

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103 and 106)
 Allocated to South Carolina Electric (000)
 (See S C Page 116 for bases of apportionment)

Line Account	S.C.	
	Balance at 12/31/89	12/31/88
33 D. Other Production Plant		
34 (340) Land and Land Rights	1	1
35 (341) Structures and Improvements	15	14
36 (342) Fuel Holders, Products, Accessories	70	4
37 (343) Prime Movers	172	168
38 (344) Generators	19,445	19,025
39 (345) Accessory Electric Equipment	136	101
40 (346) Misc. Power Plant Equipment	64	60
41 TOTAL Other Production Plant	19,903	19,373
42 TOTAL Production Plant	1,463,339	1,881,476
43 3. TRANSMISSION PLANT		
44 (350) Land and Land Rights	31,060	30,574
45 (352) Structures and Improvements	3,740	3,561
46 (353) Station Equipment	154,389	147,357
47 (354) Towers and Fixtures	78,577	73,796
48 (355) Poles and Fixtures	15,341	14,303
49 (356) Overhead Conductors and Devices	63,263	59,494
50 (357) Underground Conduit	16	16
51 (358) Underground Conductors and Devices	260	258
52 (359) Roads and Trails	0	0
53 TOTAL Transmission Plant	347,446	329,359
54 4. DISTRIBUTION PLANT		
55 (360) Land and Land Rights	2,855	2,680
56 (361) Structures and Improvements	2,469	2,161
57 (362) Station Equipment	81,620	74,617
58 (363) Storage Battery Equipment	0	0
59 (364) Poles, Towers and Fixtures	135,909	124,814
60 (365) Overhead Conductors and Devices	109,256	99,521
61 (366) Underground Conduit	19,614	14,977
62 (367) Underground Conductors and Devices	38,322	48,959
63 (368) Line Transformers	175,136	163,289
64 (369) Services	62,272	57,344
65 (370) Meters	37,038	34,538
66 (371) Installations on Customer Premises	27,273	27,843
67 (372) Leased Property on Cust. Premises	0	0
68 (373) Street Lighting and Signal Systems	8,484	7,686
69 TOTAL Distribution Plant	720,328	658,429

ELECTRIC PLANT IN SERVICE (Accounts 101, 102, 103 and 106)
 Allocated to South Carolina Electric (000)
 (See 5 C Page 116 for bases of apportionment)

Line	Account	S.C.	
		Balance at 12/31/89	12/31/88
70	5. GENERAL PLANT		
71	(389) Land and Land Rights	6,681	8,120
72	(390) Structures and Improvements	94,483	68,604
73	(391) Office Furniture and Equipment	32,875	26,255
74	(392) Transportation Equipment	29,036	23,985
75	(393) Stores Equipment	2,001	1,607
76	(394) Tools, Shop, Garage Equipment	8,783	7,075
77	(395) Laboratory Equipment	8,405	7,145
78	(396) Power Operated Equipment	12,823	10,883
79	(397) Communication Equipment	31,718	18,832
80	(398) Miscellaneous Equipment	2,070	1,652
81	SUBTOTAL (Lines 71 thru 80)	228,875	169,158
82	(399) Other Tangible Property	0	0
83	TOTAL General Plant	228,875	169,158
84	TOTAL (Accounts 101 and 106)	2,759,988	2,538,422
85	(102) Electric Plant Purchased	0	0
86	(Less) (102) Electric Plant Sold	0	0
87	(103) Experimental Plant Unclassified	0	0
88	TOTAL ELECTRIC PLANT IN SERVICE	2,759,988	2,538,422

MATERIALS AND SUPPLIES

Allocated to South Carolina Electric (In Thousands)

(See South Carolina Page 116 for bases of apportionment)

Line	Account	Balance Beginning of Year	Balance End of Year
1	Fuel Stock (Account 151)	627,323	627,592
2	Fuel Stock Expenses Undistributed (Account 152)	0	0
3	Residuals and Extracted Products (Account 153)	0	0
4	Plant Materials and Operating Supplies (Account 154)		
5	Assigned to Construction (Est.)	0	0
6	Assigned to Oper. & Maint.		
7	Production Plant (Estimated)	27,952	28,930
8	Transmission Plant (Estimated)	5,970	6,372
9	Distribution Plant (Estimated)	9,192	11,687
10	Assigned to Other	830	987
11	TOTAL Account 154 (1)	<u>43,944</u>	<u>47,976</u>
12	Merchandise (Account 155)	0	0
13	Other Materials and Supplies (Account 156)	0	0
14	Nuclear Materials Held for Sale (Account 157)	0	0
15	Stores Expense Undistributed (Account 163)	0	0
16			
17			
18			
19			
20	TOTAL MATERIALS AND SUPPLIES (Per Balance Sheet)	<u>671,267</u>	<u>675,568</u>

(1) Electric only. Includes Account 163.

