or circumstances not covered in this Section shall be resolved in a co-operative manner to the mutual benefit of the Parties involved.

Modifications and/or amendments to these practices shall be the responsibility of the Joint Use Committee as outlined in Section 2.02 of SECTION 2 - JOINT USE COMMITTEE.

19.02 Vertical Design Clearances and Separations

Vertical clearances and separations for Joint Use structures shall be in accordance with C.S.A. Standard CAN3 - C22.3 No. 1 - M85, Clause 4*.

These guidelines shall provide adequate clearances for power conductors, between power and communication conductors in the span, between communication cables and the ground, and adequate safe working space.

Power and communication spacing for typical Joint Use structures is outlined by the sketches on Page 19-4. These sketches represent typical space allotments only and are not intended to reflect either the minimum or maximum space allotments of either Party.

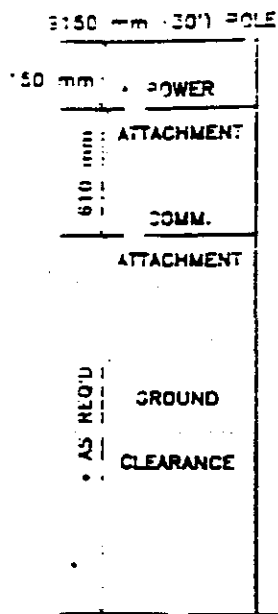
* NOTE: Vertical design clearances above ground may be prescribed by provincial or municipal legislation or regulation. In such a case, each Party's clearances must comply with the greater of that prescribed by C.S.A. Standard CAN3 - C22.3 No. 1 - M85, Clause 4 and the federal, provincial or municipal legislation or regulation applicable to that Party.

In the case of new construction, which does not

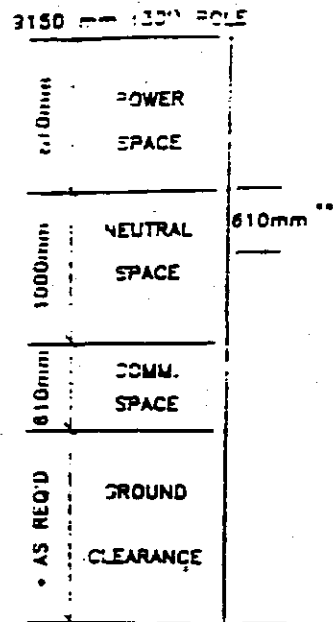
include the replacement of existing Poles, the Parties shall comply with the greater of the standard, legislation or regulation applicable to either Party.

Secondary space should be provided and reserved on Joint Use Poles in developed areas and in areas where future development is expected.

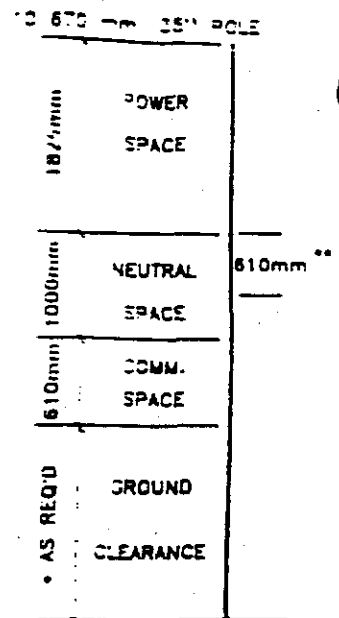
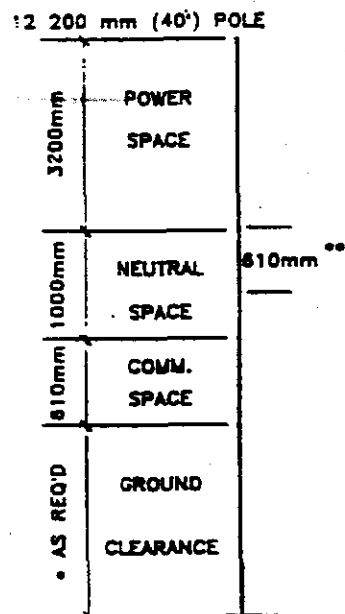
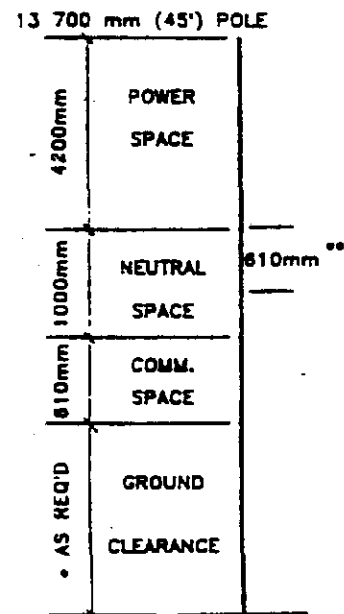
Vertical design clearances above ground and separations on Joint Use Poles must provide for and reserve space for attachment of communication cables at both the top and the bottom of the communication space.



SERVICE DROP STRUCTURE



SECONDARY STRUCTURE

SINGLE OR THREE
PHASE STRUCTURETRANSFORMER & TAP
OFF STRUCTURETHREE PHASE VERTICAL
STRUCTURENOTES:

- 1. AS REQUIRED - TO MEET MINIMUM CSA STANDARD OR LEGISLATIVE AUTHORITY (EG. DEPT. OF TRANSPORTATION)
- 2. MINIMUM DISTANCE FOR COMMUNICATION DROP FROM POWER SPACE.

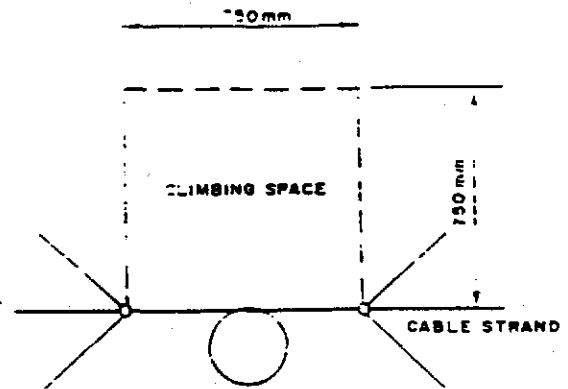
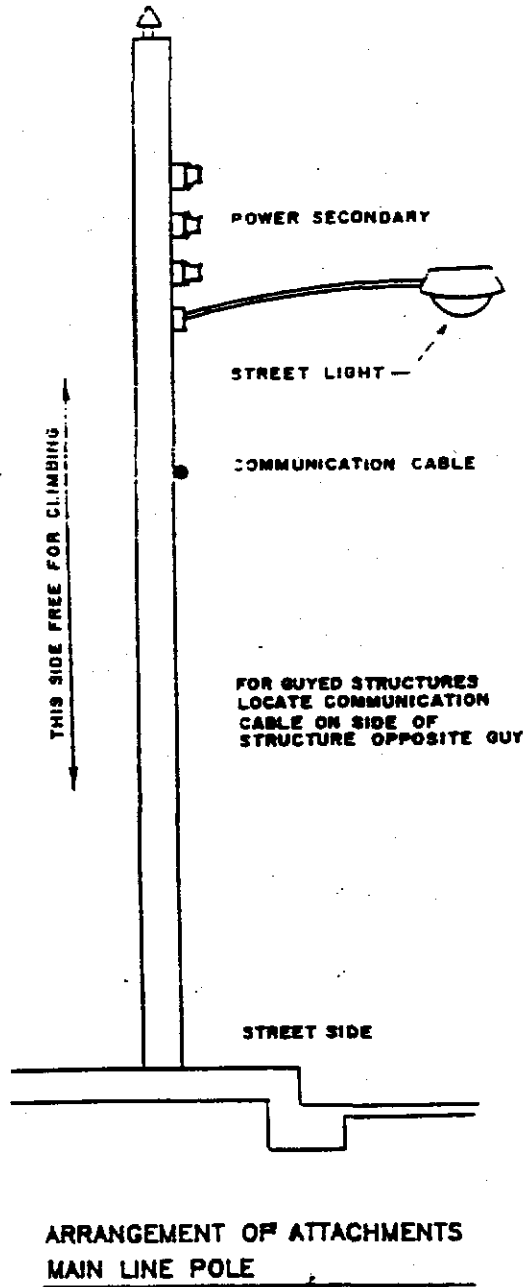
ALLOTMENT OF POLE SPACE FOR JOINT USE POLES

19.03 Climbing Space Requirements - Joint Use Poles

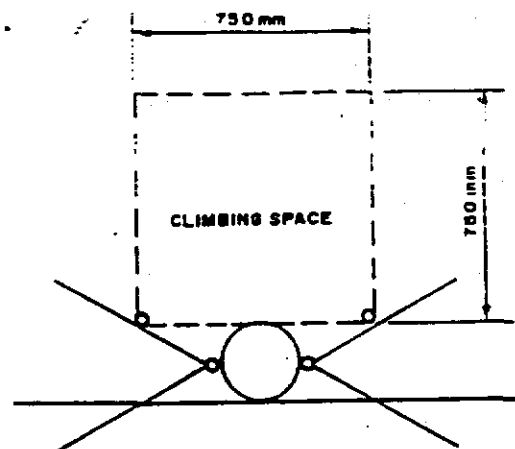
Climbing space requirements for Joint Use Poles, in accordance with C.S.A. CAN 3 - C22.3 No. 1 - 3.1.4, shall not be less than 750 mm x 750 mm past any conductor, cable, crossarm, or other Attachments of the Party using any lower part of the structure, and shall extend at least 1000 mm above and 1000 mm below the limiting Attachment.

Communication main line cables and power secondary conductors shall, where practicable, be located on the same side of the structure, preferably on the street side to allow one side free from obstructions for climbing.

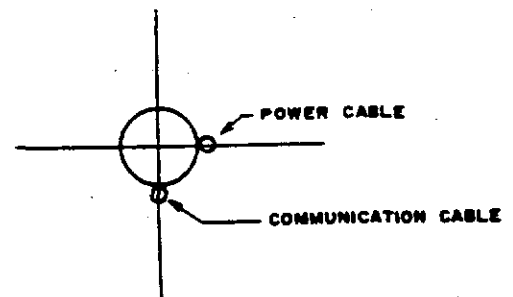
Where it is necessary to have communication risers and power risers on the same Joint Use structure, they shall be arranged as indicated on Page 19-6 so as not to obstruct climbing or guying space. Communication drop wires shall preferably be distributed from the sides of Poles, as indicated on Page 19-6, to ensure the 750 mm climbing space through them.



COMMUNICATION DROP WIRES DISTRIBUTED
FROM CABLE STRAND



COMMUNICATION DROP WIRES DISTRIBUTED
FROM POLE



ARRANGEMENT OF RISERS TERMINATION POLE

CLIMBING SPACE REQUIREMENTS JOINT USE POLES

19.04 Joint Use Anchors and Guys

Joint Use Anchors and guy leads shall be selected such that the minimum safety factor for the Anchor, Anchor rod, and guys common to both Parties will not be less than the minimum of 1.6, as specified by C.S.A. Standard CAN3 - C22.3 No. 1 - M85, Clause 6.

The types of Anchors and their intended use are listed below. All Anchors are to be installed as per the installation details on Pages 19-12 to 19-16.

250 mm dia. x 1200 mm Log - Standard Joint Use Anchor

250 mm dia. x 1800mm Log - Earth Anchor for use on heavy loaded structures as required

400 mm steel plate - Alternative to the 1200 mm log Anchor

500 mm steel plate - Alternative to the 1800 mm log Anchor

Rock Anchor - For anchoring in rock.

Power installed screw Anchor - Alternative to log and plate Anchors for installation by power digger equipment.

Standard Anchor rod types for log and plate Anchors shall be 19 mm x 2400 mm or 2700 mm double eye or 25 mm x 2400 mm or 2700 mm triple eye, and shall be in accordance with C.S.A. specifications.

The charts and instructions on Pages 19-9 to 19-16 shall be

used to ensure the Anchor arrangement, type, setting depth, and lead is adequate to satisfy both the power and communication guying requirements for standard Joint Use structures.

GUYING ARRANGEMENT & ANCHOR LOCATION

The chart on Page 19-11 gives the number of guys, guy leads, number and size of Anchor rods and Anchor setting depths for each standard structure type. "S" in structure types denotes secondary.

The guying arrangement may vary depending on the line angle for a particular structure. Drawings on Page 19-16 give an outline of the guying arrangement for typical structures.

The guy lead is the horizontal distance from the Pole to the point where the rod enters the ground. The chart on Page 19-11 assumes level ground between the Pole and the Anchor. If the ground is sloping, the guy lead should be decreased or increased accordingly. Refer to the chart on Page 19-15 to determine the corrected guy lead for sloping ground. This chart also outlines the Anchor setting depth for sloping ground.

In the case of two Anchors, the guy lead refers to the first Anchor, add 2 meters for the second Anchor. For rock Anchors or PISA Anchors, the guy lead will determine the Anchor location.

The guy leads listed in the charts are for the standard Pole heights as indicated. Add .75m to the minimum and 1.2m to the maximum guy leads for each extra 1.5m of Pole height.

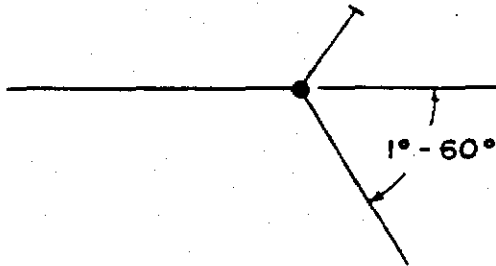
The Anchor location should be chosen such that the guy lead will not be less than the minimum or exceed the maximum as determined from the chart.

The Anchor setting depth is listed for each Anchor type at the minimum and maximum guy lead. The Anchor setting depth can be reduced at the maximum guy lead in most cases.

Where the Anchor setting depth is omitted from the chart, it indicates that the Anchor type is not adequate for guying the structure type in question.

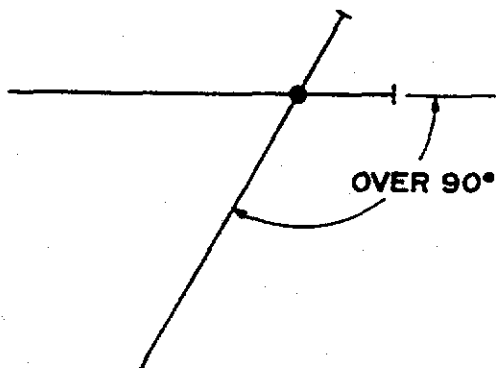
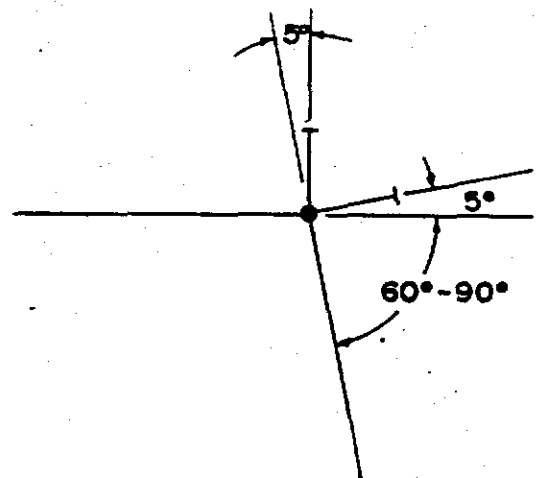
PISA Anchors are to be set at a minimum setting depth of 1.5m and at maximum torque of the digger motor.

The guying arrangement shown on Page 19-11 for "E" type structures refers to one side only.



LINE ANGLE 1 - 60 DEG.
(NOT DEADENDED)
ANCHOR SHALL BE PLACED
SO THAT GUY WILL BISECT
ANGLE.

LINE ANGLE 60 - 90 DEG.
(DEADENDED)
ANCHOR SHALL BE PLACED
5 DEG. (APPROX. 900 mm) OFF
LINE AS SHOWN.



LINE ANGLE OVER 90 DEG.
(DEADENDED)
ANCHORS SHALL BE PLACED
IN LINE AS SHOWN.

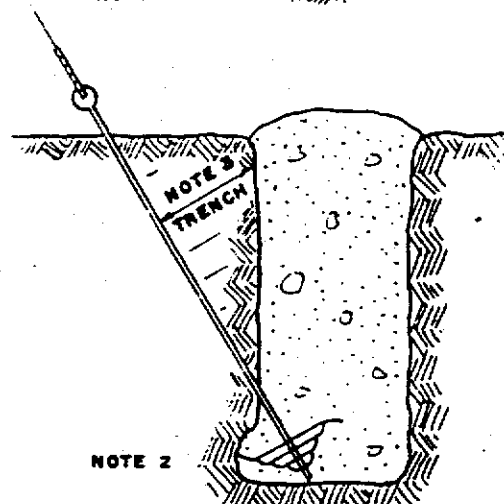
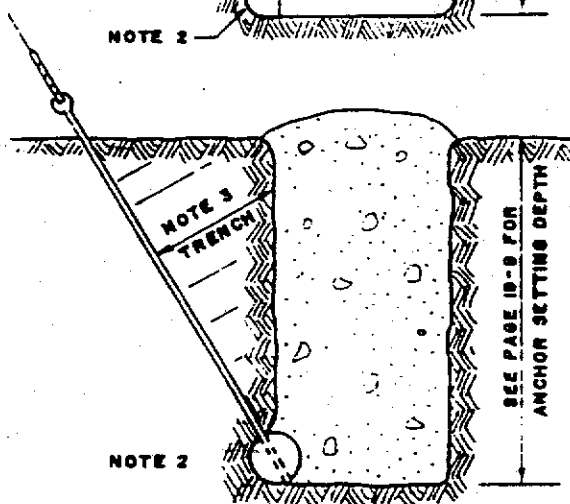
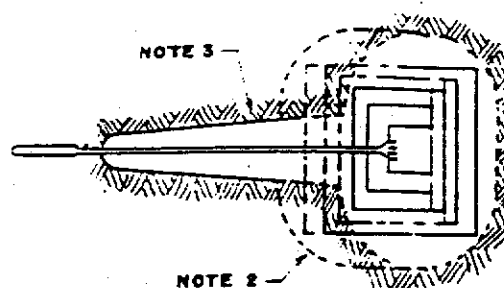
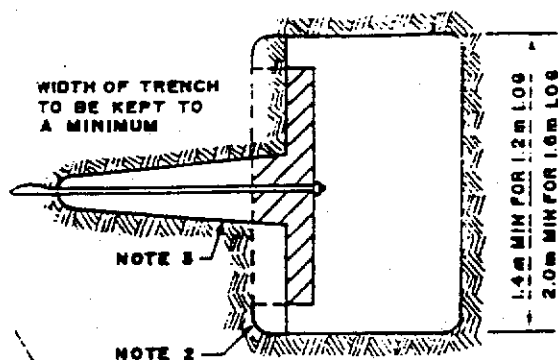
ANCHOR ATTACHMENTS - POLE LINES

GUYING ARRANGEMENT & ANCHOR LOCATION

STR.	POLE HEIGHT	MAX. LINE ANGLE (DEG)	NUMBER OF GUYS		GUY LEAD (m)		ANCHOR ROD NO. & SIZE	200 LOG		400 PLATE		800 LOG		500 PLATE		NUMBER OF PISA
			WLP	NTC	MIN	MAX		MIN	MAX	MIN	MAX	MIN	MAX	MIN	MAX	
1/0 AASC. #2 ACSR-150																
1B	10.7	30	-	-	4.8	6.7	1-3/4"	500	1500	1500	1500					
1BS	10.7	30	-	-	4.8	6.7	1-3/4"	500	1500	1680	1500					
1BL	10.7	25	-	-	4.8	8.2	1-3/4"	500	1500	1680	1500					
1C	10.7	60	-	-	5.5	6.7	1-3/4"	500	1500	1680	1500					
1CS	10.7	35	-	-	6.1	6.7	1-3/4"	500	1500	1750	1500					
1CS	10.7	60	2	-	4.8	6.7	1-1"	1830	1680			1680	1500	1980		2
1CL	10.7	60	-	-	6.7	8.2	1-3/4"	500	1500	1750	1500					
1E	10.7	-	-	-	5.2	6.7	1-3/4"	1500	1500	1680	1500					1
1ES	10.7	-	2	-	5.2	6.7	1-1"	1830	1680			1680	1500	1980		2
1EL	10.7	-	-	-	6.1	8.2	1-3/4"	500	1500	1750	1500					1
3B	10.7	30	-	-	4.8	6.7	1-3/4"	500	1500	1680	1500					
3BS	10.7	22	-	-	5.8	6.7	1-3/4"	500	1500	1680	1500					
3BS	10.7	30	2	-	5.5	6.7	1-1"	1680	1500	1900	1680	1500	1500	1750	1500	2
3BL	10.7	25	-	-	4.8	7.8	1-3/4"	500	1500	1680	1500					1
3C	12.2	60	2	-	4.8	7.8	1-1"		1680			1830	1500		1750	2
3CS	13.7	60	3	-	6.1	7.8	2-3/4"	1500	1500	1750	1600		1500		1500	2
3CL	12.2	60	2	-	7.8	9.8	1-1"					1680	1500	1980		2
3E	12.2	-	2	-	4.8	7.8	1-1"	1830	1500			1680	1500		1500	2
3ES	13.7	-	3	-	6.1	7.8	2-3/4"	1500	1500	1750	1500					
3EL	12.2	-	2	-	7.8	9.8	1-1"					1680	1500	1980		2
4/0 AASC, 4/0 ACSR, 477 MCM																
3B	10.7	17	1	1	5.5	6.7	1-3/4"	1500	1500	1600	1500					1
3BS	10.7	13	1	1	5.8	6.7	1-3/4"	1500	1500	1600	1500					1
3BS	10.7	17	2	-	6.4	7.3	1-1"	1500	1500	1680	1600	1500	1500	1500	1500	2
3BL	10.7	15	-	-	6.1	7.8	1-3/4"	1500	1500	1680	1500					1
3C	12.2	35	2	-	6.1	7.8	1-1"	1750	1600			1600	1500		1680	2
3CH	12.2	60	3	-	4.8	6.7	2-3/4"	1750	1500		1750	1600	1500	1900	1500	2
3CS	13.7	35	3	-	4.8	7.8	2-3/4"	1600	1500	1900	1680	1500	1500	1750	1500	2
3CHS	13.7	60	4	-	6.4	7.8	1-1" & 1-3/4"	1680	1500	1900	1830	1600	1500	1900	1830	3
3CL	12.2	40	2	-	7.8	9.8	1-1"					1680	1500	1980		2
3CLH	12.2	60	3	-	5.5	7.8	2-3/4"	1680	1500	1900	1680					2
3EH	12.2	-	3	-	4.8	6.7	2-3/4"	1750	1500	1980				1900	1680	2
3EHS	13.7	-	4	-	6.1	8.5	1-1" & 1-3/4"	1680	1500	1900	1680	1680	1500	1980		3
3ELH	12.2	-	3	-	5.5	7.8	2-3/4"	1680	1500	1900	1680					

