

1 **PUB 14.0**  
2 **(RE: p. 43 & 44 of 82) Reconstruction (\$2,745,000)**

3  
4 **PUB 14.3**

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6 **Q. Provide a copy of the cost benefit analysis that has been performed with regard to**  
7 **the reconstruction of distribution lines to render them suitable for joint use with**  
8 **Aliant Telecom Inc.**

9  
10 A. The allowance of \$400,000 to provide for the reconstruction of distribution lines to  
11 render them suitable for joint-use with Aliant Telecom Inc. (Aliant) stems from the  
12 Company's purchase of all joint-use poles and related assets from Aliant in 2001. As a  
13 result of its ownership of all joint-use poles in its service territory, the Company  
14 projected additional capital expenditures of \$1,051,000 in 2003 for replacement poles.<sup>1</sup>  
15 These expenditures were included in the cost benefit analysis completed to support the  
16 Company's investment in the joint-use poles purchased from Aliant and approved by the  
17 board in Order No. P.U. 17 (2001-2002).<sup>2</sup>

18  
19 Attachment A is a copy of the economic analysis associated with the pole purchase  
20 agreement.

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<sup>1</sup> Line 9, 2003 Joint Use Replacements, Revised Schedule H of Exhibit 10, filed with the Board on July 26, 2001 as part of the Company's application for approval to acquire the joint use support structures of Aliant Telecom Inc.

<sup>2</sup> Line 9, 2003 Pole Installations, Revised Schedule B of Exhibit 10, filed with the Board on July 26, 2001 as part of the Company's application for approval to acquire the joint use support structures of Aliant Telecom Inc.