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February 12, 2018

Notice of Ex Parte

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: *In the Matter of Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investmen*t; CG Docket No. 17-84

Dear Ms. Dortch:

On February 8, 2018, CenterPoint Energy Houston Electric, LLC ("CenterPoint Energy")[1] and Florida Power & Light Company ("FPL")[2] (collectively referred to herein as the "Parties")[3] met with Commissioner Michael O'Rielly; Commissioner Brendan Carr; Jay Schwarz, Wireline Advisor To FCC Chairman Ajit Pai; Alison Nemeth, Legal Advisor to Chairman Pai; Travis Litman, Chief of Staff and Senior Legal Advisor to Commissioner Jessica Rosenworcel; Claude Aiken, Legal Advisor, Wireline, to Commissioner Mignon Clyburn; Jamie Susskind, Chief of Staff for Commissioner Carr; and Brooke Ericson, Chief of Staff and Senior Legal Advisor to Commissioner O'Rielly to discuss the Commission's current proposals in the above-referenced proceeding to amend its rules governing pole attachments.

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[1] Attending on behalf of CenterPoint Energy were Dana O'Brien, General Counsel; Jason Ryan, Vice President, Regulatory and Government Affairs; Steven Clay, Senior Counsel; Ed Scott, Director, Operations; Deryl Tumlinson, Director, Distribution Programs & Construction Management; Jesus Guerra, Manager, Electric Facilities Programs & Services; and Tim Sullivan, Manager, Standards & Materials. However, Ms. O'Brien was not present for the meetings with Commissioner Carr or Chairman Pai's staff.

[2] Attending on behalf of FPL were Manny Miranda, Senior Vice President of FPL Power Delivery; Maria Moncada, Senior Attorney for FPL; David Bromley, Manager of Regulatory Services for FPL Distribution; and Thomas J. Kennedy, P.E., Principal Regulatory Analyst. However, Mr. Miranda, Mr. Bromley and Mr. Kennedy were not present for the meetings with Chairman Pai's staff.

[3] Charles A. Zdebski and Brett H. Freedson of Eckert Seamans Cherin & Mellott, LLC were also present on behalf of the Parties as legal counsel.

CenterPoint Energy's primary businesses include: electric transmission and distribution; natural gas distribution; and natural gas sales and services. Regarding its electric operations, CenterPoint serves a 5,000 square mile area, including Houston and the Texas Gulf Coast. It owns and operates over 28,700 miles of overhead distribution lines and approximately 1 million distribution poles. In CenterPoint Energy's service area, nearly 57% of all poles have CATV, CLEC, or ILEC attachments, and it maintains negotiated agreements with approximately 40 regulated providers. CenterPoint Energy's service area lies in a storm zone, and historically has been impacted by named storms that produce excessive wind and rain, such as Hurricane Harvey and Hurricane Ike. As such, CenterPoint Energy has a vested interest in the development of public policy at the federal and state level to support a more resilient electrical grid.

For its part, CenterPoint Energy undoubtedly supports the FCC's overall broadband deployment objectives. However, CenterPoint Energy also stresses that all such policies must be balanced against the need to keep the electric grid safe and reliable, and the need to ensure that electric ratepayers are not forced to subsidize a federal broadband program. To assist the Commission with achieving this balance, CenterPoint Energy presented the following recommendations:

- The best prospect for expedited access to poles is one touch make ready ("OTMR"). CenterPoint favors OTMR for all simple make ready in the Communications Space. For safety reasons, all work above the Communications Workers Safety Zone must be performed by CenterPoint's approved electrical contractors, having qualified union line skills, following CenterPoint's work practices. CenterPoint has piloted a program for OTMR in and above the Supply Space, and has faced pronounced resource challenges.
- The Commission should not shorten its current time frames for pole access. This would raise the cost of attachment for *both* the pole owner and the attacher.
- The Commission should not adopt the National Electrical Safety Code ("NESC") or any standard under the NESC as a national "maximum" construction standard. Each utility must maintain the right to adopt, and to uniformly apply construction standards that are designed to meet the unique challenges of its service area.
- In CenterPoint's view, the practice of overlashing raises the same capacity, safety, reliability, and engineering considerations as physical attachments on the pole. CenterPoint has relied on a streamlined "form" ***prior*** notice process that has proven workable for many years. The Commission should not prohibit this or similar prior notice processes intended to ensure that all overlashing is properly engineered, and will not compromise the pole for all who use it.
- Equipment mounted on the strand does not constitute "overlashing", and raises different safety, reliability, and engineering considerations than the practice of tying strands. The Commission must not expand its precedent on "overlashing" to include this practice unless and until a complete record is developed to support it.