STANDARD ROD TYPE
3/4"-DOUBLE EYE
1"-TRIPLE EYE

GUYING ARRANGEMENT & ANCHOR LOCATION CHART



AL

EARTH ANCHOR - LOG

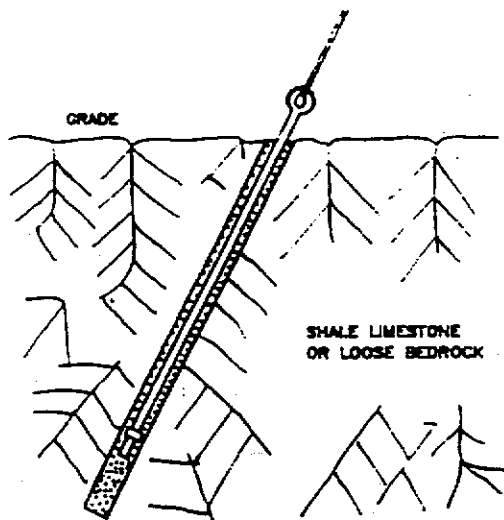
AP

EARTH ANCHOR - PLATE

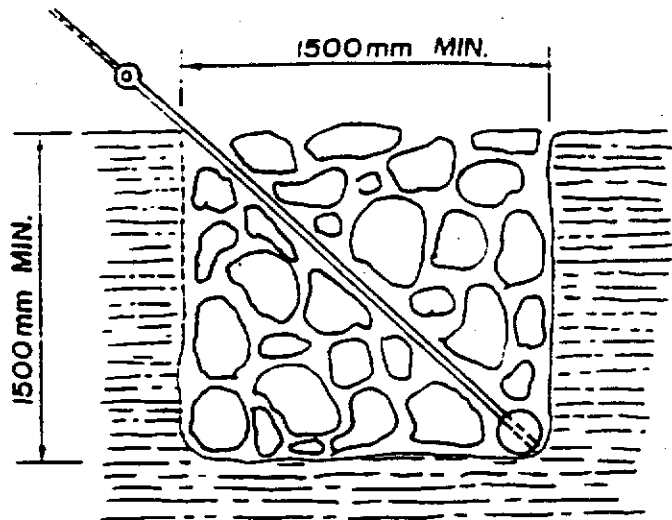
NOTE:

1. ANCHOR LOGS - TREATED POLE (a) 1200mm x 250mm MINIMUM DIAMETER.
(b) 1800mm x 250mm MINIMUM DIAMETER
- ANCHOR PLATES - (a) STEEL, 400mm x 400mm
(b) STEEL, 500mm x 500mm
- ANCHOR RODS - (a) 48mm x 2400mm DOUBLE EYE
(b) 50mm x 2400mm TRIPLE EYE
2. ANCHOR HOLE SHALL BE TRENCHED AT BOTTOM TO PROVIDE SOLID ANCHORING.
(AN ANCHOR HAS IT'S MAXIMUM HOLDING STRENGTH WHEN RESTING AGAINST SOLID UNDISTURBED EARTH AND THE TRENCHING HELPS PREVENT THE ANCHOR LOG OR PLATE FROM CREEPING UPWARD IN THE ANCHOR HOLE EXCAVATION.)
3. THE ANCHOR ROD SHALL BE TRENCHED INTO THE SIDE OF THE ANCHOR HOLE UNTIL THE ROD IS IN LINE WITH THE POINT OF ATTACHMENT OF THE GUY AT THE POLE.
4. WHEN THE ANCHOR LOG AND ANCHOR ROD ARE TRENCHED AS SHOWN ABOVE, THERE SHOULD BE NO GIVE IN THE ANCHOR AS IS USUALLY THE CASE WHEN NEITHER THE ROD OR ANCHOR IS TRENCHED.
5. THE ANCHOR HOLE SHALL BE FILLED WITH THE EXCAVATED FILL AND TAMPED WELL. ANY EXCESS SHALL BE MOUND ON TOP OF THE HOLE FOR SETTLEMENT.

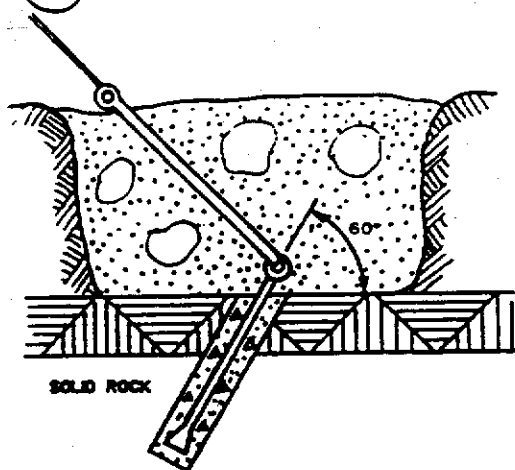
STANDARD EARTH ANCHOR DETAILS



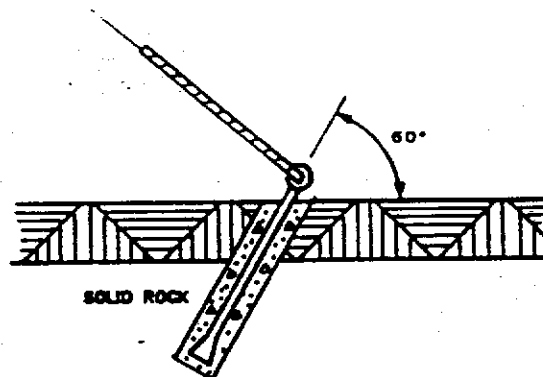
(AES) EXPANSION SHELL ROCK ANCHOR



(AB) BOG ANCHOR



(ARE) ROCK ANCHOR WITH EXTENSION



(AR) ROCK ANCHOR

NOTES:

AB - ANCHOR IN BOG

1. HOLE SHALL BE 1500mm DEEP, 1500mm WIDE & 1500mm LONG.
2. ANCHOR LOG SHALL BE PLACED AGAINST THE BACK EDGE OF THE HOLE.
3. ANCHOR ROD SHALL BE PLACED SO THAT IT IS IN LINE WITH THE GUY ATTACHMENT AT THE POLE.
4. FILL HOLE WITH ROCK NOT LESS THAN 100mm GRADE.

AR - ANCHOR IN SOLID ROCK

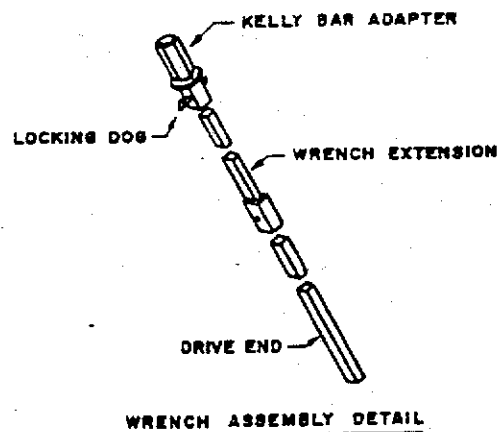
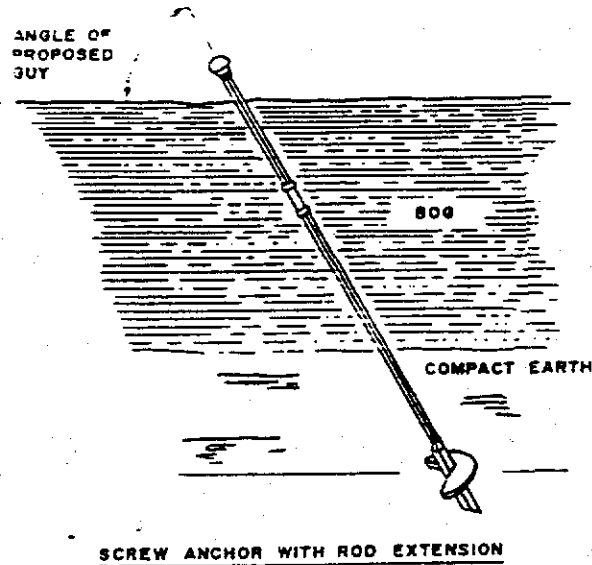
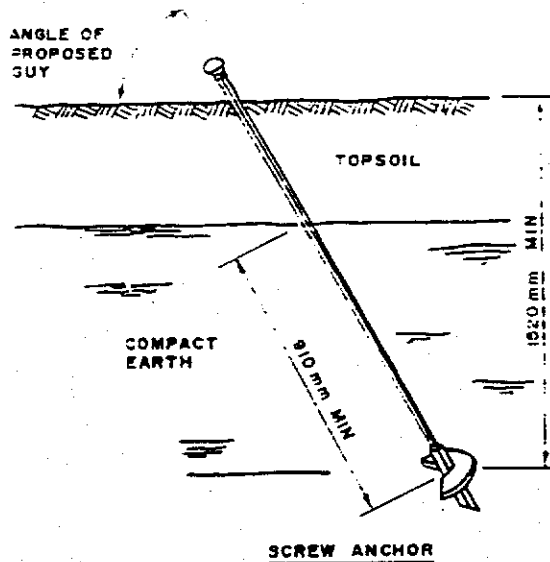
1. DRILL HOLE NOT GREATER THAN 45mm IN DIAMETER & EXACTLY 400mm DEEP.
2. DRILL HOLE AT 60 DEGREES FROM THE HORIZONTAL AND AWAY FROM THE POLE.
3. INSERT WEDGE IN ANCHOR AND INSTALL IN HOLE WITH WEDGE.
4. GROUT AROUND ANCHOR.

ARE - ANCHOR IN ROCK WITH EXTENSION

1. EXCAVATE EARTH TO BARE ROCK.
2. DRILL HOLE AND INSTALL ANCHOR AS SPECIFIED IN (1) TO (2) ABOVE.
3. ATTACH ROCK ANCHOR EXTENSION AND FILL IN EXCAVATION.

- AES -**
1. DRILL A 32mm DIA. HOLE IN LINE WITH PROPOSED GUY TO ACCOM. THE ROCK ANCHOR.
 2. DRILL HOLE TO A DEPTH SUCH THAT AFTER INSTALLATION THE BOTTOM OF THE EYE SHALL NOT BE MORE THAN 12mm ABOVE SURFACE OF ROCK.
 3. PLACE A 16mm BAR THROUGH THE EYE OF THE ANCHOR AND TURN IN A CLOCKWISE DIRECTION UNTIL THE EXPANSION SHELL IS FIRMLY WEDGED AGAINST THE WALL OF THE HOLE.
 4. GROUT AROUND ANCHOR.

STANDARD ANCHOR DETAILS

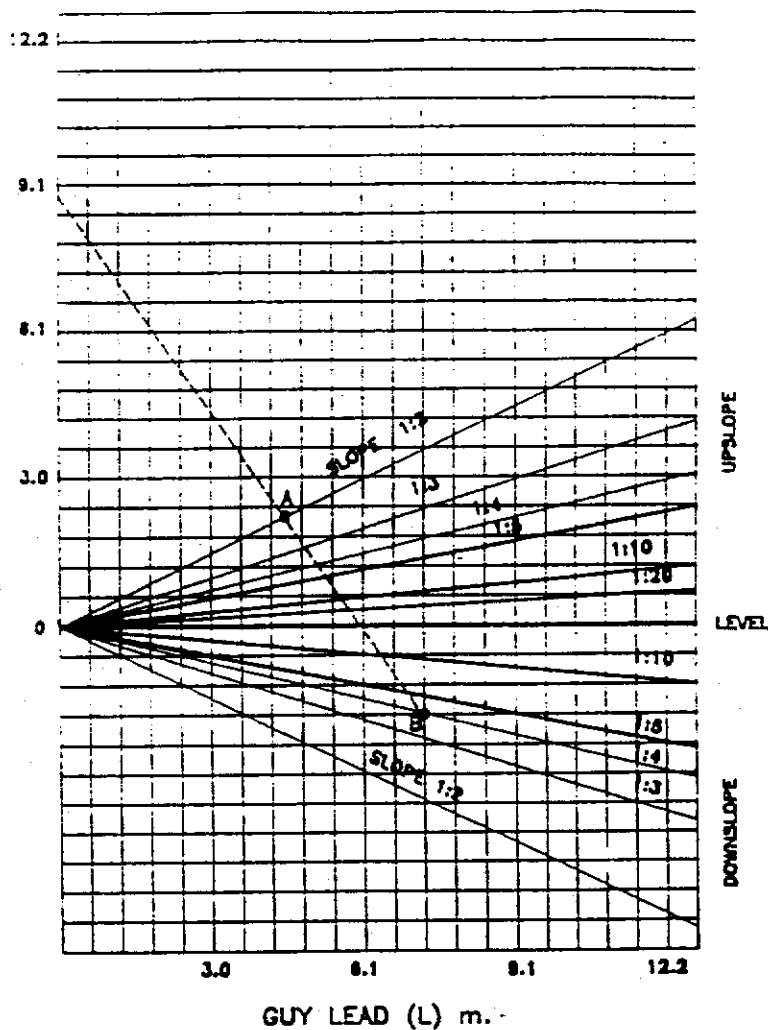


NOTES:

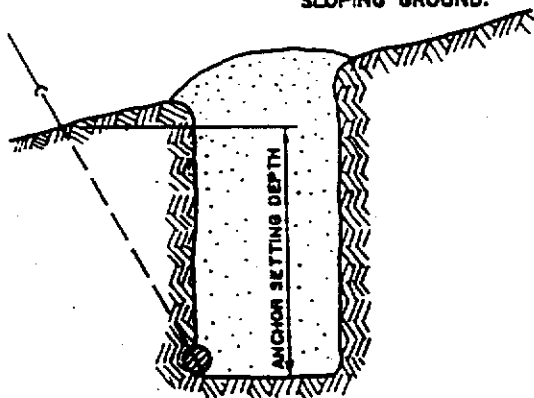
1. ASSEMBLE HELIX AND ANCHOR ROD (WITHOUT EYENUT) AND THREAD THROUGH WRENCH ASSEMBLY. ENSURE THAT THE LOCKING DOGS OF WRENCH ARE COMPLETELY CLOSED ENGAGING THE ANCHOR ROD COLLAR.
2. ALIGN ANCHOR WITH THE PROPOSED GUY AND, USING A DOWNWARD PRESSURE WITH THE BOOM, SCREW ANCHOR TO ITS REQUIRED DEPTH TO THE RATED TORQUE OF THE DIGGER MOTOR.
3. AFTER INSTALLATION PULL LOCKING DOGS OF WRENCH ONE HALF WAY OUT TO RELEASE THE ANCHOR ROD COLLAR AND USING BOOM WITHDRAW ASSEMBLY OF WRENCH.
4. A SCREW ANCHOR MUST HAVE A MINIMUM COVER OF 1500mm OF SOIL TO ENSURE THAT IT IS BELOW THE FROST LINE, AND MUST PENETRATE THROUGH 800mm OF FIRM SOIL TO ENSURE MAXIMUM HOLDING STRENGTH.
5. IF, DUE TO POOR SOIL CONDITIONS, MAXIMUM HOLDING STRENGTH CAN NOT BE ACHIEVED WITH THE ANCHOR AND 2100mm ROD, A 1050mm ROD EXTENSION MAY BE COUPLED TO PENETRATE DEEPER INTO FIRMER SOILS. TO ACHIEVE THIS A WRENCH EXTENSION MUST BE COUPLED WITH THE KELLY BAR AND WRENCH.
6. AN ANCHOR WHICH CAN BE ROTATED AT MAXIMUM PENETRATION IS NOT IN FIRM SOIL AND SHOULD BE WITHDRAWN. AN EARTH, ROCK OR BOG ANCHOR MUST BE USED.

POWER INSTALLED SCREW ANCHOR DETAILS

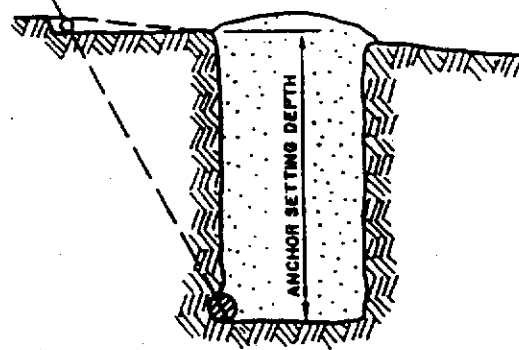
HEIGHT OF GUY ATTACHMENT (H) m.



THIS CHART IS FOR USE IN DETERMINING THE GUY LEAD FOR SLOPING GROUND.



UPSLOPE



DOWNSLOPE

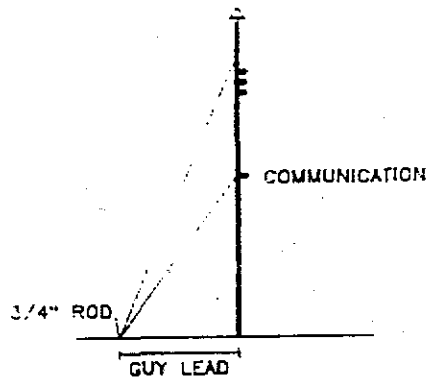
NOTES:

1. FIND GUY LEAD (L) FOR LEVEL GROUND FROM CHART ON PAGE
2. ESTIMATE OR MEASURE SLOPE OF GROUND.
3. DETERMINE THE HEIGHT ABOVE GROUND OF GUY WIRE ATTACHMENT.
4. PROJECT A STRAIGHT LINE FROM (H) ON THE VERTICAL AXIS THROUGH (L) ON THE HORIZONTAL AXIS AS OUTLINED IN THE CHART.
5. THE CORRECTED GUY LEAD IS DETERMINED FROM THE INTERSECTION OF THIS LINE WITH THE SLOPE IN QUESTION.

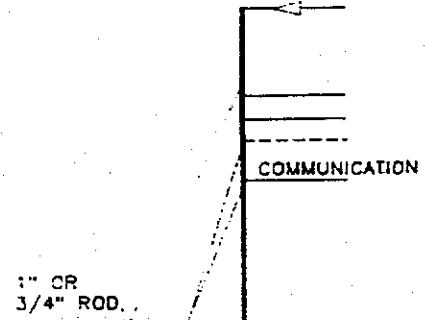
EXAMPLE (1)- L = 6.1, H = 6.1, UPSLOPE = 1:2
POINT OF INTERSECTION = A, CORRECTED GUY LEAD = 4.0m

EXAMPLE (2)- L = 6.1, H = 6.1, DOWNSLOPE = 1:4
POINT OF INTERSECTION = B, CORRECTED GUY LEAD = 7.3m

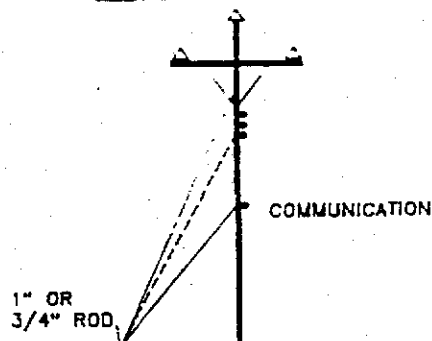
GUY LEAD & ANCHOR SETTING DEPTH ADJUSTMENT FOR SLOPE



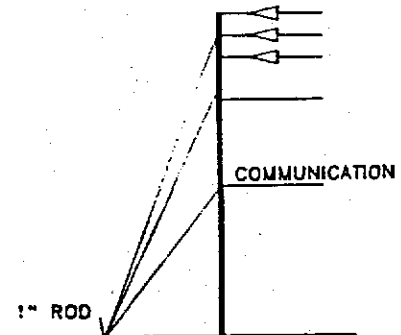
STRUCTURE TYPE "1B"



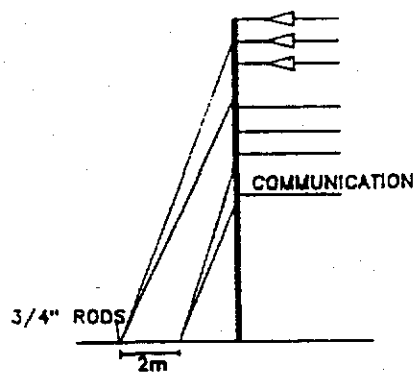
STRUCTURE TYPE "1C" & "1E"



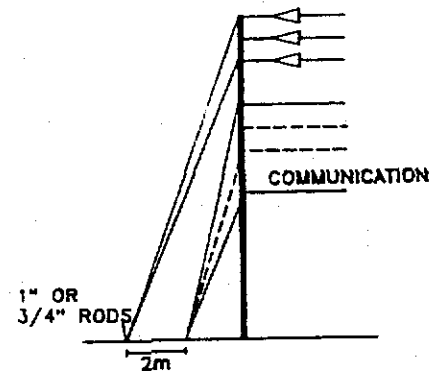
STRUCTURE TYPE "3B"



STRUCTURE TYPE "3C" & "3E"



STRUCTURE TYPE "3CS" & "3ES"



STRUCTURE TYPE "3CH" & "3EH"

NOTES:

1. THIS DRAWING OUTLINES THE GUYING ARRANGEMENTS AS PER THE CHART ON PAGE 19-11.
2. SEE CHART PAGE 19-11 TO DETERMINE IF SECONDARY GUYING, INDICATED BY BROKEN LINES, IS REQUIRED.
3. 1" DIA., TRIPLE EYE ROD WILL BE REQUIRED FOR ATTACHMENT OF THREE GUYS.