ELECTRIC OPERATING REVENUES (Account 400)
 Allocated to South Carolina Electric (In Thousands)
 (See South Carolina Page 116 for bases of apportionment)

Line	Title of Account	OPERATING REVENUES		MEGAWATT HOURS SOLD		AVG. NO. OF CUSTOMERS PER MONTH	
		Amount for Year	Amount for Previous Year	Amount for Year	Amount for Previous Year	Number for Year	Number for Previous Year
1	Sales of Electricity (1)						
2	(440) Residential Sales	827,942	830,435	4,192,349	4,174,004	832,690	826,758
3	(442) Commercial and Industrial Sales						
4	Small (or Com.) (2)	292,825	292,949	3,146,473	3,049,147	56,917	54,559
5	Large (or Ind.) (2)	460,578	465,416	10,590,062	10,282,518	1,969	1,919
6	(444) Public Street/Highway Lighting	2,594	2,601	30,584	30,180	1,549	1,507
7	(445) Other Sales to Public Authorities	0	0	0	0	0	0
8	(446) Sales to Railroads and Railways	0	0	0	0	0	0
9	(448) Interdepartmental Sales	518	514	11,263	10,460	16	13
10	TOTAL Sales to Ultimate Customers	964,457	976,115	17,978,731	17,546,304	893,141	884,756
11	(447) Sales for Resale	118,855	134,300	2,098,619	3,280,856	14	15
12	TOTAL Sales of Electricity	1,083,312	1,110,415	20,069,350	20,746,360	893,155	884,771
13	(Less) (449.1) Prov. for Rate Refunds	0	(1,171)				
14	TOTAL Revenue Net of Provision for Refunds	1,083,312	1,109,244				
15	Other Operating Revenues						
16	(450) Forfeited Discounts	1,002	1,094				
17	(451) Miscellaneous Service Revenues	74	70				
18	(453) Sales of Water and Water Power	0	0				
19	(454) Rent from Electric Property	6,847	7,172				
20	(455) Interdepartmental Rents	5	4				
21	(456) Other Electric Revenues	11,044	124,012				
22							
23							
24							
25							
26	TOTAL Other Operating Revenues	19,772	(15,672)				
27	TOTAL Electric Operating Revenues	11,103,084	11,093,572				

Notes: (1) Sales of electricity by class reflect the reallocation of load control credits.

(2) Small-General Service classified as "nonmanufacturing" in the Standard Industrial Classification Manual.
 Large-Industrial Service classified as "Manufacturing Industries" in the Standard Industrial Classification Manual.

ELECTRIC OPERATION AND MAINTENANCE EXPENSES
Allocated to South Carolina Electric (000)
(See S C Page 116 for bases of apportionment)

Line	Account	S.C.	
		1989	1988
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision Engineering	61,542	61,380
5	(501) Fuel	137,864	121,568
6	(502) Steam Expenses	4,604	4,419
7	(503) Steam from Other Sources	0	0
8	(Less) (504) Steam Transferred-Cr.	0	0
9	(505) Electric Expenses	2,179	2,210
10	(506) Miscellaneous Steam Power Expenses	3,284	3,334
11	(507) Rents	0	0
12	TOTAL Operation	149,473	133,111
13	Maintenance		
14	(510) Maint. Supervision Engineering	2,117	1,669
15	(511) Maintenance of Structures	1,216	2,185
16	(512) Maintenance of Boiler Plant	10,548	11,383
17	(513) Maintenance of Electric Plant	3,122	6,938
18	(514) Maintenance of Misc. Steam Plant	1,033	1,340
19	TOTAL Maintenance	18,036	23,515
20	TOTAL Steam Prod. Exp.	167,509	156,626
21	B. Nuclear Power Generation		
22	Operation		
23	(517) Operation Supervision Engineering	2,926	2,597
24	(518) Fuel	63,202	70,140
25	(519) Coolants and Water	2,295	2,224
26	(520) Steam Expenses	10,953	12,106
27	(521) Steam from Other Sources	0	0
28	(Less) (522) Steam Transferred-Cr.	0	0
29	(523) Electric Expenses	4,176	4,078
30	(524) Misc. Nuclear Power Expenses	19,188	20,869
31	(525) Rents	0	0
32	TOTAL Operation	104,740	112,014