FPL serves approximately 5 million customer accounts, amounting to approximately half of all electric customers in Florida. Ninety percent (90%) of FPL's customers live within twenty (20) miles of the coastline. FPL owns over 42,000 miles of overhead distribution lines (equal to over 1.5 times earth's circumference) and approximately 1.2 million distribution poles — over 850,000 (or over 70%) of these poles have a CATV, telecom and/or ILEC attachment.

Similar to CenterPoint Energy, FPL must plan for and react to the consequences of extreme weather. In particular, the impact of the 2004 and 2005 storm seasons was a "game-changer" for FPL. Seven storms impacted FPL service territory causing, in total — over 10 million customer outages over 64 days. In response, FPL replaced over 25,000 distribution poles and spent nearly $2 billion in restoration costs. In the aftermath of the 2004 and 2005 storm seasons, Florida government officials and customers demanded a more storm resilient electric grid.

In 2006 and 2007, FPL implemented new storm preparation and storm "hardening" practices — including increased vegetation trimming, ongoing systematic inspections of all poles in FPL's service territory (which seeks, among other things, to ensures poles are not overloaded), increased undergrounding of distribution facilities and the "hardening" of distribution facilities. "Hardening" was introduced in an effort to reduce wind-related pole failures.

By statute, Florida law allows the Florida Public Service Commission ("FPSC") to require that poles and attachments are constructed to standards that exceed the NESC, *see* F.S. 366.05, and the FPSC has promulgated rules requiring such. F.A.C. Rule 25-6.0342. In compliance, FPL has established its Storm Hardening Plan, which is updated every three years, ensuring that construction standards meet or exceed necessary standards. In 2007, pursuant to the FPSC's rules, FPL began to upgrade its existing feeders (*i.e.* main distribution lines) to Extreme Wind Loading standards, first selecting feeders serving critical infrastructure (*e.g.*, 911 centers, hospitals, police/fire stations) and key community needs (*e.g.*, gas stations, grocery stores). FPL expects to have 100% of its feeders hardened or placed underground by 2024. These storm hardening initiatives have provided significant storm resiliency and reliability benefits — during severe weather as well as day-to-day. Most recently, FPL's service territory was impacted by Hurricanes Matthew and Irma — both of which affected nearly all of FPL's service territory.[4] As a result of FPL's efforts, during Hurricane Irma, only 26 FPL hardened

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[4] Hurricane Matthew resulted in 1.2 million FPL customer outages. However, FPL restored 99% of these outages in 2 days, and FPL only had to replace less than 600 FPL distribution poles. Hurricane Irma resulted in 4.4 million customer outages. FPL restored more than 50% of these outages in approximately 2 days and replaced 4600 distribution poles. In contrast, in 2005 prior to the implementation of FPL's storm hardening measures, Hurricane

distribution poles failed,[5] and, during Hurricane Matthew, none failed. Such resiliency due to hardening and undergrounding is a marked improvement from the 12,000 poles that failed during Hurricane Wilma in 2005, before the FPSC's and FPL's hardening standards were in place. Despite this vast improvement, FPL continues to seek ways to better protect its infrastructure, and the Florida Public Service Commission has initiated proceedings to further improve the process of strengthening Florida's electric grid.