GUYING ARRANGEMENT FOR TYPICAL STRUCTURES

19.05 Joint Use Poles19.05.1 Pole Line Design

The physical and treatment properties of Joint Use Poles shall be in accordance with the C.S.A. standards as outlined in C.S.A. 22.3, Clause 7 and C.S.A. specifications 015.3 and 080.

The standard Joint Use Pole shall be a minimum of Class 4. Class 3 or higher shall be used where larger cables or conductors and/or longer spans are encountered.

Wood Poles for Joint Use shall be as follows:

- (a)
 - i) Southern Yellow Pine treated with Penta.
 - ii) Jack Pine treated with Penta.
 - iii) Red Pine treated with Penta.
 - iv) Lodgepole Pine treated with Penta.
- (b) Machine peeled with physical properties in accordance with C.S.A. Specification 015.3 - 1973.
- (c) For Poles treated with Pentachlorophenol, or Penta, treatment shall be in accordance with C.S.A. Specification 080-M-1983, to an average retention by assay of:

i) Southern Yellow Pine	4.8 kg/m ³
ii) Jack Pine	7.2 kg/m ³
iii) Red Pine	6.4 kg/m ³
iv) Lodgepole Pine	9.6 kg/m ³
- (d) Jack Pine, Red Pine or LodgePole Pine Poles treated with Chromated Copper Arsenic (CCA), with or without the addition of Polyethylene Glycol (PEG), may be

used in areas where the use of Penta treated Poles is objectionable, such as near a water supply. The treatment of these Poles shall be in accordance with C.S.A. Specification 080-M- 1983, to an average net retention by assay of 9.6 kg per cubic meter.

The use of wood Poles of a species or treatment process other than those listed above must have prior approval of both Parties to this Agreement.

The class and maximum span length of Poles for standard power conductors and communication cables shall be determined from the charts and instructions shown on Pages 19-18 to 19-25 of this Section.

The charts on Pages 19-23 to 19-25 give the standard span lengths for Pole Lines with various types of conductor and sizes of communication cables. These charts should be used when building, upgrading or reconstructing Pole Lines. They are prepared for both Class 4 and Class 3 Poles. The standard span lengths are limited by the Wind Span and the Maximum Span Length.

The Wind Span is proportional to the breaking strength of the Pole. C.S.A. states that a Class 4 and Class 3 Pole must withstand a horizontal load of 2,400 and 3,000 lbs. respectively applied two feet from the top of the Pole. The Pole should break at the ground line when a greater force than this is applied.

Based on this, and with an appropriate safety factor, the wind span lengths are calculated for Pole Lines subjected to both Heavy Wind Loading and Wind and Ice Loading. The lesser result of the two was used to determine the wind span. The wind & ice loading on the Pole was taken into consideration.

A safety factor of 1.33 with winds gusting to 153 km/h was used in calculations for Heavy Wind Loading. A safety factor of 1.66 with heavy loading (i.e. 380 N/m² with 12.5mm of radial ice) was used for Wind and Ice Loading.

The Wind Span for any structure is one half the sum of the two adjacent spans, assuming that the wind force on the conductor is shared evenly between the two supporting structures. For example, the wind span for a structure having adjacent span lengths of 73 meters and 91 meters is

$$(73 + 91) \div 2 = 82 \text{ meters}$$

All other things being equal the wind span will be greater for a

Class 3 Pole than that for a Class 4 Pole.

The Maximum Span Length is limited by power conductor/communication cable spacing and the strength of the hardware used to support conductors/cables.

The following steps outline in detail the procedure to be followed when using the charts to determine a suitable span length:

- (1) Determine the type of Pole Line involved (three phase, single phase with secondary, etc.) and the conductor size to be used for same.
- (2) Determine the total diameter of the communication cables involved. Table C1 on Page 19-22 outlines the cable diameter to be used in the charts for various cable combinations.
- (3) Select the class of Pole involved. Page 19-25 indicates the maximum parameters for Class 4 and Class 3 Poles.
- (4) With this information, locate the appropriate curve, (A, B, C or D) and determine the span length corresponding to the cable diameter in question.
- (5) If all, or sections of the Pole Line are in extremely exposed areas and extra heavy loading is expected, the span length should be reduced to 80% of the chart values for these areas.

For example, assume a three phase line with 477 MCM primary, 4/0 neutral and a total diameter of communication cables of 127 mm.

From Curve A on Chart 1 and Chart 2 the span length will be 39.6m for a Class 4 Pole and 50.3m for a Class 3 Pole; this will be the wind span length. When doing an actual layout, an individual span length can exceed this value as long as it does not exceed the maximum span length.

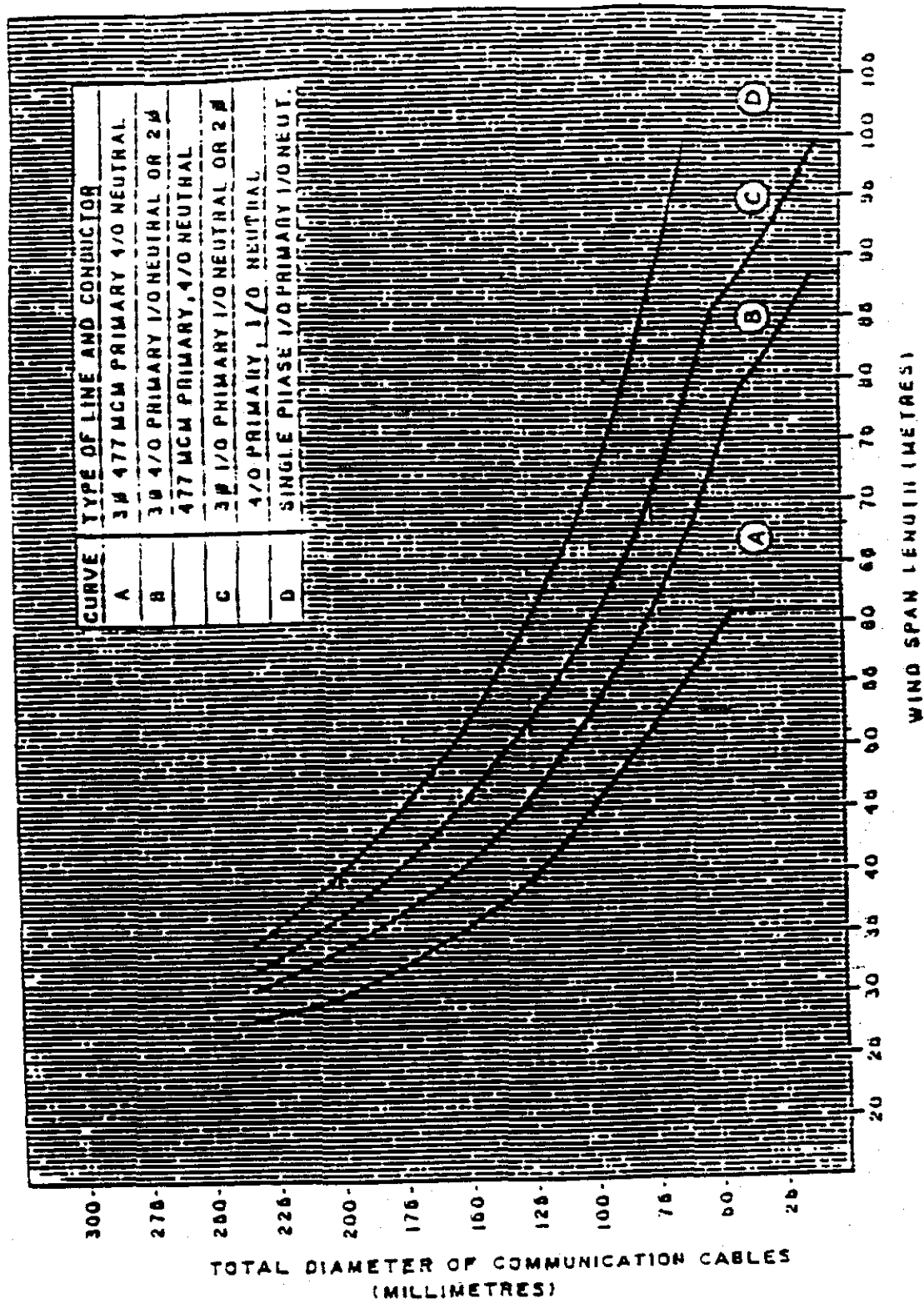
For the above case where a value of 50.3m was obtained for the wind span, an individual span length could be 61m. However, the span lengths adjacent to this span would have to be limited to 39.6m in order not to exceed the wind span for the structure.

i.e., $(61 + 39.6) \div 2 = 50.3\text{m}$ (the wind span)

For neat Pole Line construction and consistency in sag, it is recommended that the span lengths be kept, wherever possible, approximately equal.

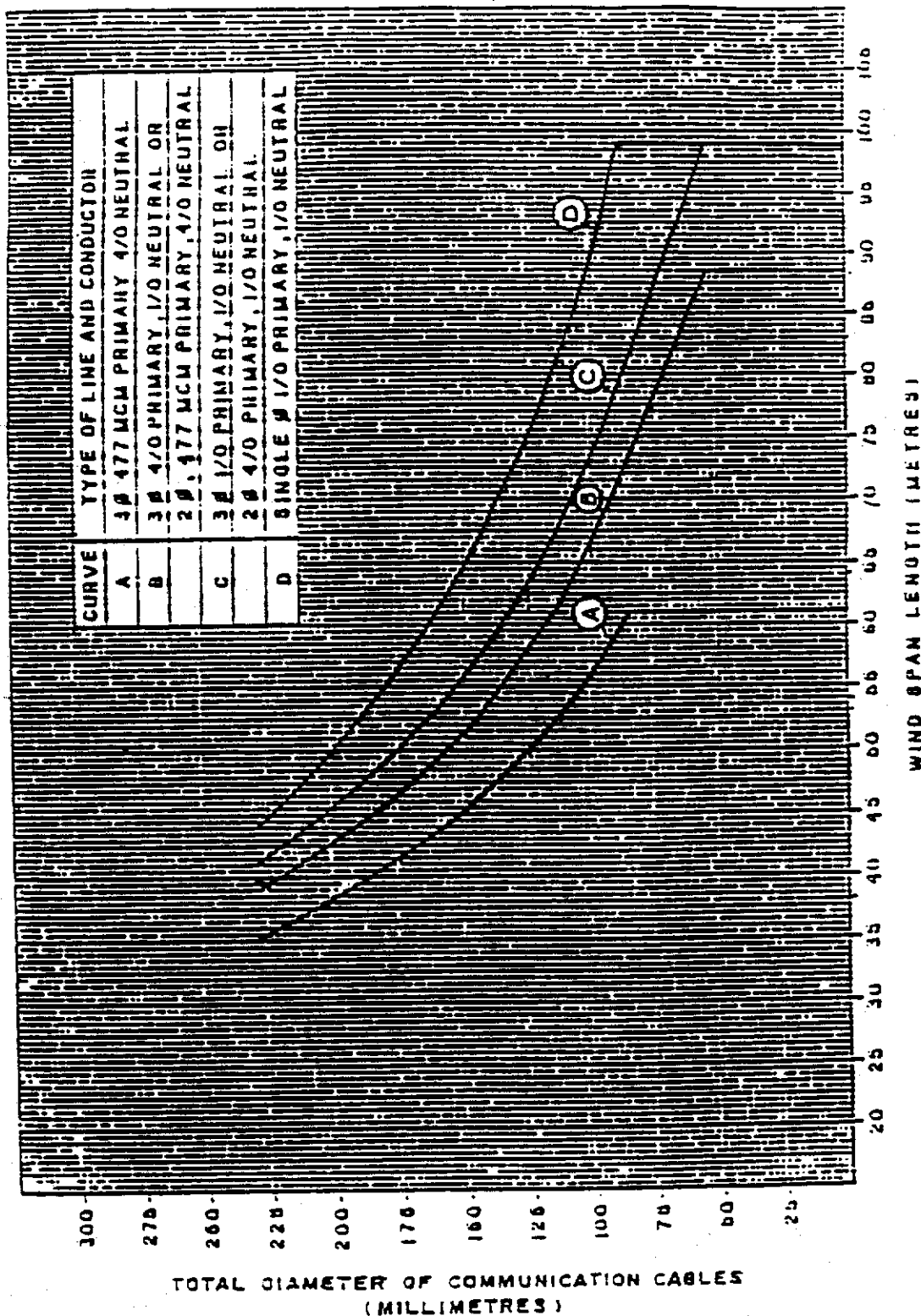
TABLE C1

COMMUNICATION CABLE DIAMETERS		
CABLE CONFIGURATION SUPPORTED BY STRUCTURES	CROSSSECTIONAL VIEW	COMMUNICATION CABLE DIAMETER FOR USE IN SPAN LENGTH CHARTS
ONE CABLE SUPPORTED BY MESSENGER		$D = \text{DIAMETER OF COMMUNICATION CABLE PLUS MESSENGER}$
TWO CABLES SUPPORTED HORIZONTALLY		$D = \text{DIAMETER OF TWO CABLES PLUS MESSENGER AS SEEN HORIZONTALLY}$
TWO CABLES SUPPORTED VERTICALLY		$D = \text{TOTAL DIAMETER OF TWO CABLES PLUS MESSENGER}$
BUNDLED CABLES		$D = \text{OVERALL DIAMETER OF BUNDLED CABLES PLUS MESSENGER}$
TWO OR MORE CABLES EACH SUPPORTED BY A MESSENGER		$D = \text{TOTAL OF EACH CABLE DIAMETER PLUS THE DIAMETER OF MESSENGER SUPPORTING SAME}$ $D = D1 + D2 +$
LEGEND: MESSENGER --- ● CABLE --- ○		



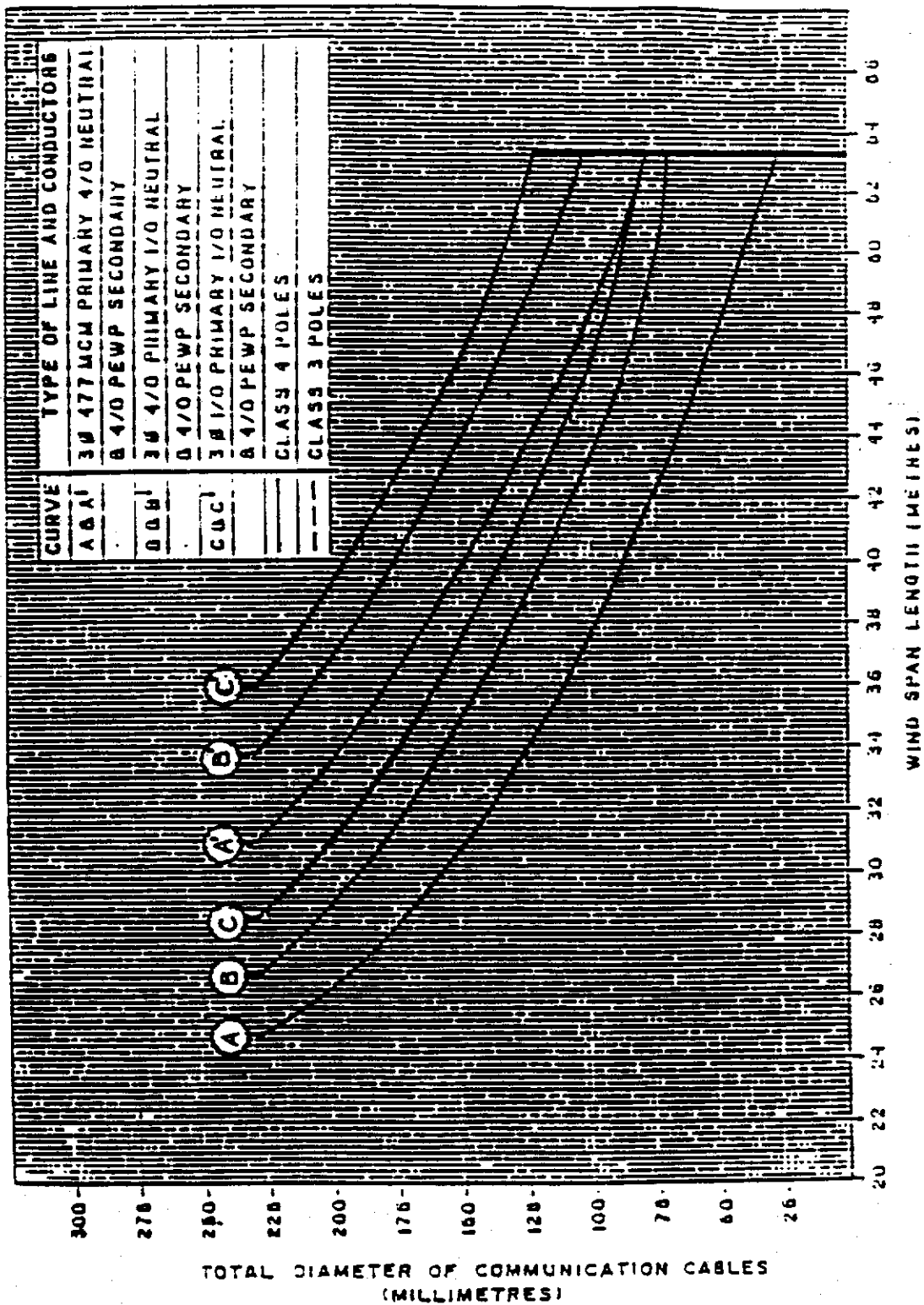
SPAN LENGTHS FOR CLASS FOUR POLES
SUPPORTING STANDARD PRIMARY CONDUCTORS AND COMMUNICATION CABLES

STANDARD SPAN LENGTHS
CHART-1



SPAN LENGTHS FOR CLASS THREE POLES
SUPPORTING STANDARD PRIMARY CONDUCTORS AND COMMUNICATION CABLES

STANDARD SPAN LENGTHS
CHART-2



STANDARD SPAN LENGTH
CHART-3

19.05.02 Pole Setting Depth (P.S.D.)

The recommended Pole setting depths (minimum) as shown in the P.S.D. Table below:

P.S.D. Table

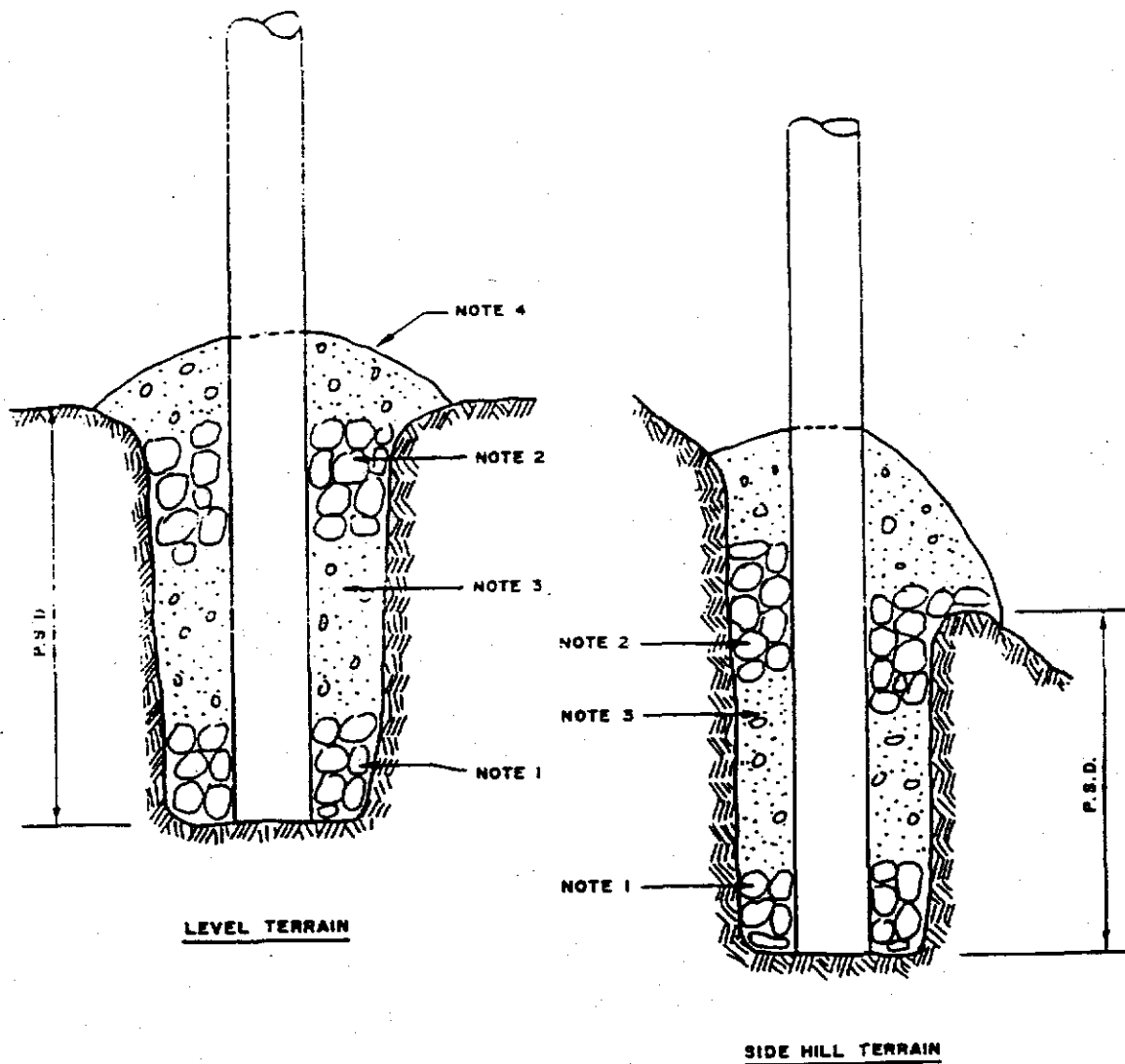
POLE LENGTH		P.S.D	
(FT)	(M)	EARTH OR ROCK (FT)	(M)
30	9.15	5	1.53
35	10.67	5.5	1.68
40	12.19	6	1.83
45	13.72	6.5	1.98
50	15.24	7.0	2.13
55	16.76	7.5	2.28
60	18.29	8	2.44
65	19.81	8.5	2.59
70	21.33	9.0	2.74

The standard Pole setting details are shown on Page 19-27.