ELECTRIC OPERATION AND MAINTENANCE EXPENSES
 Allocated to South Carolina Electric (000)
 (See 5 C Page 116 for bases of apportionment)

Line	Account	S.C.	
		Amount for	
		1989	1988
83	Maintenance		
34	(528) Maint. Supervision Engineering	13,355	11,084
85	(529) Maintenance of Structures	3,609	4,672
36	(530) Maint. of Reactor Plant Equipment	11,733	14,877
37	(531) Maintenance of Electric Plant	9,089	9,587
38	(532) Maint. of Misc. Nuclear Plant	16,867	18,593
89	TOTAL Maintenance	54,653	56,713
40	TOTAL Nuclear Prod. Exp.	159,393	170,727
41	C. Hydraulic Power Generation		
42	Operation		
43	(535) Operation Supervision Engineering	119	88
44	(536) Water for Power	0	0
45	(537) Hydraulic Expenses	336	266
46	(538) Electric Expenses	1,516	1,589
47	(539) Misc. Hyd. Power Gen. Expenses	447	498
48	(540) Rents	117	80
49	TOTAL Operation	2,529	2,521
51	Maintenance		
52	(541) Maint. Supervision Engineering	349	184
53	(542) Maintenance of Structures	157	80
54	(543) Maint. of Reservoirs Dams Weirways	517	766
55	(544) Maintenance of Electric Plant	1,490	1,803
56	(545) Maint. of Misc. Hydraulic Plant	110	124
57	TOTAL Maintenance	2,623	2,957
58	TOTAL Hydro Prod. Exp.	5,152	5,478
59	D. Other Power Generation		
60	Operation		
61	(546) Operation Supervision Engineering	52	40
62	(547) Fuel	730	639
63	(548) Generation Expenses	18	105
64	(549) Misc. Other Power Gen. Expenses	31	28
65	(550) Rents	0	0
66	TOTAL Operation	831	812

ELECTRIC OPERATION AND MAINTENANCE EXPENSES
 Allocated to South Carolina Electric (000)
 (See 5 C Page 116 for bases of apportionment)

Line Account	S.C.	
	1989	1988
67 Maintenance		
68 (551) Maint. Supervision Engineering	30	28
69 (552) Maintenance of Structures	46	44
70 (553) Maint. of Gen. and Electric Plant	401	558
71 (554) Maint. of Misc. Other Pur Gen. Plt.	42	49
72 TOTAL Maintenance	519	679
73 TOTAL Power Prod. Exp.-Other Power	1,350	1,491
74 E. Other Power Supply Expenses		
75 (555) Purchased Power	172,753	194,612
76 (556) System Control/Load Dispatching	0	0
77 (557) Other Expenses	70	9
78 TOTAL Other Power Supply Expenses	172,823	194,621
79 TOTAL Power Production Expenses	506,227	528,943
80 2. TRANSMISSION EXPENSES		
81 Operation		
82 (560) Operation Supervision Engineering	415	463
83 (561) Load Dispatching	1,076	987
84 (562) Station Expenses	1,456	1,353
85 (563) Overhead Lines Expenses	264	230
86 (564) Underground Lines Expenses	0	0
87 (565) Transmission of Electric. by Others	240	238
88 (566) Misc. Transmission Expenses	1,151	1,545
89 (567) Rents	1	0
90 TOTAL Operation	4,603	4,816
91 Maintenance		
92 (568) Maint. Supervision Engineering	0	(11)
93 (569) Maintenance of Structures	6	1
94 (570) Maintenance of Station Equipment	2,193	2,170
95 (571) Maintenance of Overhead Lines	8,515	8,690
96 (572) Maintenance of Underground Lines	0	0
97 (573) Maint. of Misc. Transmission Plant	(18)	(42)
98 TOTAL Maintenance	5,686	5,808
99 TOTAL Transmission Expenses	10,289	10,624

ELECTRIC OPERATION AND MAINTENANCE EXPENSES
 Allocated to South Carolina Electric (0001)
 (See 5 C Page 116 for bases of apportionment)