After presenting this background, FPL presented the following concerns to the Commission:

- Certain commenters have suggested that attachments should not have to meet more than a "maximum" construction standard established by the NESC when attaching to electric utilities' infrastructure. This ignores the state utility commission required and approved standards that FPL and other utilities must adhere to in Florida. If the commenters' approach was allowed, it would reverse Florida's storm hardening progress, weaken Florida's electric infrastructure and be detrimental to all interested parties — including attachers.
- In the long run, all stakeholders would benefit from more storm resilient and reliable electric infrastructure. In Florida, which is impacted by more hurricanes than any other state, the question is not if a storm will impact the state, it is when a storm will impact the state.
- In addition, FPL offers its support of OTMR for both attachers and pole owners, as FPL believes it can have a positive significant impact on a major issue that has developed in FPL's service territory — what is referred to as "double poles" (*i.e.* two poles in one location, a new pole and the pole being replaced, that cannot be resolved until all transfers to the new pole are completed). Currently, there are approximately 75,000 double poles in FPL's territory.
- Local jurisdictions and customers have become increasingly intolerant of the aesthetic impact of double poles — in some cases, requiring engagement of FPL executive management, enactment of ordinances that specifically link new broadband and electric development to the removal of double poles and withholding permits for all new construction until actions are taken to address double poles

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Wilma resulted in 3.2 million customer outages. FPL was only able to restore 25% of these outages in 2 days having had to replace more than 12,000 distribution poles.

[5] Moreover, none of these failures were due to wind impact. Instead, they were due largely to trees and other vegetation striking the poles.

- FPL believes the Commission should encourage OTMR in the strongest terms reasonably possible, and require that any attacher that fails to participate in OTMR based only on its own contractual or operational preferences, unless doing so is prohibited by law or exigent circumstances, should pay any additional cost caused by the attacher's failure to participate in OTMR.

As required by Section 1.1206(b), this *ex parte* notification is being filed electronically for inclusion in the public record of the above-referenced proceedings. If you have any questions or require additional information, please do not hesitate to contact me at 202.659.6605.

Sincerely,

/s/ Charles A. Zdebski

Charles A. Zdebski
Brett H. Freedson

Enclosure

cc: Commissioner Michael O'Rielly
Commissioner Brendan Carr
Jay Schwarz
Alison Nemeth
Travis Litman
Claude Aiken
Jamie Susskind
Brooke Ericson

Exhibit 1

FPL HANDOUT – FEBRUARY 8, 2018

- **In Florida – Not "if" storms will hit, but "when" storms will hit**
- **2004/2005 Storm Seasons – 7 storms impacted FPL - "Game changer" for Florida/FPL**
- **In total (all 7 storms combined) - 10 million customer outages; 64 days to restore; >25,000 distribution poles replaced; nearly $2 billion in storm restoration costs**
- **In 2006/2007, the Florida Public Service Commission (FPSC) stated that it "pursued rulemaking to address distribution construction standards that are more stringent than the minimum safety requirements of the NESC" (Note: National Electrical Safety Code)**
- **In 2007 FPSC implemented its storm hardening rule - Rule 25-6.0342 – to "enhance the reliability of overhead and underground electrical transmission and distribution facilities" including requiring hardening plans that address "extreme wind loading (EWL) standards" for new/existing facilities**
- **Storm hardening has proven to be effective – during storms as well as day-to-day:**

Storm (Before/After Hardening)	Total / Hardened Pole Failures	% Restored After 2 Days
2005 Wilma (Before)	>12,000 / Not applicable	25%
2016 Matthew (After)	<600 / 0	99%
2017 Irma (After)	~4,600 / 26	>50%

Day-to-day – Storm hardened feeders perform 40% better vs. non-hardened feeders

Minimum Construction Standards

- **Current pole owner construction standards (for FPL, these are approved by the FPSC) must be maintained so FPL's/Florida's storm hardening progress is not reversed – to the detriment of all – including attachers**
- **Comments suggesting attachers need only to meet minimum standards will reverse FPL's/Florida's storm hardening progress – which is detrimental to all – including attachers**

One-Touch Make-Ready

- **FPL supports one-touch make ready in the communication space as it will facilitate removal of "double-poles"(currently FPL has ~75,000 double poles)**
- **Double poles arise from pole replacements/delays in transferring attachments to new pole**
- **Double poles are hindering broadband/electrical development and construction, e.g., local municipalities are withholding permits until existing double poles are removed**