Pole cribs if required are shown on Pages 19-28 and 19-29.

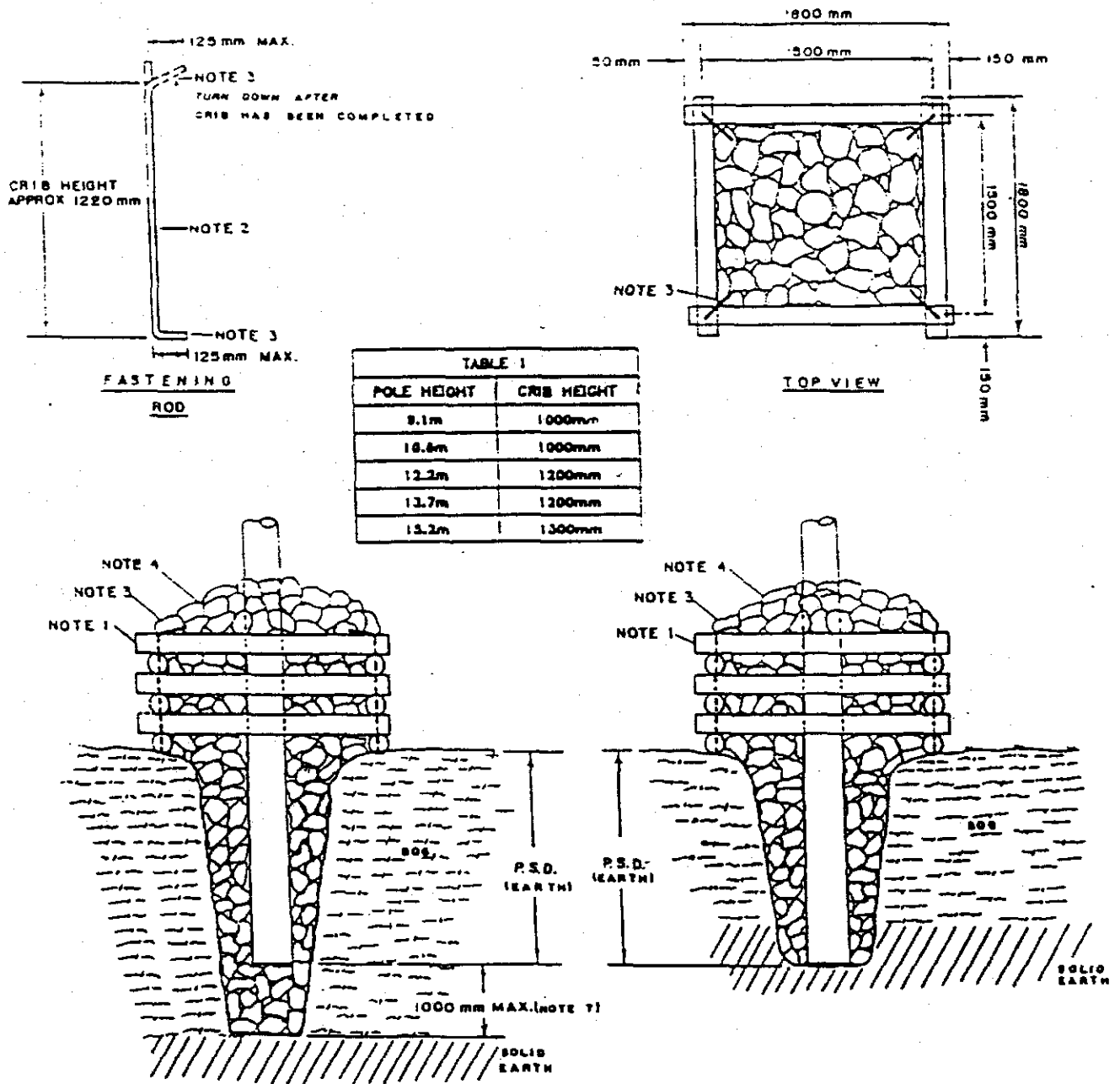
19.05.3 Pole Marking

Pole ownership, date nail, and numbering identification tags are to be placed as illustrated on Page 19-30.

**NOTES:**

1. POLE SHALL HAVE A FOOTING OF 230mm OF ROCK.
2. POLE SHALL HAVE A COLLAR OF 230mm OF ROCK.
3. EARTH FILL SHALL BE PLACED IN 230mm LAYERS AND THOROUGHLY TAMPED.
4. EXCESS FILL SHALL BE MOUNDED AROUND POLE.
5. FOR HOLES HAVING 75% OR LESS ROCK, THE SETTING FOR EARTH SHALL BE USED.
6. HOLES DUG BY BACKHOE SHALL ALWAYS BE DUG WITH THE LINE.

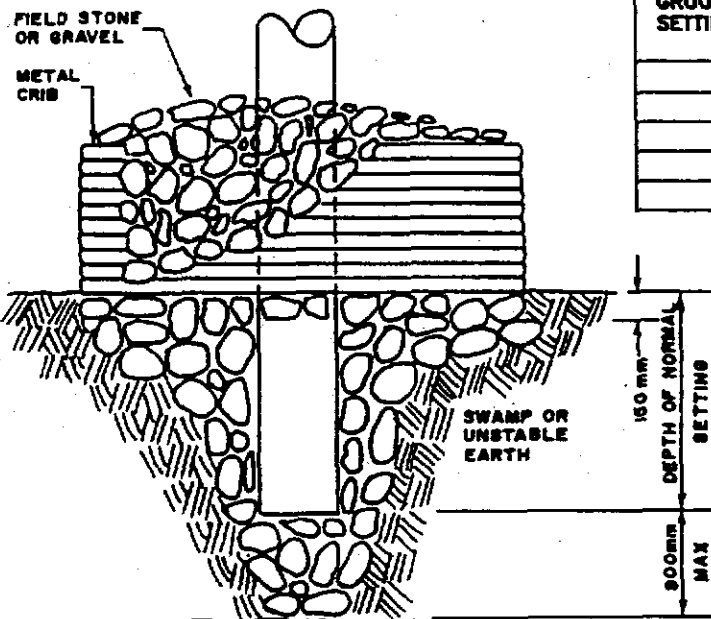
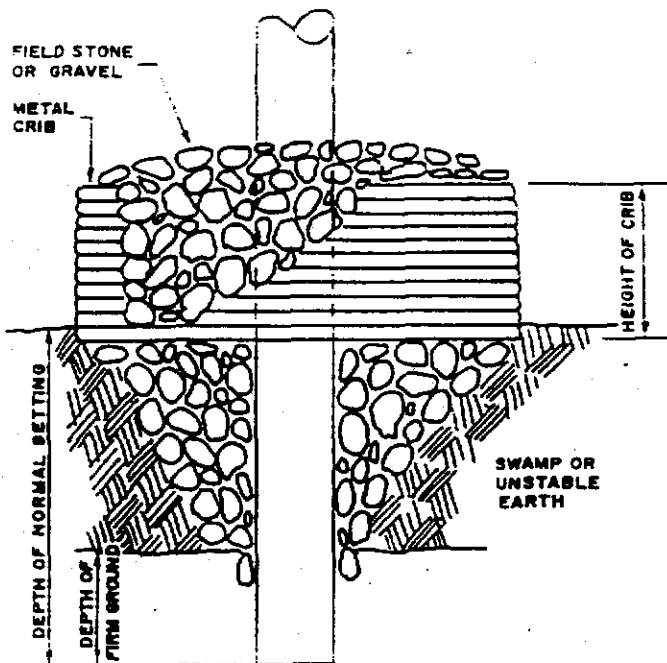
STANDARD POLE SETTING DETAILS



NOTES:

- CRIB TIMBER SHALL BE OF:
 - TREATED POLES OR TREATED TIMBER
 - LOCAL UNTREATED - IF SPECIFIED
- CORNER FASTENING ROD SHALL BE OF:
 - 15mm GALV. STEEL ANCHOR ROD
 - 18mm UNGALVANIZED STEEL ROD
- CORNER FASTENING ROD SHALL HAVE A MINIMUM OF 125mm BENT TOWARD POLE AT BOTTOM & TOP OF CRIB AS INDICATED BY NOTE 3.
- ROCK FILL SHALL NOT BE LESS THAN 100mm GRADE.
- CRIB HEIGHT SHALL BE ACCORDING TO TABLE 1.
- CRIB TIMBER SHALL BE ERECTED WITH POLE IN CENTER.
- IF SOLID FOOTING CAN BE OBTAINED WITHIN 1000mm OF THE POLE SETTING DEPTH - THEN THE BOG SHOULD BE EXCAVATED AND THE HOLE FILLED WITH ROCK TO POLE SETTING DEPTH, BEFORE POLE IS ERECTED.
- IF SOLID FOOTING IS MORE THAN 1000mm BELOW THE POLE SETTING DEPTH A SPECIAL BOG STRUCTURE SHOULD BE USED OR THE POLE RELOCATED.

STANDARD
CRIB DETAILS



DEPTH OF FIRM GROUND IN NORM. SETTING (mm)	HEIGHT OF CRIB REQ'D FOR POLE LENGTHS (mm)			
	7800	9150	10700	12200
300	1200	1200	1200	1200
600	600	1200	1200	1200
900	600	600	1200	1200
1200	600	600	600	1200
1500	-	-	600	600

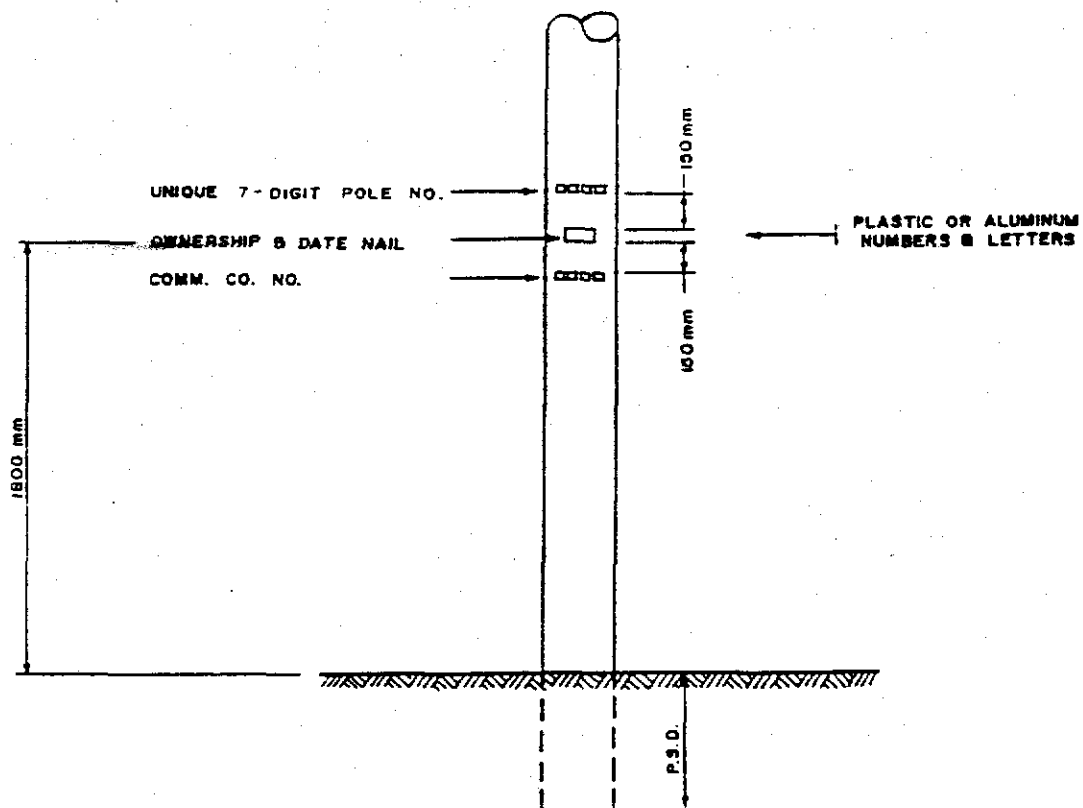
NOTES:

1. A METAL POLE CRIB CONSISTS OF FOUR SEMI-CIRCULAR CORRUGATED STEEL PIECES WHICH ARE ASSEMBLED IN THE FIELD USING BOLTS TO FORM A 2100 mm DIA. x 1200 mm HIGH CULVERT SECTION. HALF A CRIB (i.e. 2 PIECES ASSEMBLED TO FORM A 2100 mm DIA. x 600 mm HIGH SECTION) MAY BE USED WHERE ADEQUATE.
2. WHERE FIRM GROUND IS ONLY PARTIALLY AVAILABLE, A POLE SHALL BE PLACED AT THE NORMAL DEPTH OF SETTING AND IN ADDITION SHALL BE SUPPORTED WITH A CRIB AS ILLUSTRATED ABOVE. THE HEIGHT OF THE CRIB SECTION REQUIRED IS SHOWN IN THE TABLE ABOVE.
3. WHERE NO FIRM GROUND IS AVAILABLE WITHIN 800 mm OF THE NORMAL POLE SETTING DEPTH THE POLE SHOULD BE RELOCATED OR A SPECIAL DESIGN CRIB USED. THE SPECIAL DESIGN CRIBBING MUST BE MUTUALLY ACCEPTABLE TO NEWFOUNDLAND TELEPHONE AND THE POWER COMPANY.

METAL POLE CRIB

NOTES:

1. OWNERSHIP/DATE NAILS WILL BE INSTALLED ON ALL JOINT USE POLES AS SHOWN.
2. THE POLE OWNER WILL SUPPLY AND INSTALL HIS OWNERSHIP TAGS.
3. POLE NUMBERING BY EACH UTILITY WILL BE LOCATED AS SHOWN ON THE DIAGRAM.
4. THE DATING NAIL WILL BE INSTALLED AT THE TIME OF CONSTRUCTION BY THE UTILITY ERECTING THE POLE.



STANDARD MARKING FOR JOINT USE POLES

19.05.4 Reuse of Wood Poles

Used Poles are not to be scrapped prematurely, but should be reused if they are in good condition. Inspection procedures with respect to used Poles shall be carried out uniformly by the Parties. Defective material shall be recognized immediately upon inspection and not reused.

The following criteria shall apply for inspection of used Poles:

(a) Species:

Only the following species shall be accepted:

- (i) Southern Yellow Pine
- (ii) Red Pine
- (iii) Jack Pine
- (iv) Lodgepole Pine

(b) Treatment:

Only the following treatments shall be accepted:

- (i) Pentachlorophenol (Penta);
- (ii) Chromated Copper Arsenate (CCA).

(c) Defects:

The following defects, as defined below shall be used to determine whether used Poles are to be accepted or rejected.

- (i) Check: Separation of the wood that extends radially across the annual growth rings and are the inevitable result of the drying of the wood.
- (ii) Crack/Break: A cross break in the wood which is usually the result of rough handling (loading, unloading).
- (iii) Decay: The deterioration of wood caused by the action of wood destroying fungi, resulting in softening, loss of strength, and weight and often change of texture and colour;

Advanced decay means the late stage of decay in which the decomposition is readily recognized as the wood becomes soft, stringy, pitted or crumbly.

Incipient decay means the early stage of decay in which the decomposition has not proceeded far enough to soften or otherwise change the hardness of the wood. It is usually accompanied by the slight discoloration of the bleaching of the wood.

(iv) Shake: The separation of the wood along the grain, the greater part of which occurs between the annual growth rings.

(v) Split(s): Usually the result of two checks meeting at the center of the Pole, resulting in two discrete portions of the Pole being completely separated.

(d) Application of Defects:

(i) Check: Checks that result from normal seasoning of the wood shall be permitted. A combination of two checks (which meet in the center) in the top or extending more than two feet in the butt shall be cut off to eliminate

those portions.

(ii) Crack/Break: Poles with cracks shall be rejected.

(iii) Decay: Advanced decay or decay in heartwood (inner, dark core) shall be rejected; however, incipient decay in sapwood (outer, lighter wood) is permitted.

(iv) Shake: Shakes in the butt end surface extending through an arc of not more than 90 degrees shall be permitted.

(v) Split(s): Poles with splits in the top or extending more than two feet in the butt shall be cut off to eliminate those portions.

Along with the above defects, Poles that have excessive amounts of climbing holes, bird holes, insect attack, burn marks that penetrate the sapwood or pores in poor physical condition shall be rejected or cut off to eliminate the

defective portion.

(e) Age Category:

The following age categories shall apply in order to determine the appropriate use for used Poles:

- (i) 10 years or less - to be reused as per class and height;
- (ii) Over 10 years - less than 25 years
To be reused as 30 foot service Poles and street light Poles only.
- (iii) 25 years and over - to be rejected.

(f) Retreatment

All Poles in Age Category (ii) shall be retreated in the following manner:

- (i) Butt: Butt ends that are cut off shall be retreated.

All Poles shall have a groundline bandage applied when Pole is placed.

- (ii) Top: All Poles that are cut off at the top shall have the top retreated.

(g) Holes

All unused bolt holes are to be plugged after framing using treated plugs.

19.06 Grounding and Bonding

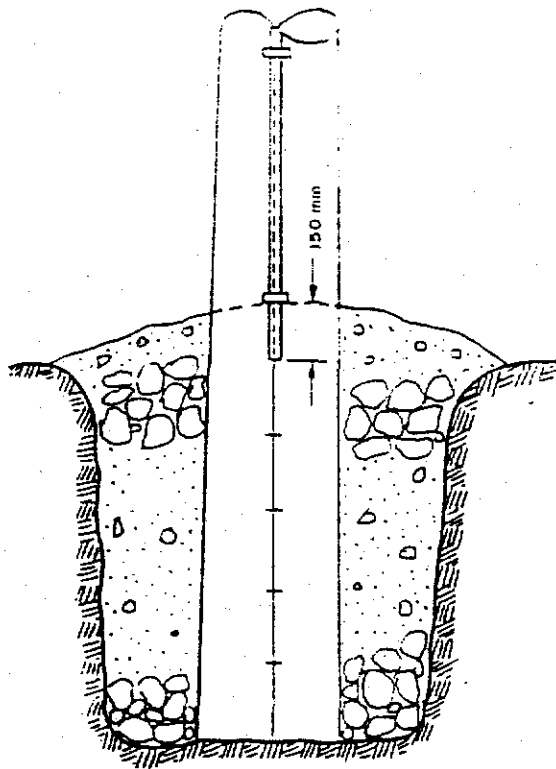
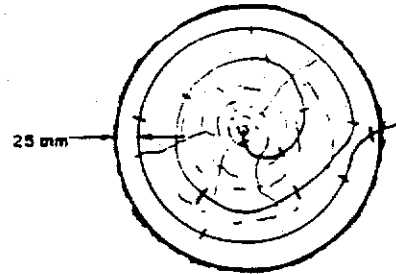
Grounding coils shall be placed in accordance with the installation details shown on Page 19-38, on all Joint Use Poles supporting equipment such as distribution transformers and guys. Additional ground coils shall be installed if these grounds do not satisfy the requirement of one ground per 300 meters. Where ground is required on an existing structure, ground rods shall be installed as per the installation details on Page 19-39.