Line Account	S.C.	
	1989	1988
100	3. DISTRIBUTION EXPENSES	
101	Operation	
102	(580) Operation Supervision Engineering	1,878 717
104	(581) Load Dispatching	0 0
105	(582) Station Expenses	1,947 1,824
106	(583) Overhead Line Expenses	495 1,108
107	(584) Underground Line Expenses	1,536 1,327
108	(585) Street Light./Signal System Exp.	136 177
109	(586) Meter Expenses	2,377 2,420
110	(587) Customer Installations Expenses	1,998 1,910
111	(588) Miscellaneous Expenses	2,025 2,205
112	(589) Rents	7 10
113	TOTAL Operation	11,299 11,698
114	Maintenance	
115	(590) Maint. Supervision Engineering	118 22
116	(591) Maintenance of Structures	2 36
117	(592) Maintenance of Station Equipment	1,051 904
118	(593) Maintenance of Overhead Lines	14,070 13,179
119	(594) Maintenance of Underground Lines	1,624 1,621
120	(595) Maintenance of Line Transformers	1,144 1,202
121	(596) Maint. of Str. Light./Signal Syst.	202 388
122	(597) Maintenance of Meters	257 246
123	(598) Maint. of Misc. Distribution Plant	(90) (49)
124	TOTAL Maintenance	18,378 17,549
125	TOTAL Distribution Expenses	29,677 29,247
126	4. CUSTOMER ACCOUNTS EXPENSES	
127	Operation	
128	(901) Supervision	604 489
129	(902) Meter Reading Expenses	2,950 3,008
130	(903) Cust. Records/Collection Expenses	8,799 9,479
131	(904) Uncollectible Accounts	1,642 1,800
132	(905) Misc. Customer Accounts Expenses	125 100
133	TOTAL Customer Accounts Expenses	14,120 14,876

ELECTRIC OPERATION AND MAINTENANCE EXPENSES
Allocated to South Carolina Electric (000)
(See 5 C Page 114 for bases of apportionment)

Line Account	S.C.	
	1989	1988
134	5. CUST. SERVICE/INFORM. EXPENSES	
135	Operation	
136	(1907) Supervision	1,105 864
137	(1908) Customer Assistance Expenses	3,800 4,334
138	(1909) Informational/Instructional Exp.	1,099 750
139	(1910) Misc. Cust. Serv./Inform. Expenses	50 0
140	TOTAL Cust. Serv./Inform. Exp.	6,054 5,948
141	6. SALES EXPENSES	
142	Operation	
143	(1911) Supervision	0 0
144	(1912) Demonstrating & Selling Expenses	0 0
145	(1913) Advertising Expenses	0 0
146	(1916) Miscellaneous Sales Expenses	13 25
147	TOTAL Sales Expenses	13 25
148	7. ADMINIST. AND GENERAL EXPENSES	
149	Operation	
150	(1920) Administrative & General Expenses	16,984 18,098
151	(1921) Office Supplies and Expenses	6,360 4,035
152	(Less) (1922) Admin. Exp. Transf.-Cr.	(8,071) (7,442)
154	(1923) Outside Services Employed	1,851 1,918
155	(1924) Property Insurance	7,004 6,778
156	(1925) Injuries and Damages	5,350 4,524
157	(1926) Employee Pensions and Benefits	17,152 19,647
158	(1927) Franchise Requirements	0 0
159	(1928) Regulatory Commission Expenses	1,256 719
160	(1929) Duplicate Charges-Cr.	(2,798) (2,864)
161	(1930.1) General Advertising Expenses	35 21
162	(1930.2) Miscellaneous General Expenses	6,738 10,068
163	(1931) Rents	1,313 975
164	TOTAL Operation	53,174 56,477
165	Maintenance	
166	(1935) Maintenance of General Plant	4,789 4,953
167	TOTAL Administrative & General Exp.	57,963 61,430
168	TOTAL ELECTRIC OPERATION AND	
169	MAINTENANCE EXPENSES:	
170	OPERATION	519,639 536,919
171	MAINTENANCE	104,634 114,174
172	TOTAL	624,273 651,093

**Radio Shack Company
Rate Attachment Rates for Cable TV Computers**

1979

**Schedule I
Summary of Charges Under FCC Accounting
(Dollars Per Month)**

1 Depreciation	Rate: 2, L11	1,032
2 Amortization	Rate: 3, L5	2,072
3 Maintenance	Rate: 3, L15	4,932
4 Taxes	Rate: 4, L9	3,692
5 Cost of Capital	Rate: 5, L4	16,102
6 Total		<u>27,832</u>

7 Percent of space applicable to CMTV Rate (A) 7,912

8 Base pole investment Rate: 2, L7 1281.64

9 Pole attachment rates per pole (A) x (7) x (8) 94.87

(A) Item 3, FCC order released July 6, 1978, re South American v. Radio Shack.