Exhibit 2

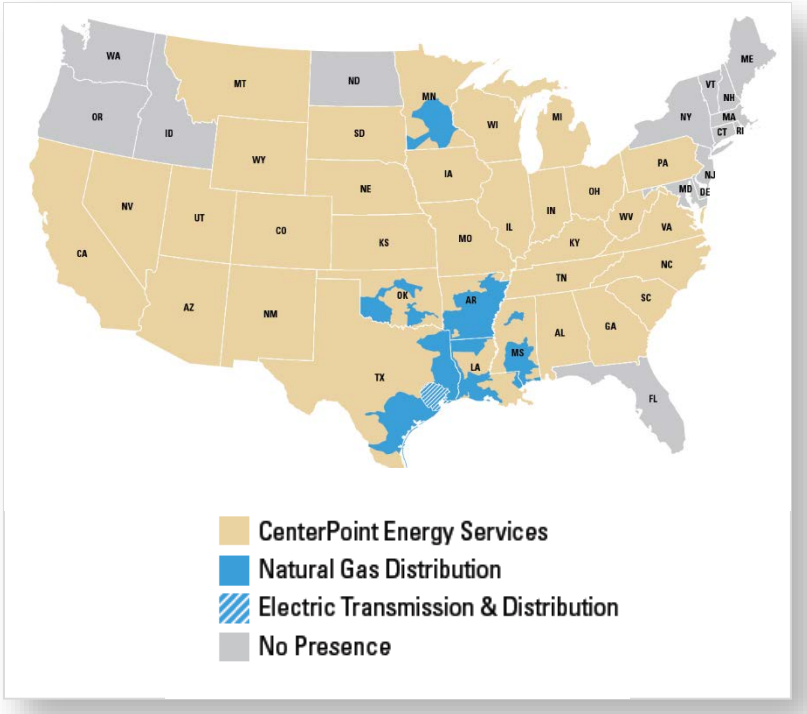
FCC Ex Parte Presentation

Ed Scott – Director Operations
Deryl Tumlinson – Director Dist. Prgm & Construction Management
Jesus Guerra – Manager Electric Facilities Prgm & Svcs
Tim Sullivan – Manager Standards & Materials

February 2018

About CenterPoint Energy

An Electric and Natural Gas Utility



Source: Form 2016 10-K

Electric Transmission and Distribution

- Electric utility operations with ~2.4 million metered customers across ~5,000 square miles in and around Houston, Texas
- 19th largest U.S. investor-owned electric utility by customer base[(1)]
- 86,828,902 MWh delivered

Natural Gas Distribution

- Regulated gas distribution jurisdictions in six states with ~3.4 million customers
- 6th largest U.S. gas distribution company by customer base[(1)]
- Delivered 411 bcf of natural gas

Energy Services

- Non-regulated competitive natural gas supply and related energy services serving ~33,000 commercial and industrial customers across 33 states
- Delivered 777 bcf of natural gas

(1) As of Dec. 31, 2015 per EEI and AGA

Pole Attachment Process and OTMR

- Expedited pole attachment processes inevitably will increase cost to both the pole owner *and* the attacher.
  - The current process is workable for CNP's attachers
  - CNP would incur substantial costs to expedite its pole attachment processes, none of which are recoverable under current FCC rules.
    - More full time employees
    - Enhanced GIS
  - Additional costs and burdens would also fall to attachers
    - More detailed applications (all engineering up front)
    - Less poles per application.
    - All routes engineer-designed

Pole Attachment Process and OTMR

- CNP favors OTMR for simple make-ready in the communication space.
- OTMR in supply space requires additional considerations.
  - For safety reasons, all work in or above the supply space must be performed by CNP's approved electrical contractors following CNP's work practices.
    - CNP has contractual agreements for only qualified union line skills
  - In practice, approved contractors are not readily available. Because supply is low, an increased demand for such contractors would result in higher costs for *all* stakeholders.
    - Aging work force, continued economic growth, and prioritized capital improvement initiatives, union line skill availability within the Houston area has been exhausted