The bonding and grounding of communication cables to the structure ground shall be at the beginning and the end and at approximately 300 meter intervals along the Joint Use structure. The connection of the communication ground wire and the power ground wire, to the structure ground is shown on Page 19-40.

Communication guys that are not effectively grounded

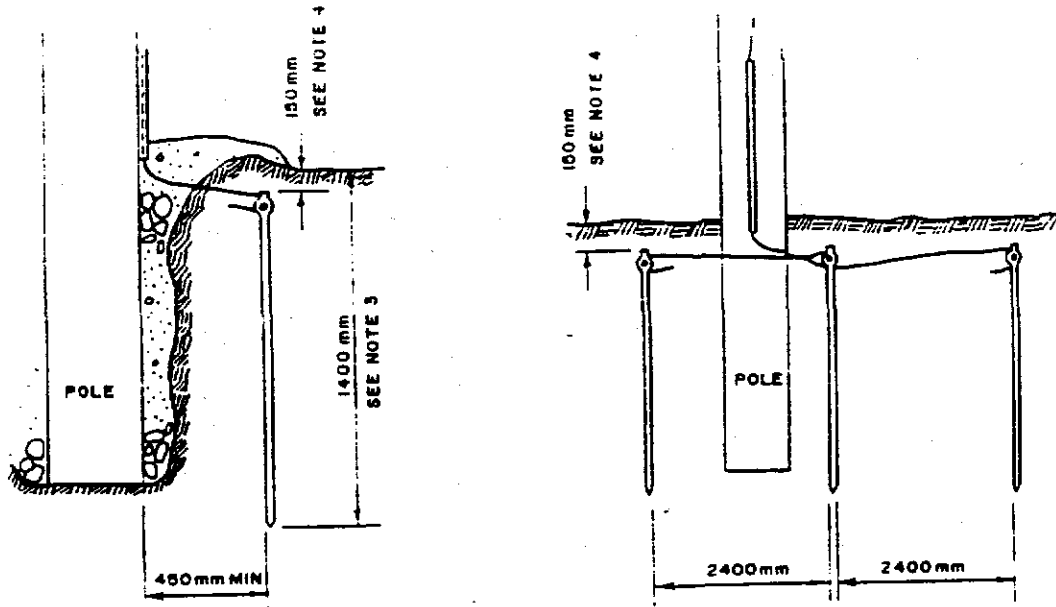
19-37

through the strand bolt shall be bonded to the strand as shown on Page 19-41.

VERTICAL SECTIONBUTT SECTIONGROUND COIL DETAILSNOTES:

1. A GROUND COIL IS TO BE USED FOR GROUNDING GUYS, TRANSFORMERS AND OTHER APPARATUS ON WOODEN POLES.
2. THE GROUND COIL WILL HAVE TO BE MADE UP AND CLAMPED PRIOR TO INSTALLING THE POLE.
3. THE COIL IS CONSTRUCTED BY WRAPPING A SINGLE TURN OF NO. 4 BARE, SOLID COPPER WIRE AROUND THE OUTER EDGE OF THE POLE BUTT.
4. THE WIRE USED FOR THE GROUND COIL SHOULD BE OF SUFFICIENT LENGTH TO EXTEND TO THE TOP OF POLE.
5. THE GROUND WIRE SHALL BE COVERED WITH A PLASTIC GROUND WIRE GUARD. THE GUARD SHALL EXTEND 150 mm BELOW FINAL GRADE AND BE CLAMPED AT 610 mm INTERVALS.
6. A GROUND COIL IS NOT RECOMMENDED WHERE THE POLE IS RESTING ON A ROCK FOUNDATION.
7. POLES PLACED BY TELEPHONE COMPANY SHALL CONTAIN SUFFICIENT WIRE COILED UP WITHIN THE COMMUNICATION SPACE TO EXTEND TO THE TOP OF POLE.

STANDARD GROUND COIL INSTALLATION DETAILS



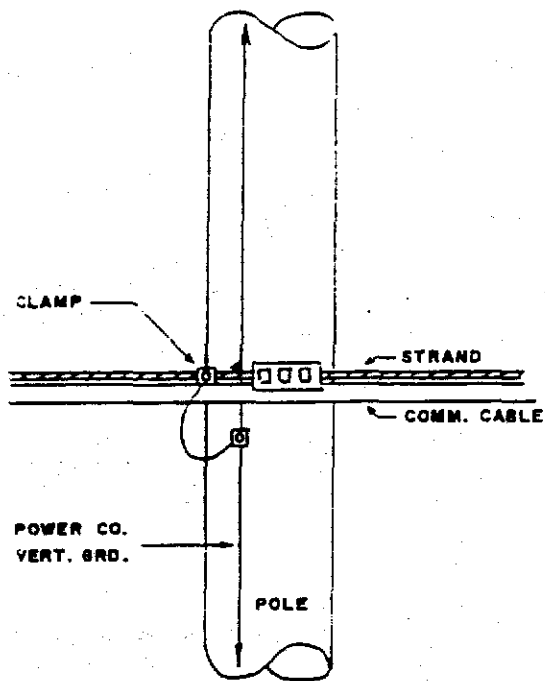
INSTALLATION DETAILS FOR IMPROVED GROUND RESISTANCE

NOTES:

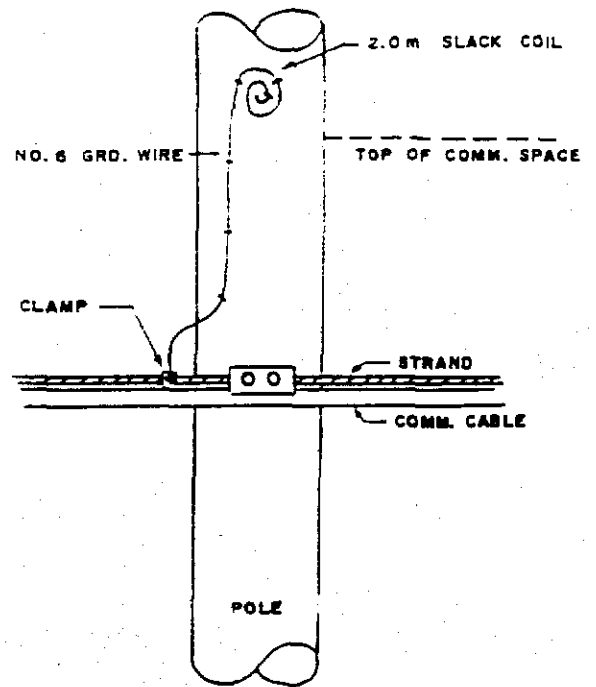
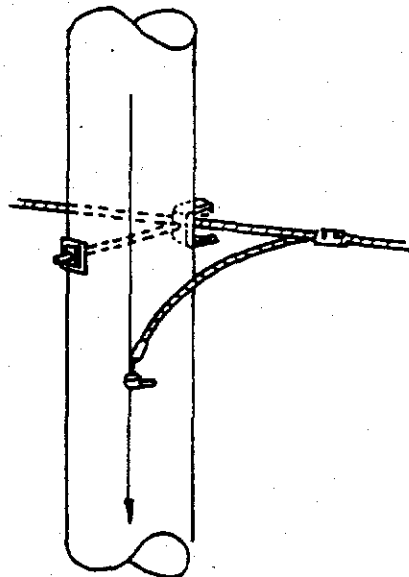
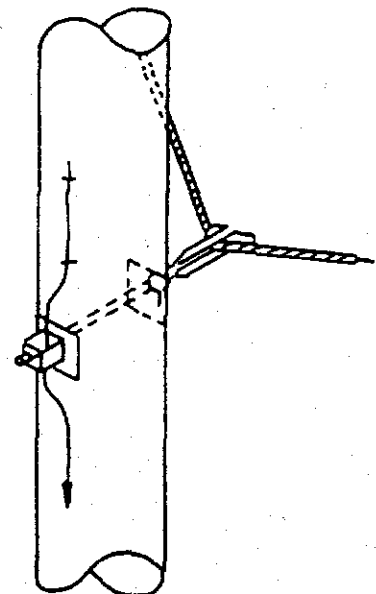
1. A GROUND ROD IS TO BE USED WHERE IT IS IMPRACTICAL TO INSTALL A GROUND COIL.
2. GROUND RODS SHALL BE INSTALLED IN UNDISTURBED EARTH (AT LEAST 450 mm FROM WOOD POLES) TO ENSURE THE BEST POSSIBLE CONTACT WITH THE SOIL.
3. THE GROUND ROD SHALL BE DRIVEN VERTICALLY. IF THIS IS NOT POSSIBLE THE GROUND ROD MAY BE DRIVEN AT AN ANGLE NOT LESS THAN 45 DEGREES TO THE HORIZONTAL AND TO ITS FULL DEPTH.
4. FOR PROTECTION THE GROUND ROD AND GROUND WIRE SHALL BE BURIED AT LEAST 150 mm BELOW FINAL GRADE.
5. THE GROUND WIRE SHALL BE COVERED WITH A PLASTIC GROUND WIRE GUARD. THE GUARD SHALL EXTEND 150 mm BELOW FINAL GRADE & BE CLAMPED AT 610 mm INTERVALS.
6. TO IMPROVE GROUND RESISTANCE AT A PARTICULAR LOCATION, TWO OR THREE GROUND RODS MAY BE ADDED TO THE EXISTING ELECTRODE AS INDICATED.
7. THE ADDITIONAL RODS SHOULD BE SPREAD NOT LESS THAN 2400 mm APART AND INsofar AS POSSIBLE BE INSTALLED ALONG THE ROUTE OF THE POLE LINE.

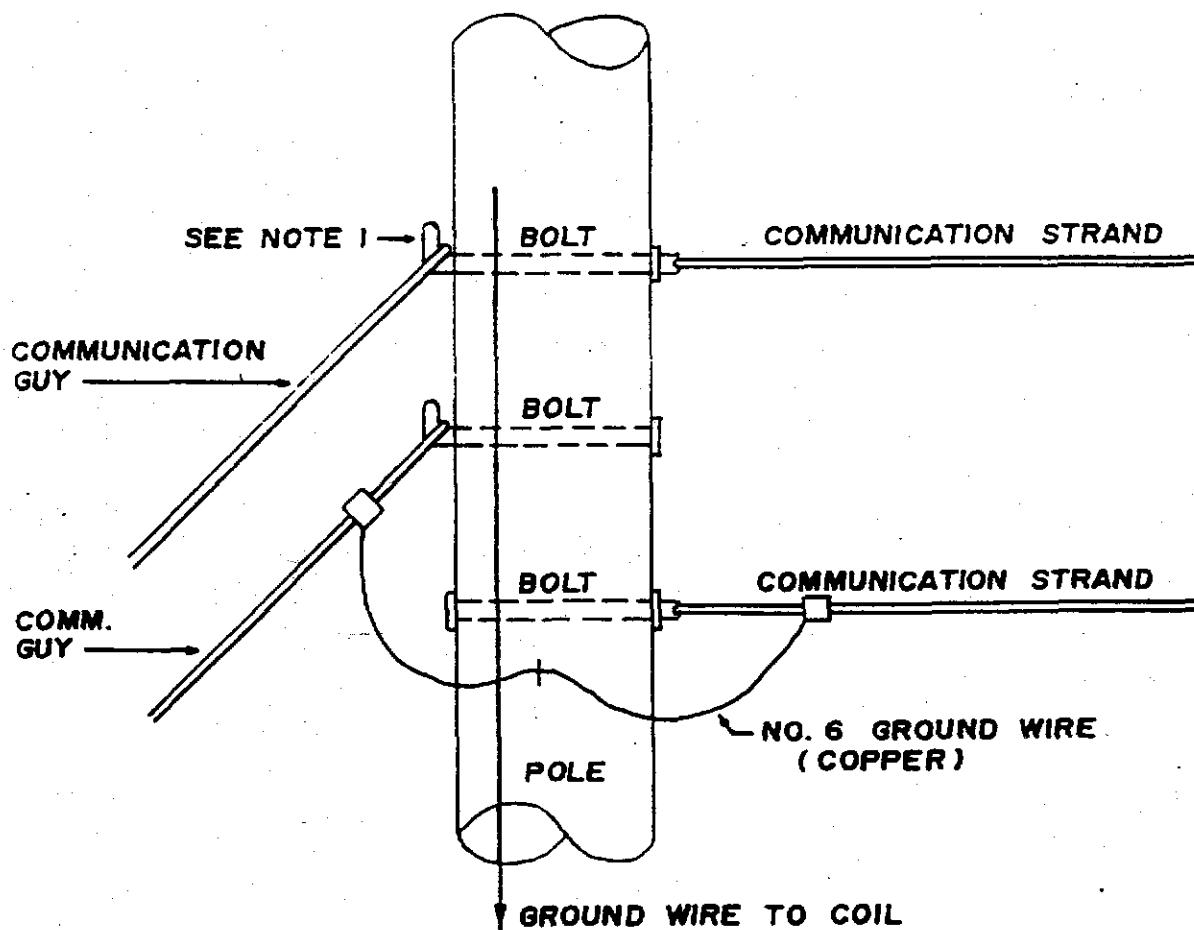
STANDARD GROUND ROD INSTALLATION DETAILS

BONDING STRAND TO VERTICAL GROUND



BONDING STRAND TO MULTI GROUND NEUTRAL

NEWFOUNDLAND TELEPHONE CONNECTIONCONNECTION - GROUND WIRE TO
NEUTRAL - "B" STRUCTUREPOWER CO. CONNECTIONCONNECTION - GROUND WIRE TO
NEUTRAL - "C" & "E" STRUCTURESGROUND WIRE CONNECTION JOINT USE POLES



NOTE 1: TOP GUY IS EFFECTIVELY
GROUNDED THROUGH BOLT.

COMMUNICATION GUY BONDING

19.07 Easement Widths and Pole Lines

The standard Joint Use easement widths shall be as follows:

Span Lengths less than or equal to 61 Meters

- (1) Two and three phase primary conductor and communication cables - 7.4 meters
- (2) Single phase primary conductor and communication cables - 5.4 meters
- (3) Secondary conductor and communication cables - 3.0 meters (minimum)
- (4) Guy wire and Anchors - 3.0 meters wide x 8 meters (minimum) to 10 meters (maximum) long

Span Lengths more than 61 Meters

- (1) Single phase and three phase primary conductors and communication cables - 9 meters
- (2) Guy wires - 3.0 meters wide x 10 meters long

The Joint Use Pole Line shall be located in the centre of

the easement.

The standard Joint Use easement widths for Underground Construction shall be as follows:

- (1) Direct buried construction - 3.0 meters
- (2) Ducts and duct banks - as required

19.08 Line Clearing and Tree Trimming

For new construction of Joint Use Pole Lines supporting primary conductors, the right-of-way shall be cleared to a maximum width of 7.4 meters, including all overhanging branches. The cleared section should be increased in locations where high trees or upslope is encountered. For secondary and service Pole Lines, a cleared width of three meters should be adequate providing the area is well sheltered and there is reasonable assurance that trees will not fall into the Pole Line. To provide adequate working conditions, all brush and stumps are to be cut within 150 mm of existing grade. All cuttings, trees, deadfall, bark and debris shall be burned or otherwise removed from the right-of-way. This burning must be conducted a sufficient distance from the Pole Lines to avoid heat damage to telephone cables and power lines. When a tree is located near energized power lines, a rope shall be used to anchor the tree to ensure that once cut it does not fall across

these lines. Once cleared, the Owner may cut, use spray or pellets, subject to environmental regulation, or other acceptable method to control the growth of underbrush.

Most properly maintained rights-of-way will require no tree trimming. However in areas where trees are maintained for aesthetic reasons, trimming is essential. Trimming, in general, should be carried out when branches reach a 2 meter radius for fast growing trees and 1 meter radius for slow growing trees when adjacent to primary conductor and/or 1 meter radius for fast growing trees and 0.5 meter radius for slow growing trees when adjacent to secondary power lines and communication cable. All deadwood which could blow into the line or trees which are leaning or appear to have inadequate support shall be removed during the trimming process. Special consideration shall be given to trees near school yards and playground areas to eliminate the possibility of climbing by children near energized conductors and/or cables.

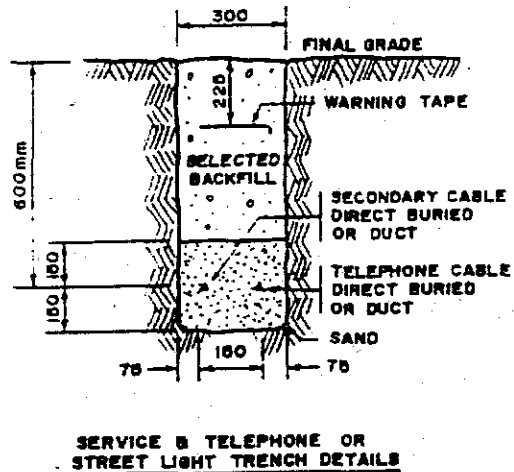
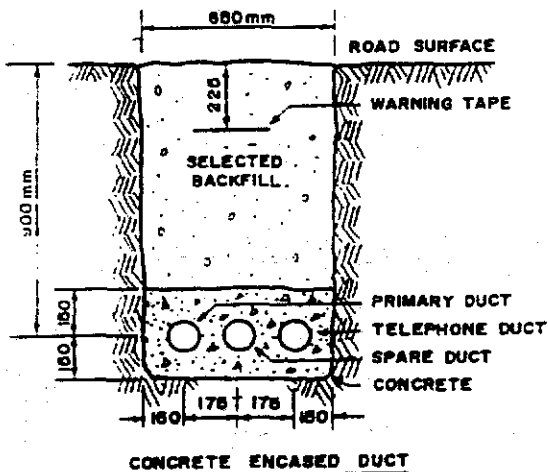
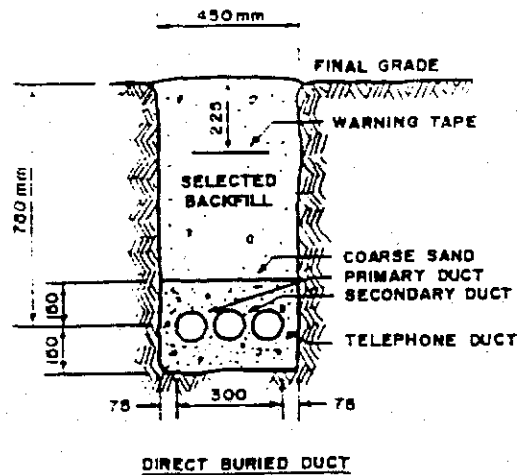
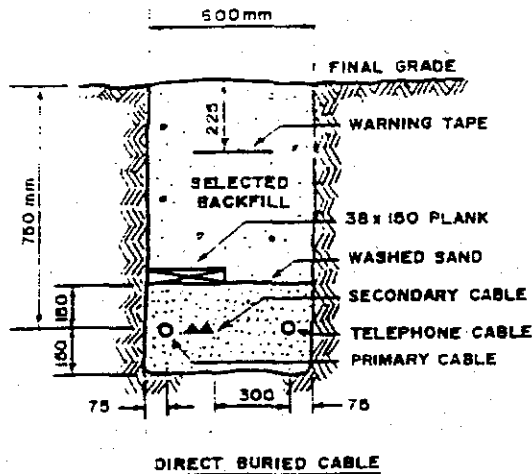
19.09 Joint Use Buried Construction

The installation of underground power cables and communication cables in a Joint Use trench shall be in accordance with the drawings on Page 19-46. Both power and communication cables shall be laid during sand installation

at a planned separation of 300 mm minimum.

Random separation in a common trench is prohibited because of accessibility and supply cable design restrictions, as outlined in C.S.A. Standard 22.3 No. 1, Clause 9.

Mechanical protection shall be used to cover direct buried primary power cables for the full length of the cable run. A warning strip shall be used near the top of the Joint Use trench. No trenching shall be carried out under frost or winter conditions. The trench shall be excavated such that the minimum depths, as indicated on Page 19-46, are not decreased in any part of the trench. Where trenching is done by machine, all rock and loose fill shall be removed from the trench bottom with hand tools prior to sand installation. The trench shall be backfilled with selected backfill and tamped in 300 mm layers, except in the case of road crossings where the backfill shall be of the same material as the roadbed and tamped in 150 mm layers.