20-100-00

Tele Power Company
Pole Attachment Rates for Cable TV Companies

1989

Schedule 2
Base Pole Investment

1	Account 304 - Gross Pole Investment	Rate (a)	599,038,447
2	Factor to reflect 60/11	Rate (a), L12	88,313
3	Pole Investment net of 60/11	L1 + L2	491,825,637
4	Factor to allocate cross-arm, etc.	Rate (b)	0.65
5	Pole Investment net of 60/11 and cross-arm, etc.	L3 + L4	322,482,798
6	Number of poles at year end	Rate (c)	1,582,732
7	Base pole investment	L5 / L6	6211.41
Depreciation expenses			
8	Depreciation rate, gross basis	Rate (d)	1.482
9	Gross pole investment per above	L1	599,038,447
10	Pole Investment net of 60/11 per above	L3	491,825,637
11	Depreciation expense component	L8 + L9 / L10	1.653

(a) Per Form 1, page 207.
 (b) Para. 19, FCC releasing order released July 23, 1987.
 (c) Per Plant Accounting
 (d) Item 9, FCC order released July 4, 1984, re: South American
 v. Tele Power. Also per Form 1, page 137.

**Edco Power Company
Pole Attachment Allowance for Cable TV Companies**

1969

**Schedule 3
Amortizing Expenses**

1 Total MAE expense **Note (a)**

211,340,306

2 Gross electric plant **Note (b)**

9,294,684,349

3 Factor to reflect MAIT **Note 4, L12**

88.312

4 Gross electric plant net of MAIT **L2 + L3**

8,472,266,941

5 Amortization expense component **L1 / L4**

2,475

Maintenance Expenses

6 Account 293 **Note (c)**

40,505,764

7 Account 497.3 **Note (d)**

1,741,204

Included in accounts:

9 304 **Note 2, L1**

590,420,407

10 305 **Note (e)**

645,791,425

11 309

251,130,791

12 Total accounts 304, 305, and 309 **L9 + L10 + L11**

1,487,342,623

13 Factor to reflect MAIT **Note 4, L12**

88.312

14 Inclusion in accounts 304, 305 and 309 net of MAIT **L12 * L13**

1,312,647,774

15 Maintenance expense component **L8 / L14**

4,933

(a) Per Form 1, page 37L.
 (b) Per Form 1, page 38a.
 (c) Per Form 1, page 37L.
 (d) Per Form 1, page 38a.
 (e) Per Form 1, page 38b.

27-86-79

Palo Verde Company
Rate Attachment Rates for Cable TV Companies

1988

Schedule 4
Invested Taxes

	Rate (%)
1 Taxes other than income taxes (400.1)	•
2 Income taxes - Federal (400.1)	•
3 Income taxes - Other (400.1)	•
4 Provision for deferred inc. taxes (100.1)	•
5 Asset Pres. for def. inc. taxes - Cr. (401.1)	•
6 Investment Tax Credit Ref. - Net (401.0)	•
7 Total taxes (subtotal)	LI (over LA)
8 Gross electric plant net of 1917	Sch. 3, LI
9 Tax expense component	LI / LA

(a) Per Form 1, page 115.

100,134,381

202,090,771

44,204,730

176,245,230

(120,203,492)

46,915,517

991,713,070

8,472,204,941

3,808

27-Aug-99

State Power Company
State Attachment Rates for Cable TV Companies

Schedule 5
Reconciliation of Rate of Return to Gross Basis

1	R.C. retail allowed rate of return	Rate (A)
2	Total utility plant, net	Rate (B)
3	Total utility plant, gross	Rate (C)
4	Factor to reflect RRT	Rate D, L12
5	Total utility plant net of RRT	L3 & L4
6	Rate of return reconciled to gross basis	L1 & L2 / L5

1999

13.00%
7,007,079,045
20,071,011,000
20.37%
9,400,100,001
14.10%

(A) R.C. allowed rates of return are as follows:

- Order No. 00-378-E implemented in part Jan. '99 - 13%
- Order No. 00-38-E implemented in part Sept. '92 - 13%
- Order No. 00-302-E implemented Mar. '99 - 14.75%
- Order No. 00-39-E implemented Oct. '99 - 14.75%
- Order No. 00-399-E implemented Mar. '99 - 13%

(B) For Part I, page 100.