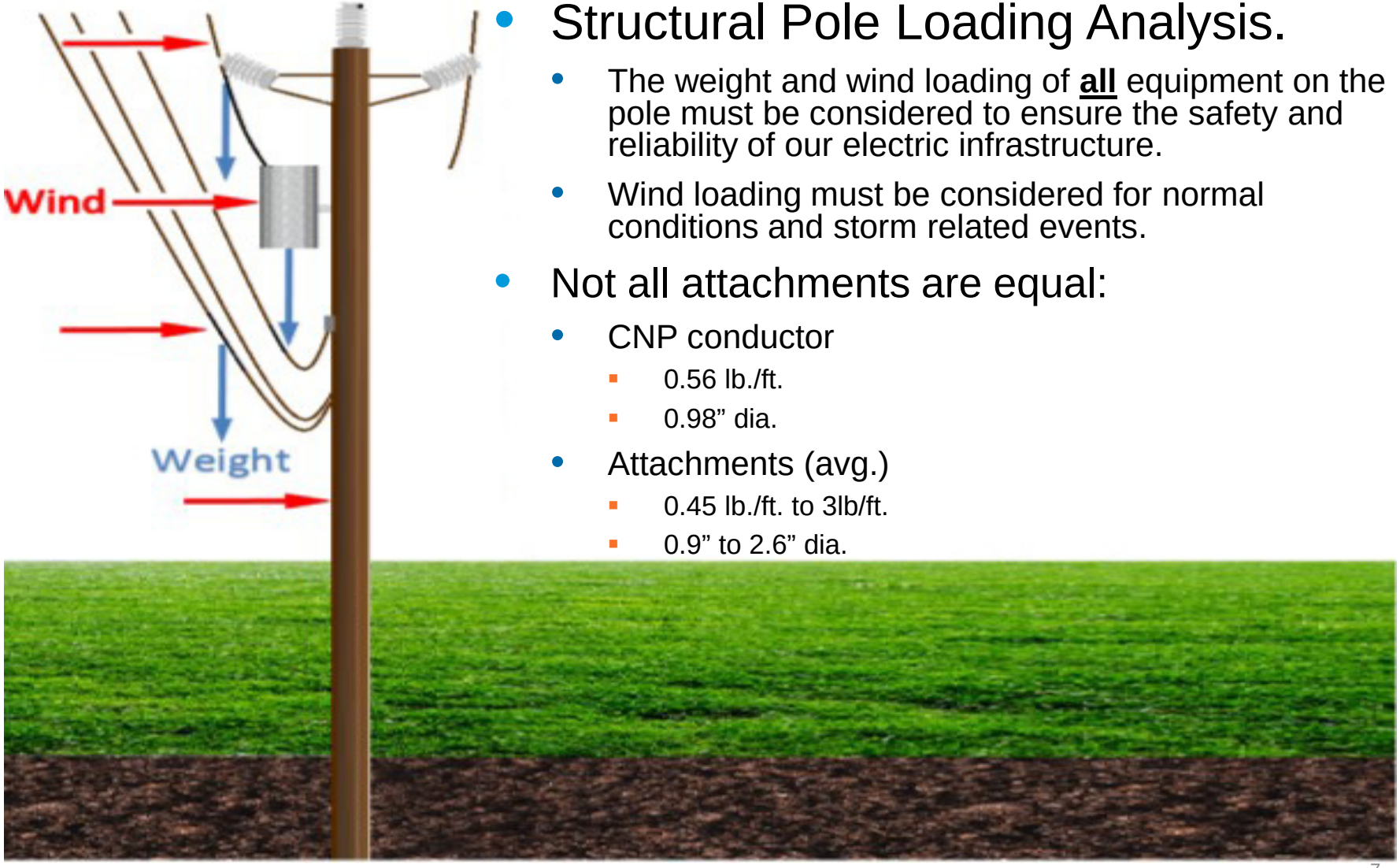
Construction Standards

- Minimum Construction Standards
  - The NESC defines the minimum standard construction and clearances, but utilities must retain the right to go beyond this and design and build their systems to maintain safe and reliable electric service.
  - In light of recent hurricanes, CNP is evaluating various system hardening strategies which will exceed the minimums set forth by the NESC.

Construction Standards

- CNP requires:
  - A minimum 40” separation between communication and supply conductor to maintain a Communication Worker Safety Zone
  - Clear climbing space on the pole.
  - Communication conductor passing through the supply space to be covered or in conduit
  - A minimum of 3” separation between communication antenna and other communication conductor
  - CNP requires meter and disconnect equipment to be installed in ground furniture.
  - CNP does not allow AC equipment fed from a meter to be installed on the pole to prevent unintended current flowing on customer equipment.
  - Antenna installation in the communication space is allowed per this standard if the antenna’s RF power density (per OET 65) does not exceed the controlled limits at 1ft. If the power density exceeds the controlled limits at 1ft, CNP requires the antenna to be mounted at the top of the pole.