TYPICAL DIMENSIONS ARE SHOWN FOR TRENCH WIDTH AND DEPTH. THESE WILL CHANGE ACCORDING TO THE NUMBER OF CIRCUITS REQUIRED, EXCAVATING EQUIPMENT AND FIELD CONDITIONS

NOTES:

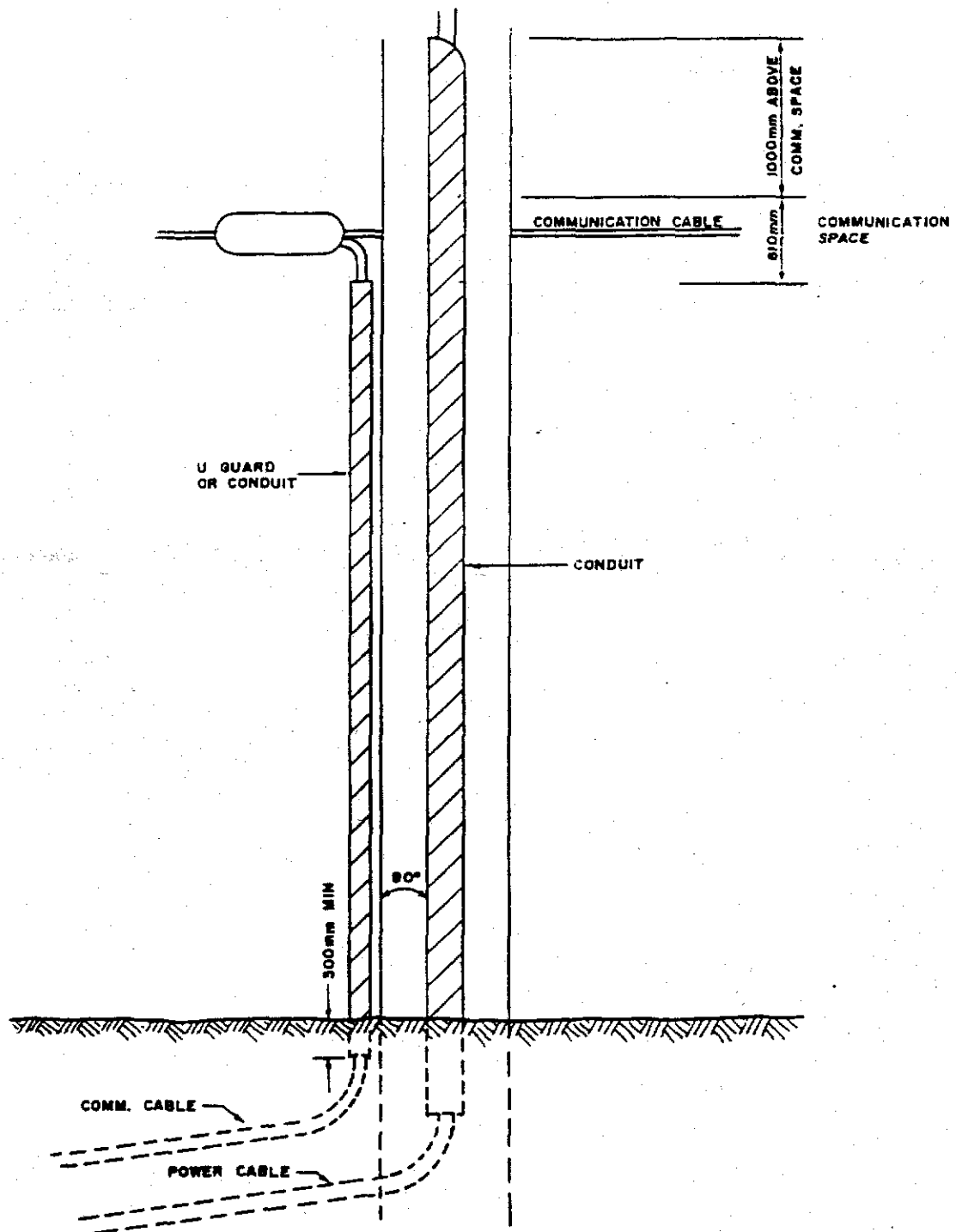
1. THE TRENCH SHALL BE AS STRAIGHT AS POSSIBLE WITH THE BOTTOM CLEAN AND FREE OF ANY PROJECTING STONES, RIDGES OR SHARP CHANGES IN GRADE WHICH COULD CAUSE A PRESSURE POINT ON THE CABLE.
2. THE CABLE OR DUCT SHALL BE INSTALLED IN A BEDDING OF SAND AT LEAST 150mm AROUND CABLE.
3. ALL TRENCHES SHALL BE BACKFILLED WITH SELECTED BACKFILL AND TAMPED IN 300mm LAYERS. EXCEPT AT ROADCROSSINGS WHERE THE BACKFILL SHALL BE THE SAME MATERIAL AS THE ROADBED AND TAMPED IN 150mm LAYERS. EXCESS FILL SHALL BE PLACED ON TOP TO ALLOW SETTLING.
4. MECHANICAL PROTECTION SHALL BE INSTALLED OVER THE PRIMARY CABLE AS SHOWN PRIOR TO FILLING THE TRENCH WITH SUITABLE BACKFILL.
5. THE MAXIMUM SIZE ROCK PERMITTED IN THE SELECTED BACKFILL MUST BE LESS THAN 75mm IN DIA.
6. CONCRETE TO HAVE A 28 DAY SPECIFIED STRENGTH OF 20MPa WITH MAXIMUM AGGREGATE SIZE OF 20mm AND MAXIMUM SLUMP OF 75mm.
7. CONCRETE ENCASED DUCTS SHALL BE SUPPORTED BY APPROVED SPACERS PLACED AT 1200mm INTERVALS. NO WIRES OR METAL TIES ARE TO BE USED.
8. INSTALL MINIMUM OF NO.12 FISH WIRE AND SECURELY CAP BOTH ENDS OF DUCTS.
9. ALL FITTINGS, COUPLINGS, ETC. TO BE SOLVENT WELD.
10. SPARE DUCTS SHALL BE INSTALLED AS REQUIRED.
11. ELECTRICAL DUCT SHALL BE PVC TYPE DB-2 OR APPROVED EQUIVALENT.
12. BOND COMMUNICATIONS CABLE SHEATH TO GROUND WIRE OR GROUND GRID AT THE BEGINNING, THE END AND AT ALL TRANSFORMER LOCATIONS (ACCESS IS NOT PERMITTED INTO TRANSFORMER)

UNDERGROUND TRENCH DETAILS

19.10 Vertical Runs on Poles

Vertical runs of neutral conductors and ground wires shall be protected from the ground up 2400mm with suitable material of adequate electrical insulating and mechanical properties. Where the vertical run consists of a power cable, the protection may consist of metal guard, or conduit, without insulating properties.

Supply and communication vertical runs should not be made on the same Poles. Where it is not practical to place them on separate Poles they shall at least be 90° apart. A typical riser arrangement is shown on Page 19-48.

**NOTES:**

1. CONCRETE ABUTMENT MAY BE REQUIRED AROUND DUCTS OR GUARDS IF EXPOSED TO VEHICULAR TRAFFIC.
2. SUPPLY SPACE AT DEADEND DIP POLE MUST BE AT 90 DEG. TO DOWN GUY TO ALLOW FOR COMMUNICATION GUY ATTACHMENT.

POLE RISER DETAIL














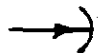




19.11 Standard Symbols

The following exhibits show the most common symbols used by Newfoundland Telephone and the Power Company.

EXHIBIT A - Newfoundland Telephone Symbols

EXHIBIT B - Power Company Symbols

COMMUNICATION COMPANY STANDARD SYMBOLS

<u>NEW</u>	<u>EXISTING</u>		
		WOOD POLE - NON-JOINT USE	- INDICATE HEIGHT & CL
		WOOD POLE - JOINT USE	- INDICATE HEIGHT & CL
		POWER CO. OWNED POLE	
		FOREIGN OWNED POLE - (OTHER THAN POWER CO.)	
		COMMUNICATION CO. GUY & ANC.	INDICATE LEAD ANC & GU SIZE
		COMMUNICATION CO. SIDEWALK GUY & ANC.	
		COMMUNICATION CO. GUY ON POWER ANCHOR	
		COMMUNICATION CO. POLE TO POLE TO POLE GUY	
		COMMUNICATION CO. PUSH BRACE - INDICATE HEIGHT & L	

NOTES:

- 1) STANDARD SYMBOLS USED ON WORK PLANS.
- 2) SYMBOLS WHICH ARE SHADED OR HEAVY INDICATE A NEW ITEM
- 3) GUYS REFER TO COMMUNICATION CO. GUY ONLY. HOWEVER ANCHORS SHALL BE SIZED TO ACCOMMODATE POWER CO. GUY REQUIREMENTS.

STANDARD ROD TYPES ARE: a) 3/4" x 9' DOUBLE EYE
b) 1" x 9' TRIPLE EYE

● NLBP WOOD POLE	Indicate Pole Height (Ft) & Class	— UNDERGROUND 33 PRIMARY CABLE	Indicate Size, Type
○ NTC WOOD POLE	Other Than —	— UNDERGROUND 13 PRIMARY CABLE	Indicate Voltage (kV)
□ NT WOOD POLE	Ex 35-3	— PRIMARY AERIAL CABLE	Ex U-500-PR
■ NLBP CONCRETE POLE	Indicate Pole Height (Ft)	— UNDERGROUND DUPLEX CABLE XLPE/PVCJ	Indicate Size
— SINGLE DOWN GUY		— UNDERGROUND TRIPLEX CABLE XLPE/PVCJ	Indicate Size
— DOUBLE DOWN GUY	Indicate Guy Type, Anchor Size	— UNDERGROUND 3 WIRE SECONDARY XLPE/PVCJ	Indicate Size
— OVERHEAD GUY	Ex 3-16	— UNDERGROUND 4 WIRE SECONDARY XLPE/PVCJ	Indicate Size
— SIDEWALK GUY		— CUSTOMER OWNED PLANT	
— OVERHEAD 33 PRIMARY CONDUCTOR	Indicate Size	▲ 30 TRANSFORMER 120/240 VOLT	Indicate kVA
— OVERHEAD 20 PRIMARY CONDUCTOR	Indicate Size	▲ OPEN DELTA/WYE TRANSFORMER BANK	Indicate kVA & Secondary Voltage
— OVERHEAD 13 PRIMARY CONDUCTOR	Ex 1/0 AASC	▲ 30 TRANSFORMER BANK	Ex 5-120/20
— OVERHEAD 3 WIRE SECONDARY	Indicate Size	■ 30 PADMOUNT TRANSFORMER	Indicate kVA
— OVERHEAD 4 WIRE SECONDARY	Indicate Size	■ 30 PADMOUNT TRANSFORMER	Indicate kVA
— OVERHEAD DUPLEX #6 ASC	Ex 2/0 AASC	■ PRIMARY METERING TANK	
— OVERHEAD TRIPLEX ASC		— CAPACITOR	Indicate kVAR
— OVERHEAD QUADRUPLX ASC	Indicate Size	— VOLTAGE REGULATOR	Indicate Amperes
— SECONDARY BUS BREAK	Ex 2-0	— LUMINAIRE	Indicate Type & Wattage

THE LETTER "E" OR SHADED SYMBOLS DENOTE EXISTING PLANT

CONDUCTOR DESIGNATION

CU	COPPER
ASC	ALUMINUM STRANDED CONDUCTOR
AASC	ALUMINUM ALLOY STRANDED CONDUCTOR
ACSR	ALUMINUM CONDUCTOR STEEL REINFORCED
PILC	PAPER INSULATED LEAD COVERED
XLPE/CN	CROSSLINK POLYETHYLENE INSULATED CONCENTRIC NEUTRAL
WP	WEATHERBARK OF CONDUCTOR
XLPE/PVCJ	CROSSLINK POLYETHYLENE INSULATED POLYVINYL CHLORIDE JACKET

LUMINAIRE DESIGNATION

S	HIGH PRESSURE SODIUM
M	MERCURY VAPOUR
14	STANDARD LUMINAIRE 14' BRACKET
6	STANDARD LUMINAIRE 6' BRACKET
2	STANDARD LUMINAIRE 2' BRACKET
P	POST TOP LUMINAIRE

NOTES

- THIS DRAWING INDICATES THE STANDARD LEGEND TO BE USED ON ALL PROJECT PLANS.
- INFORMATION NORMALLY REQUIRED TO IDENTIFY ITEM, SIZE, ETC. SHOULD BE PLACED ADJACENT TO THE SYMBOL AS INDICATED BY THE EXAMPLE ON DRAWINGS WHERE THE ITEM, SIZE AND TYPE ARE CONSISTENT THE INFORMATION MAY BE INCLUDED WITH THE LEGEND.
- SYMBOLS WHICH ARE SHADED AS OUTLINED INDICATE AN EXISTING ITEM. THE LETTER "E" SHALL BE USED ADJACENT TO THE REMAINING SYMBOLS TO INDICATE AN EXISTING ITEM.
- GUTS REFER TO NLBP GUYS ONLY. HOWEVER THE ANCHOR SHALL BE SIZED TO ACCOMMODATE A GUY FOR COMMUNICATION CIRCUITS WHERE REQUIRED.
STANDARD ROD TYPES ARE:
(a) 3/4" & DOUBLE EYE FOR UP TO 2 SINGLE GUYS
(b) 1" & TRIPLE EYE FOR UP TO 3 SINGLE GUYS
- THE DESIGNATION TO BE USED ADJACENT TO THE SYMBOL FOR CONDUCTOR AND LUMINAIRE ARE INDICATED ABOVE.
- THE OPERATING VOLTAGE AND INSULATION LEVEL SHALL BE INDICATED ON EACH PLAN.

NEWFOUNDLAND TELEPHONE COMPANY LIMITED

AND

NEWFOUNDLAND LIGHT & POWER COMPANY LIMITED

POLE OWNERSHIP AGREEMENT

EFFECTIVE JANUARY 1, 1994

NEWFOUNDLAND
POWER



**Newfoundland
Telephone**

POLE OWNERSHIP AGREEMENT

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THIS AGREEMENT made at St. John's, in the Province of Newfoundland as of the 1st day of January, 1994.

BETWEEN:

NEWFOUNDLAND TELEPHONE COMPANY LIMITED, a body duly incorporated under the laws of the Province of Newfoundland, having its registered office at the City of St. John's, in the Province of Newfoundland,

hereinafter called "Newfoundland Telephone",

AND:

NEWFOUNDLAND LIGHT & POWER CO. LIMITED, a body duly incorporated under the laws of the Province of Newfoundland, having its registered office at the City of St. John's, in the Province of Newfoundland,

hereinafter called the "Power Company",

WHEREAS the Parties have entered into a Joint Use Agreement dated as of the 1st day of January, 1994 ("the "Joint Use Agreement");

AND WHEREAS the Parties have agreed to various ownership ratios for Poles being jointly used by the Parties and to certain provisions regarding the transfer of Poles from the Power Company to Newfoundland Telephone when required to achieve the appropriate levels of Pole ownership;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH THAT in consideration of the premises and of the mutual covenants herein contained, the Parties hereby covenant and agree each with the other as follows:

ARTICLE I

DEFINITION OF TERMS

1.01 The following definitions shall apply in this Agreement unless the context clearly requires otherwise:

ANCHOR	means all the physical components, excluding guys, used for anchoring a Pole.
ANNUAL OWNERSHIP PERCENTAGE	means the percentage of the total Joint Use Poles which is the annual ownership objective for Newfoundland Telephone as set out in this Agreement.
BOARD	means the Board of Commissioners of Public Utilities of Newfoundland.
CRTC	means the Canadian Radio-television and Telecommunications Commission.
FACILITIES	means Poles, Anchors, Grounding Systems, Pole Cries, Buried Construction and related rights-of-way.
GOVERNING BODY	means any body having legislative or regulatory powers affecting the parties and includes the Board, the CRTC, and Federal, Provincial, Municipal or other authority having jurisdiction

over highways or other public places, acting under legislative authority to carry out duties in maintaining and improving public highways or other public places.

GROUNDING SYSTEM means the ground rod or ground coil, wire and all physical components required to connect the neutral conductor to earth.

JOINT OWNERSHIP RATIO means the ratio of the percentage of total Joint Use Poles owned by the Power Company to the percentage of total Joint Use Poles owned by Newfoundland Telephone.

JOINT USE means the use by both Parties and, in relation to Facilities, means Facilities used by both Parties, in accordance with the terms of the Joint Use Agreement.

JOINT USE AGREEMENT means the agreement entered into by the Parties to govern the Joint Use of Facilities bearing the date of this Agreement.

JOINT USE COMMITTEE means the liaison committee established and maintained under the Joint Use Agreement.

JOINT USE RATIO means the ratio agreed by the Parties as provided

in ARTICLE VIII of the Joint Use Agreement.

JOINT USE REQUEST means the form provided in SECTION 16 - FORMS of the Joint Use Agreement.

NET BOOK VALUE means the original investment as carried on the books of the Owner less accumulated depreciated expense for that investment.

OTHERS means persons, firms or corporations who are not a Party.

OWNER means the Party who owns or controls the Facility.

PARTY means a party to this Agreement.

PERMIT means the instrument in writing by which the Owner authorizes Joint Use of a Facility.

POLE means a utility pole owned by a Party and used to distribute electrical power or telecommunications signals.

POLE LINE means two or more Poles installed in a sequence to service a particular area.

POLE UNIT means a Facility other than Buried Construction, and includes the plural "Pole Units", as context or circumstances require.

TENANT

means the Party making, applying for or having the permission to make Joint Use of a Pole belonging to the other Party.

ARTICLE II

JOINT USE POLE INSTALLATION

- 2.01 In each calendar year, the Power Company will afford Newfoundland Telephone opportunities to install Joint Use Pole Units, or Pole Units projected for Joint Use. The Power Company shall notify Newfoundland Telephone of such opportunities. The notification shall include a description of the specifications of the Power Company including the time frame for installation.
- 2.02 Upon receipt of notification under Clause 2.01 Newfoundland Telephone shall elect whether to install the Pole Unit. If Newfoundland Telephone is unwilling or unable to install the Pole Unit as specified by the Power Company, it shall so notify the Power Company. The notification shall include a reason for not installing the Pole Unit. Newfoundland Telephone shall not be restricted from putting forward at any time prior to arbitration, and relying upon during arbitration, additional reasons for not installing the Pole Unit.
- 2.03 A notification under Clause 2.01 or Clause 2.02 shall be in writing, but may be verbal if subsequently confirmed in writing, provided always that the written notification is deemed to prevail over verbal notification in the case of a conflict.
- 2.04 Newfoundland Telephone will be expected to take advantage of all reasonable opportunities to install Joint Use Pole Units.

2.05 Pole placement opportunities in government rural lines shall be treated the same as any other area.

2.06 Newfoundland Telephone may be offered replacement Poles for upgrading affected by contribution in aid of construction.

ARTICLE III

OWNERSHIP AND SALE OF POLE UNITS

3.01 (a) There shall be a determination of the number of Joint Use Poles owned by each Party as of December 31 of each year that this Agreement is in force.

(b) The Parties agree that as of December 31, 1993 the current best estimate of the Ownership of Joint Use Poles is:

Poles owned by Power Company	118,482
Poles owned by Newfoundland Telephone	44,972
 Total Joint Use Poles	 163,454

From these numbers the Joint Ownership Ratio as of December 31st, 1993 was 72.49 % Power Company, 27.51 % Newfoundland Telephone. At any time, this estimate of the Ownership of Joint Use Poles may be adjusted to reflect any better estimate to which both Parties may agree.

(c) Subject to, and in accordance with, the terms of this Agreement, the Parties agree that:

(i) As of December 31, 1994, the Annual Ownership Percentage for Newfoundland Telephone shall be the percentage of the total Joint Use Poles that it

owned as of December 31, 1993, plus 2%.

- (ii) The Annual Ownership Percentage for Newfoundland Telephone for each year end after 1994, for which this Agreement is in force, shall be the percentage of the total Joint Use Poles that Newfoundland Telephone owned as of December 31 of the previous year, after any sale under the Collateral Agreement, plus 2% until the Joint Ownership Ratio equals the Joint Use Ratio. At that time, the Annual Joint Ownership Ratio shall be maintained equal to the Joint Use Ratio until changed by agreement of the Parties.

3.02 Where the annual determination of Joint Use Poles owned by each Party shows that the Annual Ownership Percentage has been achieved or surpassed by Newfoundland Telephone, then the Power Company shall not be required to sell any Pole Units to Newfoundland Telephone for that year.

3.03 Where, as of December 31 of each year, Newfoundland Telephone has not achieved the Annual Ownership Percentage, then subject to Clauses 3.04 and 3.05 below, the Power Company shall sell to Newfoundland Telephone the number of Joint Use Pole Units necessary for Newfoundland Telephone to equal the Annual Ownership Percentage.

3.04 Where the annual determination of Joint Use Poles owned by each Party shows that Newfoundland Telephone has not achieved the Annual Ownership Percentage, and Newfoundland Telephone agrees in writing that it failed to take advantage of a "reasonable opportunity" to place Pole Units, then the number of Pole Units involved shall be deducted from the number of Pole Units to be sold under Clause 3.03. However, if the Power Company alleges that Newfoundland Telephone has failed to take advantage of a reasonable opportunity to place Pole Units but Newfoundland Telephone does not agree with the allegation, then the matter shall be referred to arbitration and Clause 3.05 shall apply.

3.05 (a) Any matter referred to arbitration under Clause 3.04 above shall require the arbitrator to decide if Newfoundland Telephone failed to take advantage of a "reasonable opportunity" to install a Pole Unit. Each Pole Unit must be either a Joint Use Pole Unit, or a Pole Unit projected for Joint Use. If the arbitrator finds that Newfoundland Telephone did fail to take advantage of a "reasonable opportunity", then it must next decide if Newfoundland Telephone raised a "Bona Fide Dispute" by its objection to installation. A "Bona Fide Dispute" is a dispute which is not frivolous and which raises a new question as to what constitutes a "reasonable opportunity" to place a Pole Unit.

(b) Where the arbitrator finds that Newfoundland Telephone was not presented with a "reasonable opportunity", then the number of Pole Units to be sold under Clause 3.03 will not be affected.

(c) Where the arbitrator finds that Newfoundland Telephone was presented with a "reasonable opportunity" but raised a "Bona Fide Dispute", then the number of Pole Units affected will be deducted from the number of Pole Units to be sold that year but the Annual Ownership Percentage for the following year shall be increased by the number of Pole Units so deducted.

(d) Where the arbitrator finds that Newfoundland Telephone was presented with a "reasonable opportunity" and that Newfoundland Telephone failed to raise a "Bona Fide Dispute", then the number of Pole Units affected will be deducted from the number of Pole Units to be sold that year.

3.06 The effective date of the sale of Pole Units under this Agreement shall be deemed to be no later than December 31 of the effective year of the determination of Pole Ownership referred to in Clause 3.01.--

3.07 In determining which Pole Unit shall be sold to Newfoundland Telephone, due regard shall be had to:

(i) the overall efficiencies and economies for the Parties;

(ii) the objective that the Joint Use Poles of each Party shall be made more representative of the total Joint Use Pole population including age, size, condition, location (urban or rural).

- 3.08 The impact on customers of the Power Company resulting from installation and maintenance of Pole Units by Newfoundland Telephone, or transfer of Pole Units to Newfoundland Telephone, is to be no more adverse than if the Power Company had installed and maintained the Pole Units.
- 3.09 From time to time and at any time as the Parties may mutually consent, the Power Company may sell to Newfoundland Telephone and Newfoundland Telephone may purchase from the Power Company any Joint Use Pole Unit. However, in any calendar year the total number of Joint Use Pole Units sold under this Clause 3.10 shall not exceed ten percent (10%) of the total number of Joint Use Pole Units.
- 3.10 Commencing in the calendar year following the attainment of a Joint Ownership Ratio of 60 % Power Company, 40 % Newfoundland Telephone, the Parties shall maintain the Joint Ownership Ratio by sharing opportunities to install and installing Joint Use Pole Units or Pole Units projected for Joint Use in the appropriate ratio.

ARTICLE IV

SELLING PRICE OF POLE UNITS

4.01 The purchasing Party shall pay to the selling Party for each Pole Unit sold under this Agreement the Net Book Value of the Pole Unit, together with interest from January 1st next following the effective date of the sale, at a monthly rate of one twelfth (1/12) of the annual rate determined as the lowest current prime commercial lending rate during that month at the Bank of Montreal plus one percent (1%).

4.02 Upon request made prior to the sale, the selling Party will provide the purchasing Party with the information and documentation reasonably required by the purchasing Party to assess and review the selling Party's Net Book Value of the Pole Unit. If the parties are unable to agree that the Net Book Value is correct, then the matter shall be referred to arbitration and no invoice shall be issued for that Pole Unit until an arbitration decision is rendered.

ARTICLE V
CONDITIONS OF SALE

5.01 Pole Unit sales to achieve and maintain a Joint Ownership Ratio of 60% Power Company, 40% Newfoundland Telephone shall be scheduled as follows:

January 31	The Parties shall complete the necessary Pole Unit counts and agree on the quantity of the sale.
February 28	The selling Party shall identify suitable Pole Units for sale to the purchasing Party.
March 31	The purchasing Party shall complete inspection of the Pole Units proposed to be sold to ensure suitability; the selling Party shall deliver an invoice to the purchasing Party.
April 30	The purchasing Party shall pay the selling Party for the Pole Units, as provided in Article IV - SELLING PRICE OF POLE UNITS.
June 30	The transaction shall be completed and the duly executed Bill of Sale shall be delivered in such form and together with any other documentation that the purchasing Party may

require, transferring Ownership to the purchasing Party.

The Parties shall make all reasonable efforts to adhere to this schedule.

- 5.02 The selling Party shall at the reasonable request and expense of the purchasing Party, execute and deliver all such further acts, deeds and assurances as may be reasonably required for more perfectly assuring the transfer and sale of the Pole Units to the purchasing Party.
- 5.03 The selling Party shall sell to the purchasing Party under this Agreement, only those Pole Units which, at the actual date of sale, it is rightfully and absolutely possessed of and entitled to, and the Pole Units shall be free and clear of any liens and encumbrances at the actual date of sale, except for any liens or encumbrances that may be accepted in writing by the purchasing Party.
- 5.04 The purchasing Party shall at all times after the actual date of sale have, hold, possess and enjoy the Pole Units for its own use and benefit without any hindrance, interruption, claim or demand whatsoever of, from or by the selling Party, or any other person, except as may be provided in the Joint Use Agreement.
- 5.05 Once payment for any Pole Unit has been made to the selling Party, the selling Party shall become the Tenant.

5.06 With respect to any Pole Unit sold under this Agreement, the purchasing Party shall remove from that Pole Unit any indication or sign of ownership by the selling Party.

ARTICLE VI

INVOICES AND PAYMENTS

- 6.01 Except for invoices delivered under Clause 5.01, accounts shall be deemed overdue if not paid within thirty (30) days after receipt of the invoice. The Parties shall pay interest charges on overdue accounts at a monthly rate of one twelfth (1/12) of the annual rate determined as the lowest current prime commercial lending rate during that month at the Bank of Montreal plus one percent (1%). Such interest charges shall be compounded at the monthly rate for each month or part month the account remains overdue.
- 6.02 Upon completion of work performed by either Party, the expense of which is to be borne wholly or in part by the other Party, the Party performing the work shall, after its completion, deliver to the other Party an invoice showing the work completed and an itemized list of labour, materials and other expenses. In the event that a project is not completed within thirty (30) days, progress billings indicating work completed may be rendered monthly.
- 6.03 Where, under this Agreement, it is considered advisable by agreement of both Parties, in the interest of economy, to use unit charges as representing the cost of certain operations in lieu of actual costs, nothing in the foregoing terms of this Article shall preclude the practice of so doing.

ARTICLE VII

LIABILITIES AND DAMAGES

7.01 This Agreement is intended for the mutual benefit and protection of the Parties and non-conformity therewith shall not create any presumption of fault on the part of either Party in favour of any Others.

7.02 Each Party shall bear its own losses and costs where a claim or demand does not arise from the negligence of the other Party, its agents or employees.

ARTICLE VIII

DEFAULTS

8.01 Where either Party defaults in any of its obligations under this Agreement, the Party not in default may give the other Party written notice of such default. If such default continues thirty (30) days after notice thereof, the Party not in default may, in addition to any other remedy it may have, forthwith terminate this Agreement provided, however, that nothing contained in this Clause 8.01 shall affect any rights or obligations which either Party may have under The Public Utilities Act, R.S.N. 1990, c. P-47 or the Telecommunications Act, S.C. 1993, c.38.

8.02 A default under the Joint Use Agreement shall be deemed to be a default under this Agreement and a default under this Agreement shall be deemed to be a default under the Joint Use Agreement.

ARTICLE IX

IMPOSSIBILITY OF PERFORMANCE

9.01 Where the performance by either of the Parties of any of their respective obligations as contained in this Agreement shall to any extent be prevented, restricted, delayed, or interfered with by reason of any of the following:

- (i) war, revolution, civil commotion, riots, acts of public enemies, blockade or embargo, any strike, lockout or other labour difficulty or work stoppage, explosion, epidemic, fire, flood, freeze, severe winter conditions, ice blockage, acts of God or order of any Governing Body having jurisdiction;
- (ii) the prohibition, restraint, restriction or prevention from installing, constructing or replacing Facilities or for making available any portion of any such Facilities by any statute law, by-law, ordinance, regulations, judgement, or by the property rights of Others, or the removal, or threat of removal of any easement, right-of-way, servitude or other privilege;

then such Party shall, on written notice to the other, be excused from the performance of such obligations but only to the extent of the period of such prevention, restriction, delay or

interference, provided that the provisions contained in this Article shall not apply to the obligations of such Party to pay the amounts required to be paid to the other Party in the manner and at the time provided in this Agreement.

ARTICLE X

ASSIGNMENT OF RIGHTS

10.01 Except as otherwise provided in this Agreement, neither Party ^ shall assign or otherwise dispose of this Agreement, or any of its rights or interests hereunder in any of the Joint Use Facilities to Others without the written consent of the other Party which shall not be unreasonably withheld, provided, however, that nothing herein contained shall prevent or limit the right of either Party to mortgage any or all of its property, rights, privileges and franchises, or lease or transfer any of them to another corporation organized for the purpose of conducting a business of the same general character as that of such Party, or to enter into any merger or consolidation and in the case of the foreclosure of such mortgage, or in the case of such lease, transfer, merger or consolidation, its rights and obligations hereunder shall pass to and be acquired and assumed by the purchaser on foreclosure, or the transferee, lessee, assignee, or merged or consolidated company, as the case may be.

ARTICLE XI

NOTICES

11.01 (a) (i) Any notice required to be given under this Agreement shall be in writing from one Party's representative on the Joint Use Committee to the other Party's representative on the Joint Use Committee and shall be sufficiently given if sent by registered mail, sent by facsimile transmission, or delivered by hand and addressed, in the case of the Power Company, to its Head Office, St. John's, Newfoundland, and in the case of Newfoundland Telephone to its Head Office, St. John's, Newfoundland.

(ii) A notice sent by registered mail is deemed to have been given on the third business day following such mailing.

(iii) A notice sent by facsimile transmission, shall be deemed to have been given on the business day following the transmission of the communication.

(iv) A notice delivered by hand shall be deemed to have been given on the date of actual delivery.

(b) Where the notice is a notice required under ARTICLE II -

JOINT USE POLE INSTALLATION, notwithstanding Clause 11.01(a), it shall not be effective unless given from and to:

(i) on behalf of Newfoundland Telephone, the applicable one of:

- Manager, Outside Plant Engineering East
P.O. Box 2110
St. John's, Newfoundland
A1C 5H6, or
- Manager, Outside Plant Engineering West
P.O. Box 98
Corner Brook, Newfoundland
A2H 6C5, or
- Manager, Outside Plant Engineering Central
3 Bell Place
Gander, Newfoundland
A1V 2K6

(ii) on behalf of Power Company,

- Manager, Distribution Systems & Services
P.O. Box 8910
St. John's, Newfoundland
A1B 3P6

with copies sent to the Party's representatives on the Joint Use Committee.

(c) Where the notice is a notice of termination or default, notwithstanding Clause 11.01(a) above, it shall not be effective unless given from the President of one Party to the President of the other Party with copies sent to the Party's representatives on the Joint Use Committee.

11.02 Either Party may at any time, and from time to time, change its address for notice, or the person designated to receive such notice, provided in this Article XI by giving notice in writing, as provided in this Article XI, to the other Party of this change.

ARTICLE XII

WAIVER OF TERMS OR CONDITIONS

12.01 The failure of either Party to enforce any of the terms or conditions of this Agreement shall not constitute a general or specific waiver or relinquishment of any such terms or conditions, but the same shall be and remain at all times in full force and effect.

ARTICLE XIII

PAYMENT OF TAXES

13.01 The purchasing Party will be solely responsible for any and all sales tax payable by reason of the sale of Pole Units by the selling Party to the purchasing Party. The selling Party shall ensure that all other taxes, rates and assessments are fully paid and satisfied as of the actual date of sale.

ARTICLE XIV

ARBITRATION

- 14.01 (a) Where any dispute or difference arises as to any matter or thing relating to or in respect of this Agreement, such dispute or difference shall be referred to arbitration in accordance with the provisions of The Arbitration Act, R.S.N. 1990, c.A-14, as amended, and shall be submitted to a sole arbitrator agreed upon between the Parties. The decision of the sole arbitrator shall be final and binding upon the Parties.
- (b) Where the Parties are unable to agree upon a sole arbitrator, such dispute or difference shall be referred to three (3) arbitrators. One (1) arbitrator shall be appointed by each Party, and the remaining arbitrator, who shall be chairman, shall be selected by the arbitrators appointed as herein provided. The decision of any two (2) arbitrators shall be final and binding upon the Parties.
- (c) The costs of any such arbitration, including reasonable compensation for the arbitrator, or arbitrators, shall be borne and paid equally by the Parties, or as the arbitrator or arbitrators may otherwise direct.

ARTICLE XV

TERRITORIES COVERED BY THIS AGREEMENT

15.01 The terms and provisions of this Agreement shall apply to Facilities in the territories in which the Joint Use Agreement applies.

ARTICLE XVI

TERM OF AGREEMENT

16.01 Regardless of the date of execution, this Agreement shall continue in force for the period from January 1, 1994 to December 31, 1999 and shall not be terminable during such period except as stated elsewhere in this Agreement.

16.02 After December 31, 1999, this Agreement shall continue in full force and effect indefinitely unless and until terminated by notice in writing as provided in this Article XVI.

16.03 (a) This Agreement may be terminated by at least twelve (12) months notice in writing, given at any time following the commencement date of this Agreement, by either Party to the other, provided that such notice of termination may not specify a termination date prior to the period ending December 31, 1999.

(b) This Clause 16.03 does not apply to a notice of termination given under either ARTICLE VIII - DEFAULTS or ARTICLE XVII - REGULATORY IMPACT.

ARTICLE XVII

REGULATORY IMPACT

17.01 The Parties recognize that Newfoundland Telephone is subject to regulation by the CRTC. Newfoundland Telephone shall provide notice to the Power Company of any regulatory hearing scheduled by the CRTC which involves consideration of any term of this Agreement. Where the CRTC makes an order affecting any term of this Agreement, then, subject to Clause 17.03, this Agreement shall be deemed to be modified to comply with such order.

17.02 The Parties recognize that the Power Company is subject to regulation by the Board. The Power Company shall provide notice to Newfoundland Telephone of any regulatory hearing scheduled by the Board which involves consideration of any term of this Agreement. Where the Board makes an order affecting any term of this Agreement, then, subject to Clause 17.03, this Agreement shall be deemed to be modified to comply with such order.

17.03 Where an order of the Board or the CRTC results in a termination under Article XX of the Joint Use Agreement, then this Agreement shall be deemed to terminate on the same date as the Joint Use Agreement.

ARTICLE XVIII

MISCELLANEOUS PROVISIONS

18.01 This Agreement shall enure to the benefit of and shall be binding upon the successors, and subject to ARTICLE X - ASSIGNMENT OF RIGHTS upon the assigns of the Parties respectively.

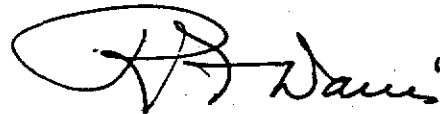
18.02 The headings used in this Agreement are for information purposes only and not to be construed as part of this Agreement.

IN WITNESS WHEREOF the Parties have caused these presents to be executed in duplicate and their corporate seals to be hereunto affixed, attested by the signatures of their respective officers duly authorized in that behalf.


THE COMMON SEAL of Newfoundland) Telephone Company Limited was) hereunto affixed by its duly) authorized officers at St.) John's, Newfoundland, this 23rd) day of February, 1995,) in the presence of:)



NEWFOUNDLAND TELEPHONE COMPANY LIMITED

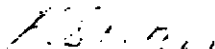
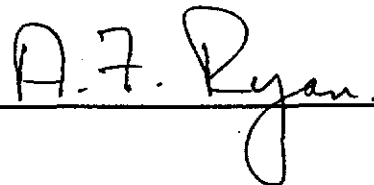


THE COMMON SEAL of Newfoundland) Light & Power Co. Limited was) hereunto affixed by its duly) authorized officers at St.) John's, Newfoundland, this 28th) day of February, 1995,) in the presence of:)



ELIZABETH BABSTOCK
A Commissioner for Oaths in and for
Newfoundland. My commission
expires December 31, 1995.

NEWFOUNDLAND LIGHT & POWER CO. LIMITED



APPROVAL OF RENTALS

Joint use rentals for the period January 1, 1999 to December 31, 1999 as calculated in the Administrative Practices Section 14 Exhibit A Sheets 2 to 9 inclusive and dated 1999 07 29 are hereby approved.

NEWTEL COMMUNICATIONS INC.

NEWFOUNDLAND POWER INC.

DATE: _____

DATE: _____

STATEMENT OF RENTALS
FOR
JANUARY 1, 1999 TO DECEMBER 31, 1999

The Number of Joint Use Poles at December 31, 1998 as Recorded in the Computerized Joint Use File Implemented by Both Parties:

Joint Use Poles

<u>Telephone Owned</u>	<u>Power Owned</u>	<u>Total</u>
65,773	109,731	175,504

Telephone Company Rentals for Power Company Poles

109,731	Joint Use Poles @	\$ 39.63	\$ 4,348,640
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Power Company Rentals for Telephone Company Poles

65,773	Joint Use Poles @	\$ 65.54	\$ 4,310,762
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Net Annual Rental	\$ 37,877
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Net Monthly Billing to the Telephone Company for
Period of January 1, 1999 to December 31, 1999

1/12 of	\$ 37,877	\$ 3,156
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CALCULATION OF JOINT USE RENTAL RATES
EFFECTIVE JANUARY 1, 1998 TO DECEMBER 31, 1998

	NP Embedded Cost at December 31, 1998	NewTel Embedded Cost at December 31, 1998		
Bare Poles	\$ 90,374,828			
Anchors	\$ 20,298,187			
Right-of-way	\$ 656,149			
Grounding	\$ 2,078,621			
Total Plant		\$ 66,676,576		
% for 71C		\$ -		
Less Guy Cost 7.00%		\$ 4,667,360		
Total	\$ 113,407,785	\$ 62,009,216		
Number of Poles in Service	177,033	90,450		
Embedded Cost per Pole	\$ 640.60	\$ 685.56		
ACCR	15.47%	17.15%		
JUR	60.00%	40.00%		
Maximum Variance	5.00%			
Annual Rental Rate with JUR of 40% NewTel - 60% NP				
NewTel Rental Rate on NP Pole	\$ 640.60	* 15.47%	* 40.00%	
			=	\$ 39.63
NP Rental Rate on NewTel Pole	\$ 672.63	* 16.24%	* 60.00%	
			=	\$ 65.54

Note: The NewTel Embedded Cost of \$685.56 is limited to \$672.63 because of the 5% Cap.
Note: The NewTel ACCR of 17.15% is limited to 16.24% because of the 5% Cap.