Construction Standards



- Structural Pole Loading Analysis.
  - The weight and wind loading of **all** equipment on the pole must be considered to ensure the safety and reliability of our electric infrastructure.
  - Wind loading must be considered for normal conditions and storm related events.
- Not all attachments are equal:
  - CNP conductor
    - 0.56 lb./ft.
    - 0.98” dia.
  - Attachments (avg.)
    - 0.45 lb./ft. to 3lb/ft.
    - 0.9” to 2.6” dia.

Overlashing

- From a safety, engineering, and reliability standpoint, the same level of review is needed for overlashing as for attachments. This review must be performed *before* the pole is loaded.
- CNP has a workable, reasonable prior notice process.
- The practice of overlashing is more widespread now than in years past.
- The cumulative impact of overlashing can result in safety, reliability, and engineering hazards if not properly managed.
- Strand mounted devices present different safety, reliability, and engineering concerns than overlashing.

Appendix

Overlash Notification Form

CenterPoint Energy

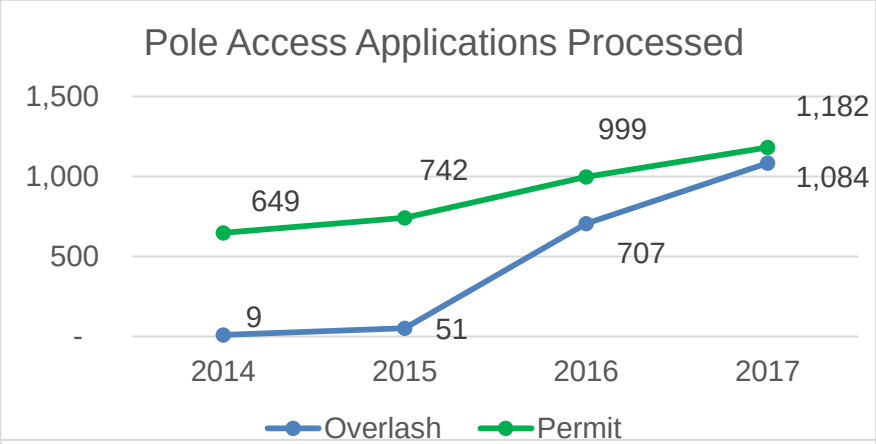
Pole Attachments Overlashing Notification Form

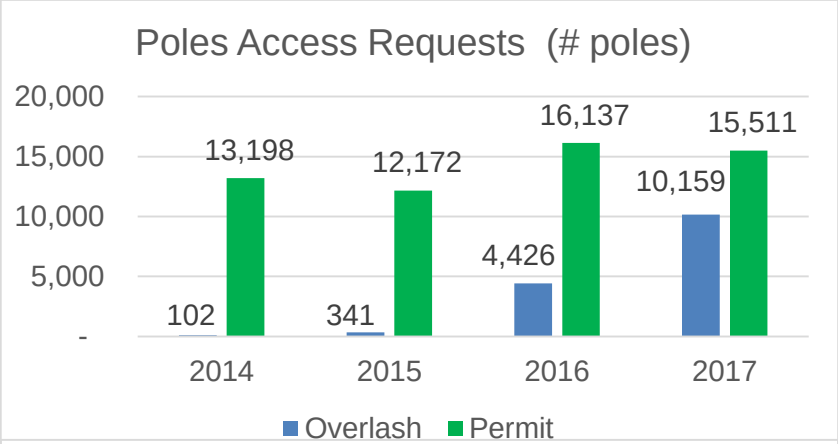
Attacher's Notification: (completed by Attacher)				
Owner of the Overlashed Cable:		Overlash Cable Specification	Installed Cable Weight:	
Overlashing Company:			Diameter of Cable:	
Notification Submission Date:	1	Installed Strand Specification	Installed Strand Weight:	2
Proposed Completion Date:			Diameter of Strand:	
Address:			Lambert :	
Construction Contact:			Tel Number:	