ANNUAL CARRYING CHARGE RATES

1998

	<u>Power Company</u>	<u>Telephone Company</u>
Annual Fixed Charge Rate	12.77%	15.39%
Maintenance	<u>2.70%</u>	<u>1.76%</u>
	15.47%	17.15%

NEWTEL COMMUNICATIONS INC.
CALCULATION OF LEVELLIZED RATE OF RETURN AND INCOME TAX
1998

Cost of Money

Debt	47.58%	@	9.35%	=	4.45%
Preferred	0.00%	@	0.00%	=	0.00%
Common Equity	52.42%	@	12.00%	=	6.29%
Weighted Average Cost of Capital				=	10.74%

Capital Recovery Factor	10.74%	for	27.0 Years	=	11.47%
Less Depreciation Straight Line For			27.0 Years Life	=	3.70%
					<u>7.77%</u>

Less Deferred Tax	43.12%	*	(2.94% - 3.70%)	=	<u>-0.33%</u>
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Rate of Return				=	8.10%
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Levellized Bond Interest	<u>4.45%</u>	*	<u>8.10%</u>	=	3.36%
			10.74%		

Levellized Capital Cost	<u>11.47%</u>	*	<u>3.70%</u>	=	2.94%
	10.74%	+	3.70%		

Income Tax

Capital Recovery Factor				=	11.47%
Less Levellized Capital Cost				=	<u>2.94%</u>
					8.53%
Less Levellized Bond Interest				=	<u>3.36%</u>
					5.17%

Income Tax @	43.12%	<u>5.17%</u>	-	5.17%	=	3.92%
		1 - 43.12%				

Calculation of Average Annual Fixed Charge Rate

Rate of Return	=	8.10%
Straight Line Depreciation	=	3.70%
Income Tax	=	3.92%
Deferred Tax	=	<u>-0.33%</u>
Annual Fixed Charge Rate	=	15.39%

NEWFOUNDLAND POWER INC.
CALCULATION OF LEVELLIZED RATE OF RETURN AND INCOME TAX
1998

Cost of Money

Debt	54.23%	@	9.07%	=	4.92%
Preferred	1.90%	@	6.43%	=	0.12%
Common Equity	43.87%	@	9.25%	=	4.06%
Weighted Average Cost of Capital				=	9.10%

Unit Summation, Depreciation and Normalized Tax Accounting

Capital Recovery Factor	9.10%	for	27.6 Years	=	10.00%
Less Depreciation Straight Line for			27.6 Years Life	=	3.62%
					6.38%

Less Deferred Tax	45.20%	*	(3.05%	-	3.62%)	=	-0.26%
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Rate of Return								6.64%
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Levellized Bond Interest	4.92%	*	6.64%	=	3.59%
			9.10%		

Levellized Capital Cost	10.00%	*	4.00%	=	3.05%
	9.10%	+	4.00%		

Income Tax

Capital Recovery Factor				=	10.00%
Less Levellized Capital Cost				=	3.05%
					6.95%
Less Levellized Bond Interest				=	3.59%
					3.36%

Income Tax @	45.20%	3.36%	-	3.36%	=	2.77%
		1 - 45.20%				

NEWFOUNDLAND POWER INC.
CALCULATION OF ANNUAL CARRYING CHARGE RATE
1998

Rate of Return	6.64%
Straight Line Depreciation	3.62%
Income Tax	2.77%
Deferred Tax	<u>-0.26%</u>
Annual Fixed Charge Rate	12.77%
Maintenance	<u>2.70%</u>
Total Carrying Charge Rate	15.47%

NEWTEL COMMUNICATIONS INC.
CALCULATION OF TREATED POLE AND ANCHOR COST
1998

Pole and Anchor Maintenance

Maintenance Cost				\$	339,849
Pole & Anchor Plant in Service	(Average	1998)		\$ 59,135,186
Maintenance Factor	<u>339,849</u>	*	100		0.57%
	59,135,186				

Overhead

Outside Plant (Planning and Engineering)				\$	80,114
Billing Records, etc.				\$	73,943
Executive and Administration				\$	246,634
Other (General Services, Licenses, etc.)				\$	300,831
				\$	<u>701,522</u>
Pole & Anchor in Service	(Average	1998)		\$ 59,135,186
Overhead Factor	<u>701,522</u>	*	100		1.19%
	59,135,186				

Treated Pole & Anchor Maintenance	0.57%	+	1.19%		1.76%
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NEWFOUNDLAND POWER INC.
CALCULATION OF TREATED POLE & ANCHOR OPERATING COST
1998

Maintenance Cost - Poles Conductors & Fittings	\$ 6,972,438 * 20.00%	\$ 1,394,488
Operating Supervision		\$ 281,580
General Expenses		
Customer Services	Supervision, Statistics & Forecasts	\$ 5,000
Accounting	Supervision, Plant, Billing, Auditing, Taxes & Assessments	\$ 1,268,028
General	Supervision & Administration, Legal, General Operations, Public Liability Insurance & Safety	\$ 131,298
	Total	\$ 3,080,393

Average Cost of Treated Pole and Anchor in Plant 1998

$$\frac{\$ 113,948,515 + \$ 114,414,943}{2} = \$ 114,181,729$$

Treated Pole and Anchor Operating Cost as a Percent of Pole and Anchor Cost

$$\frac{\$ 3,080,393}{\$ 114,181,729} * 100\% = 2.70\%$$

Q. NLH 7.0

- 7.1 Provide any and all reports, analyses or other documentation related to the Applicant's analysis of the positive financial impact of the operational efficiency improvements that the Applicant expects to achieve as it gains experience with the new arrangement as referenced at page 8 of 8 of Exhibit 10 of the Applicant's Pre-filed Evidence included with the Application.**
- 7.2 Provide any separate information that the Applicant has in its possession related to the specific financial impact on operational efficiency of including and/or excluding the non-joint use poles.**

A.

- 7.1** As noted at page 7, line 17 *et seq.* of the Direct Evidence of Newfoundland Power, the operating benefits related to the elimination of duplication in the administration of the joint use of support structures are difficult to quantify. Newfoundland Power has not performed an analysis of the specific financial impacts of the operational efficiency gains it expects to achieve under the new arrangement. Due to the difficulty in quantification, no allowance has been made for these efficiency gains in the economic analyses contained in Exhibit 10.

While any efficiency gains achieved under the new arrangement will increase the benefits to Newfoundland Power and its customers, the economic analyses in Exhibit 10 clearly demonstrate that the new arrangement will be of economic benefit to Newfoundland Power and its customers, whether or not such efficiency gains are realized.

Newfoundland Power expects that the streamlining of administrative processes and the elimination of duplicate work will increase the efficiency of administration of joint use. Support for Newfoundland Power's expectation that operational efficiency benefits will be realized can be found in observations made in the 1996 report of BDO Dunwoody, an independent consultant appointed by the Board to review issues related to the access to poles by cable television operators. The consultant's observations that maintaining a system for the detailed tracking of attachments on poles is extremely difficult, that the costs associated with the system are extremely high and that all parties involved are not able to realistically provide and maintain the information and accounting records required, have been reproduced at page 9 of the Response to Information Request PUB-1.0.

- 7.2 While operating efficiency gains of including or excluding non-joint use poles have not been specifically identified, Response to Information Request PUB-1.0, page 5, paragraph 1 clearly demonstrates the consumer impacts will be most positive when the non-joint use poles are included in this transaction.

The additional cost of accounting for the non-joint use poles, assets and revenues separate from the joint-use poles would diminish the consumer benefits of the proposed arrangement and therefore be contrary to the policy of the province set out in Section 3(b) (i) through (iii) of the *Electrical Power Control Act, 1994* which promotes the management and operation of power assets in a way which results in the lowest possible consumer cost.

Q. NLH 8.0

8.1 Pursuant to the Support Structures Purchase Agreement included as part of the Application, the sale of poles is for all poles in the Region, which is defined as "the island portion of the Province of Newfoundland". Please explain why a third party consent is required with respect to a Crown Lease No. 106053, Labrador as referenced in Schedule 6 – Third Party Consents of the Agreement.

A. The item in Schedule 6 to the Support Structures Purchase Agreement referencing a Crown Lease in Labrador was inadvertently included in the list of required third party consents. Due diligence has revealed that no such consent is required in relation to the acquisition of the support structures being purchased by Newfoundland Power.

Newfoundland Power's agreement to purchase support structures under the terms contained in the Support Structures Purchase Agreement is subject to Newfoundland Power's satisfying itself as to all aspects of the assets being purchased. As a result of the due diligence performed by Newfoundland Power since the execution of the Support Structures Purchase Agreement on March 1st, 2001, some relatively minor adjustments to the transaction such as deletion of this item have been required.

None of the adjustments to the transaction arising from due diligence, except those related to price and described in Response to Information Request NLH-9.0, is material to this transaction.

Q. NLH 8.0

8.1 Pursuant to the Support Structures Purchase Agreement included as part of the Application, the sale of poles is for all poles in the Region, which is defined as "the island portion of the Province of Newfoundland". Please explain why a third party consent is required with respect to a Crown Lease No. 106053, Labrador as referenced in Schedule 6 – Third Party Consents of the Agreement.

A. The item in Schedule 6 to the Support Structures Purchase Agreement referencing a Crown Lease in Labrador was inadvertently included in the list of required third party consents. Due diligence has revealed that no such consent is required in relation to the acquisition of the support structures being purchased by Newfoundland Power.

Newfoundland Power's agreement to purchase support structures under the terms contained in the Support Structures Purchase Agreement is subject to Newfoundland Power's satisfying itself as to all aspects of the assets being purchased. As a result of the due diligence performed by Newfoundland Power since the execution of the Support Structures Purchase Agreement on March 1st, 2001, some relatively minor adjustments to the transaction such as deletion of this item have been required.

None of the adjustments to the transaction arising from due diligence, except those related to price and described in Response to Information Request PUB-9.0, is material to this transaction.

Q. NLH 9.0

- 9.1 Article 4.1 of the Support Structures Purchase Agreement, included as part of the Application, provides that the Purchase Price for the Purchased Assets is \$49,916,396. Paragraph 8 of the Application references an aggregate purchase price of \$45,858,000 for the support structures in the Applicant's service area, a difference of \$4,058,396. In the Applicant's Responses to Information Request NLH 3.0, the Applicant stated the Aliant Telecom poles outside the Applicant's service territory represent in the order of \$3,000,000 of the total investment contemplated by the Support Structures Purchase Agreement. Please explain the difference of 41,058,396 between the previously stated two values with respect to the Aliant poles located outside the Applicant's service territory.**
- 9.2 Provide a breakdown of the dollar value of Aliant's poles located outside the Applicant's service territory with respect to joint use and non-joint use, as well as the number of joint use poles and non-joint use poles in each community in which they are located or to which they are in close proximity to.**

A.

- 9.1 Due diligence conducted since March 1st, 2001 by Newfoundland Power into the assets to be purchased under the Support Structures Purchase Agreement has resulted in adjustments to the net book value of the support structures to be transferred under the Support Structures Purchase Agreement.**

The adjusted net book value of all Aliant Telecom support structures on the island of Newfoundland has been determined to be \$48,713,000. Of this amount, \$2,855,000 represents the net book value of support structures outside of Newfoundland Power's service territory.

The principal adjustments to the purchase price related to two anticipated pole sales to Aliant Telecom which were not consummated at March 1st, 2001. One pole sale was from Newfoundland Power to Aliant Telecom which was to be effective December 31st, 1999. This pole sale would, in the normal course, have been concluded in mid-2000, however, as the parties were negotiating with a view to Newfoundland Power's owning all support structures, such a transaction was seen as premature. A similar pole sale from Newfoundland and Labrador Hydro to Aliant Telecom to be effective December 31st, 2000 was also reflected in the original amount of \$49,916,396 contained in the Support Structures Purchase Agreement. This sale transaction has not yet been consummated and, in any event, relates to support structures outside of Newfoundland Power's service territory.

- 9.2 The allocated value of the Aliant Telecom support structures on the island of Newfoundland which are located outside of Newfoundland Power's service territory is \$2,855,000. Of this amount \$1,431,000 is attributable to joint use poles and \$1,424,000 is attributable to non-joint use poles.

The detail requested on a community by community basis for support structure outside of Newfoundland Power's service territory is not relevant to this proceeding. Please refer to the Response to Information Request NLH-1.2.

Q. NLH 10.0

10.1 Pursuant to Subclause 2.03 (a) (v) of the Facilities Partnership Agreement included as part of the Application, the Applicant has contracted to supply and install all new messenger strands required by Aliant Telecom Inc. during the installation of new poles. What is the anticipated cost per span and/or per pole? How will such costs be recovered, and from whom, for the joint use poles and non-joint use poles?

- A. The anticipated cost to supply and install new messenger strands required by Aliant for new pole installations, growth, as provided in the facilities partnership agreement will cost approximately \$75 per pole. This incremental capital cost of approximately \$200,000 per annum has been included in the estimates of used in the economic analyses contained in Exhibit 10 and all accounting and economic analysis used in the responses to requests for information.

The costs are recovered through the financial terms of Facilities Partnership Agreement including annual rentals payable by Aliant, CATV revenues assumed from Aliant, and capital contributions. Exhibit 10 and the Responses to Information Requests PUB 1.0 and NLH 2.0, which include the incremental costs and revenues associated with strand, clearly demonstrate that all costs of this arrangement are recovered and will benefit customers.

Q. NLH 11.0

- 11.1 On page 5 of the Pre-filed Direct Evidence of the Applicant, the Applicant references a \$510 charge for each non-joint use pole that Aliant requires. What is the basis of this capital contribution and how was this amount determined?**
- 11.2 Why was the acquisition price for existing non-joint use poles under the Support Structures Purchase Agreement not adjusted to reflect the equivalent of the capital contribution referenced in 11.1 that will be required for newly constructed non-joint use poles?**

A.

- 11.1** The \$510 charge for each non-joint use pole that Aliant requires recovers the 60% of the cost of a non-joint use pole (\$856 shown in Exhibit 10, Schedule I, line 16) that is not recovered through the \$32 pole rental fee. The 60% represents the proportion of common costs currently borne by Newfoundland Power for joint use poles (see: Direct Evidence page 1, line 33). Charging Aliant a \$32 rental rate plus a capital contribution for each non-joint use pole ensures that these poles are more than fully compensatory.
- 11.2** Through negotiation the parties determined that the acquisition price would be the net book value of the poles. Rental revenues, contributions and related matters covered by the Facilities Partnership Agreement were negotiated. The cashflows to be received by Newfoundland Power are sufficient from a regulatory perspective to both justify payment of the acquisition price and ensure recovery of future expenditures.

The economic analyses prepared by Newfoundland Power and shown in Exhibit 10, Schedule A demonstrates the incremental revenues from Pole Rentals and CATV attachment charges are significantly higher than the incremental costs associated with the acquisition of all existing poles in Newfoundland Power's service territory which will be acquired under the Support Structures Purchase Agreement. Since the revenues under the Facilities Partnership Agreement ensure the acquisition cost of all existing poles will be more than fully recovered, adjustment to the acquisition price is unwarranted.

Both Newfoundland Power and Aliant recognize that the pole rental fee of \$32 does not fully compensate Newfoundland Power with respect to the installation on newly constructed non-joint use poles. Consequently they have agreed that Aliant will pay Newfoundland Power a contribution of \$510 towards these support structures. This contribution has been included in the economic analysis at Exhibit 10, Schedule I, line 17.

Q. NLH 12.0

- 12.1 What record keeping that was maintained with respect to the Joint Use Agreement between the Applicant and Aliant Telecom will no longer be required as a result of the implementation of the Support Structures Agreement and/or the Facilities Partnership Agreement?**
- 12.2 What, if any, new record keeping will be required with respect to the two agreements referenced in 12.1?**

A.

- 12.1** Implementation of the Support Structures Agreement and the Facilities Partnership Agreement will significantly streamline and reduce the record keeping associated with support structure construction, operation and maintenance. As referred to on page 6, line 30 of the Direct Evidence Newfoundland Power, has primary responsibility for support structures in it's service territory. That responsibility practically requires Newfoundland Power to coordinate the installation and replacement of poles on behalf of Aliant. Engineering staff responsible for the work must record the time spent on each job involving Aliant's poles, prepare requests for billing to Aliant and reconcile the work done with the amount billed to Aliant. Financial staff must issue the invoices to Aliant and track them through to payment.

Since Newfoundland Power coordinates the clearing of brush on pole lines for both companies, engineering staff must track the amount of brush cleared and determine Aliant's proportion of costs. Given the mixed ownership of lines by Newfoundland Power and Aliant, these determinations can lead to *bona fide* differences of opinion which must be resolved. Again, Newfoundland Power's financial staff must issue the appropriate invoice to Aliant and track it through payment.

The current Joint Use Agreement requires an annual reconciliation of pole ownership of Newfoundland Power and Aliant to determine the percentage of poles owned by each company. This is required to effect the annual sales of poles from one company to another to maintain a 60/40 ownership ratio of poles. In addition, such sales require identification of proposed poles to be sold and agreement by the parties.

These are examples of documentation and record keeping requirements that will be eliminated under the new agreement.

- 12.2** With respect to the two new agreements no significant new record keeping will be required.

Q. NLH 13.0

- 13.1** In response to PUB 5.1, the Applicant indicated that none of the electrical utilities surveyed own the poles used exclusively by the telecommunications company. Is the Applicant aware of any electrical utility in Canada that has been permitted to include assets used exclusively for telecommunications in the electrical utility rate base?
- 13.2** Is the Applicant aware of any cases in which an electrical utility in Canada has included assets in rate base which are providing non-electrical service, that has not been required to demonstrate, on an actual and ongoing basis, that the revenue received from such assets is sufficient to recover related costs and that there is no subsidization of this activity by electrical ratepayers?
- 13.3** If the answer to 13.1 or 13.2 is negative, what are the unique operational or economic characteristics of the Applicant that merit the proposed treatment with respect to non-electrical assets?
- 13.4** In light of changing circumstances that may have an adverse impact on the financial attractiveness of the Applicant's current proposal with respect to poles not used for electrical service, such as a decline in cable company attachments (up to \$99,999/year), an increase in the average size of a non-joint use pole, or excessive premature replacements of non-joint use poles, what systems or procedures are in place, or what records will be maintained, which will enable the Applicant to demonstrate that the revenue received from such assets is sufficient to recover related costs?
- 13.5** What records will the Applicant maintain to ensure that Aliant repurchases each non-joint use pole it no longer requires and that Aliant is billed the applicable contribution for each additional non-joint use pole that is installed by the Applicant?

A.

- 13.1** Newfoundland Power is not aware of any electrical utility in Canada that has been permitted to include assets used exclusively for telecommunications in the electrical utility rate base, however, Newfoundland Power has not inquired into the matter.

Newfoundland Power does not accept the premise that any of the assets proposed to be acquired by it are or will be used exclusively for telecommunications.

Section 53 of the *Public Utilities Act* specifically mandates joint use of public utility equipment.

Newfoundland Power and Aliant Telecom have come to an overall agreement upon the terms of such joint use on a distribution support structure *network* basis. This is consistent with, amongst other things, the accounting for these assets. Put another way, the non-joint use poles are an integral part of a group of assets, the use of which is shared by electric, telecommunications and CATV service providers to the benefit of consumers of all of those services.

While at any point in time some support structures will only be used by one of the parties, this situation will be dynamic as each party's requirements change. The detailed tracking required to determine if a particular pole is jointly used at a particular point in time for rate base certification will be as inefficient and expensive as past attempts to track CATV attachments which are outlined more fully in Response to Information Request PUB-1, pp. 3 to 4 and 6 to 9. Prospects to improve tracking of attachments are limited by the fact that neither Newfoundland Power nor Aliant Telecom actually distinguish between joint use and non-joint use poles in their respective accounting records or in any other definitive way. Even if such tracking could be economically undertaken, it would not yield any perceptible consumer benefit.

The Board has a large jurisdiction in determining what may be included in Newfoundland Power's rate base so long as the determination adopted achieves the purposes of the *Public Utilities Act* and the provincial power policy contained in the *Electrical Power Control Act, 1994*.

Newfoundland Power believes that the Board has the discretion under the provisions of the *Public Utilities Act* and the *Electrical Power Control Act, 1994* to permit the non-joint use poles to be included in Newfoundland Power's rate base. Further, in the circumstances outlined in the Application, the Board would merely be acting in accordance with the purposes of the legislation and the provincial power policy if it did permit the inclusion of the non-joint use poles in rate base. *The inclusion of the non-joint use poles in Newfoundland Power's rate base will clearly serve to reduce the overall cost borne by electric consumers on account of support structures.*

In addition, Section 78(2)(h) of the *Public Utilities Act* explicitly permits the Board to include in rate base fair and reasonable expenses which the Board thinks appropriate and basic to a utility's operation *in addition to the value of property determined under Section 64 to be used and useful.*

At a value of \$5,418,000, the non-joint use poles would represent approximately 1% of Newfoundland Power's rate base. The cost associated with this portion of the rate base (including the cost of capital) has been shown by economic and accounting analyses filed in support of the Application to be more than recovered under the provisions of a long-term Facilities Partnership Agreement with Aliant Telecom.

The Applicant is aware of electrical utilities in Canada that have included (or have proposed to include) costs associated with telecommunications assets in electrical rates while seeking to recover a portion of the costs of those assets from third parties. Newfoundland and Labrador Hydro has, for example, specifically outlined plans to use telecommunication assets to generate additional revenue through leasing of bandwidth in its 1997 Telecommunication Plan (filed in Response to Information Request NP-1 in Hydro's 2001 Capital Expenditure Application; see pp. 29 to 30). Other electrical utilities, including Nova Scotia Power, have undertaken similar investments. Newfoundland Power sees no conceptual or regulatory difference in treating such assets as telecommunications bandwidth differently than support structures.

13.2 See 13.1 above.

13.3 Among the unique operational and economic characteristics that justify the inclusion of single use telecommunication poles in Newfoundland Power's rate base are:

1. Inclusion of the non-joint use telecommunications poles in rate base actually reduces the overall cost borne by electric ratepayers served by Newfoundland Power on account of support structures;
2. Since 1998, Newfoundland Power has been providing engineering design and support structure installation services to Aliant Telecom and is familiar with the operating circumstances associated with Aliant Telecom support structures in Newfoundland Power's service territory ;
3. Future installations of non-joint use telecommunications poles will require a contribution in aid of construction on the part of Aliant Telecom representing 60% of the cost of construction which practically will serve to ensure that no cross subsidization of telecommunication support service costs by electricity consumers occurs in the future; and
4. The inclusion of the non-joint use telecommunications poles in rate base permits the most efficient distribution of power in accordance with provincial power policy as contained in the *Electrical Power Control Act, 1994*.

13.4 Newfoundland Power does not believe any of the circumstances set out in Information Request NLH 13.4 constitutes a material adverse impact on the financial attractiveness of the proposal contained in the Application.

A possible decline in CATV attachments of representing less than \$100,000 per year in rentals is too small to be considered material. An increase in the average size of a non-joint use telecommunications pole of 5 feet would result in a per pole increase in costs in the order of \$50, or less than 6% (\$50/\$856 per Schedule 1 to Exhibit 10) which is not material. In its Response to Information Request NLH-2(b), Newfoundland Power

performed analysis which shows that an increase in the proportion of non-joint use poles from 15% to 20% actually increases the customer benefits experienced as a result of this transaction.

The most significant circumstance that might have a material adverse impact on the financial attractiveness of the proposal contained in the Application would be a reduction in attachments by Aliant which resulted in a material reduction in rental revenues. A reduction in Aliant attachments (179,943 at December 31st, 2000, per Exhibit 2) below 170,000 permits Newfoundland Power to terminate the Facilities Partnership Agreement.

- 13.5 Current distribution engineering design, job costing and customer billing systems will be adequate to ensure, on a job by job basis, Aliant repurchases those non-joint use poles upon which it no longer has attachments and is properly billed for each additional non-joint use pole it requires.