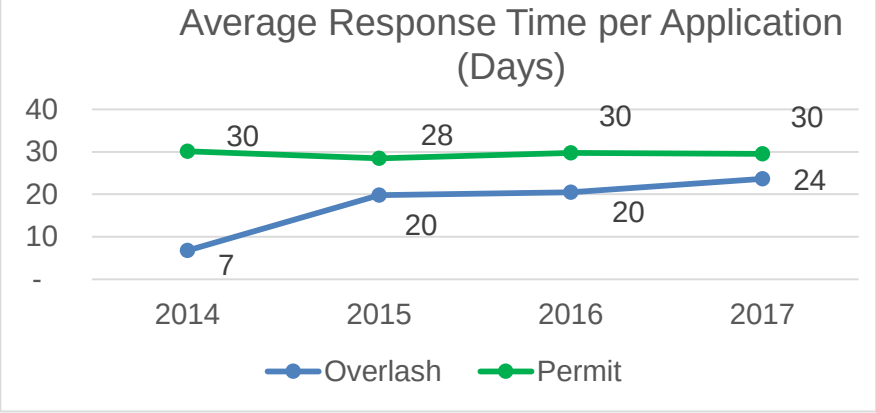
Proposed Pole	Span Distances between Poles (in feet)	NESC Clearance Available?		Number of Existing Attachers	Number of Existing Overlashed Cables	Attacher's Notes
		At Pole (Y/N)	At Mid-Span (Y/N)			
	3	4		5		6

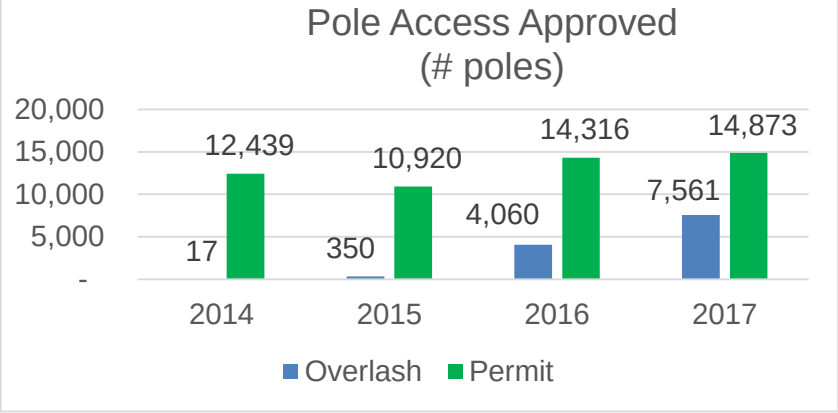
Information regarding overlashed telecommunication attachments is essential to CenterPoint' s continuing efforts to monitor the conditions of its poles and to prevent overloading. For this reason, CenterPoint' s Pole Attachment Guidelines require that Owners of overlashed cable report proposed overlashing installations within 30 days of the installation. This issue is so critical that the Guidelines instruct that overlashed attachments not reported to CenterPoint within 30 days of installation will be treated by CenterPoint as unauthorized attachments.

Permit and Overlash Data









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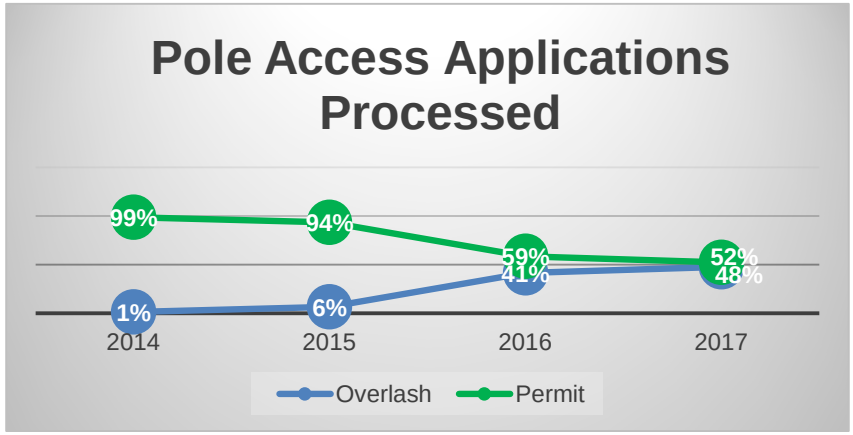

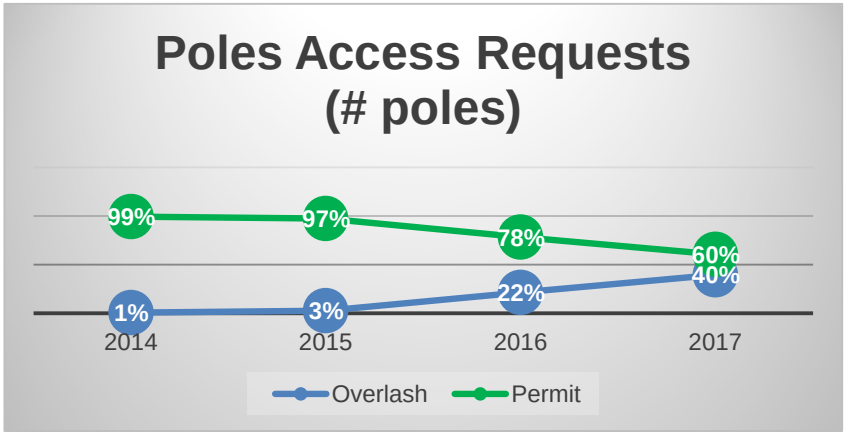

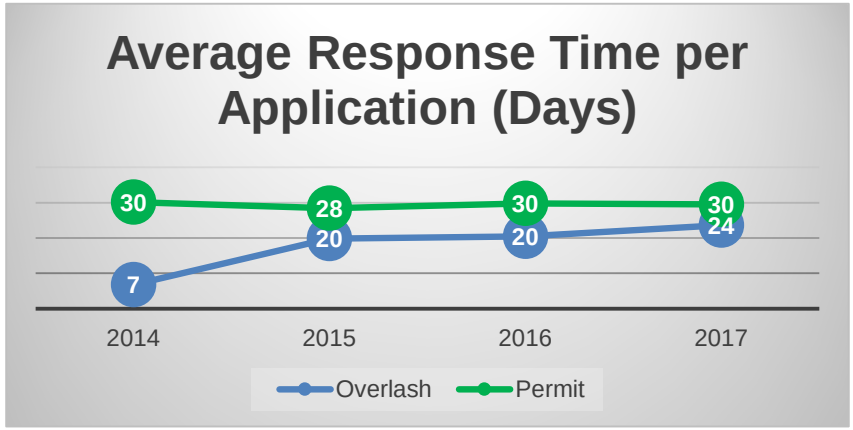

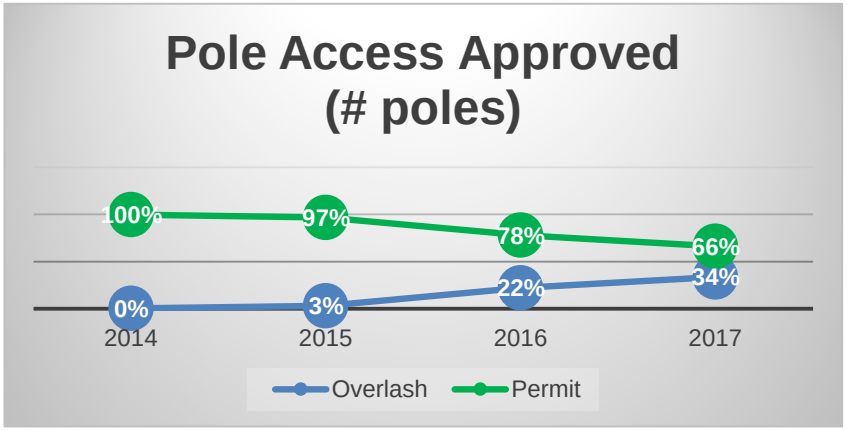

Double wood pole next to overlashing terminal pole

Poorly designed/constructed overlash

Excessive overlashing on existing 3 phase transformer pole

Junction Pole with multiple communication risers and excessive overlashing with strand mounted equipment

Unapproved strand mounted device next to customer electrical riser

Questions/Comments