**Ohio Power Company
Rate Attachment Sides for Cable TV Expenses**

**Schedule 6
Calculation of Factor to Reflect
Accumulated Deferred Income Taxes**

1	Account 199 - electric	Rate (a)
2	Account 200 - electric	Rate (b)
3	Account 202 - electric (w/yr 1)	Rate (c)
4	Account 202 - electric (w/yr 2)	Rate (c)
5	Account 203 - electric	Rate (d)
6	Less deferred taxes on abandoned plants (included above)	
7	Total electric AMT	L1 thru L6
8	Other electric plant	Rate 3, L2
9	Nuclear plant	Rate (e)
10	Total plant investment	L8 + L9
11	AMT as percent of plant investment	L7 / L10
12	Factor to reflect AMT	1 - L11

(a) Per Form 1, page 234.
 (b) Per Form 1, page 273.
 (c) Per Form 1, page 275.
 (d) Per Form 1, page 277.
 (e) Per Form 1, page 283.

1991

113,367,120

8,049,456

928,485,179

237,318,144

7,355,917

1,197,465,946

9,294,681,549

681,573,742

10,295,425,311

11.67%

88.31%

ATTACHMENT II

DOCKET NO. 86-188-E - ORDER NO. 86-1116
November 5, 1986
Page 91

the Company to improve its financial posture and earn the return approved. In addition to the review of the Company's cost of service in the context of this proceeding and our express expectations of efficient and effective management, the Commission considers the accepted regulatory devices of the use of a year-end rate base, adjustments for customer growth and annualized depreciation, together with adjustments for identifiable and measurable changes in revenues and expenses to combine to represent a reasonable regulatory approach to the earnings erosion attributable to inflation.

The Commission has found that the capitalization ratios as of April 30, 1986, are appropriate and should be used in the instant proceeding. The Commission has likewise found that the respective embedded cost rates for long-term debt of 8.73% and for preferred stock and preference stock of 8.27%, should be utilized in the determination of a fair overall rate of return. For the purpose of this proceeding, the Commission has herein found the proper cost rate for the Company's common equity capital to be 13.0%.

Using these findings, the overall fair rate of return on rate base for the Company's South Carolina retail electric operations may be derived as computed in the following table:

Spartanburg
district

copy to
Kirby

ARTICLE 1

RECITALS

ARTICLE 2

ENTIRE AGREEMENT

ARTICLE 3

SCOPE OF AGREEMENT

ARTICLE 4

FEES AND CHARGES

ARTICLE 5

SURETY BOND

ARTICLE 6

MAKE-READY WORK

ARTICLE 7

STANDARDS AND SPECIFICATIONS

ARTICLE 8

UNAUTHORIZED ATTACHMENT

ARTICLE 9

LEGAL REQUIREMENTS

ARTICLE 10
RISK OF LOSS

ARTICLE 11
LIMITATION OF LIABILITY

ARTICLE 12
INDEMNITY

ARTICLE 13
TERM AND TERMINATION

ARTICLE 14
REMOVAL

ARTICLE 15
WAIVER

ARTICLE 16
ASSIGNMENT

ARTICLE 17
SERVICE OF NOTICE

ARTICLE 18
SEVERABILITY

ARTICLE 19

GOVERNING LAW AND VENUE

ARTICLE 20

EXECUTION AND EFFECTIVE DATE

**POLE ATTACHMENT AGREEMENT
BETWEEN
DUKE POWER COMPANY
AND**

Telecable of Piedmont, Inc.

THIS AGREEMENT, Made this ____ day of _____, ____
between DUKE POWER COMPANY, a North Carolina corporation, hereinafter
referred to as "Duke or Licensor," and Telecable of Piedmont, Inc.
_____, hereinafter referred to as "Licensee";

WITNESSETH:

1. RECITALS

This Agreement is made with reference to the following facts:

1.1 Licensee proposes to provide cable television service to persons residing in the Spartanburg District of Duke Power Company and desires to utilize the poles of Licensor for such purpose.

1.2 Duke is willing to authorize the installation of attachments on its poles to the extent Duke, in its sole discretion, may deem appropriate and in accordance with the terms of this Agreement.

2. ENTIRE AGREEMENT

This Agreement embodies the entire understanding between Licensor and Licensee and shall supersede any prior contracts, representations, negotiations or letters pertaining to the subject matter of this Agreement, whether written or oral. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind not set forth herein. This Agreement includes all documents attached hereto and incorporated herein by reference. This Agreement may not be modified or amended in any manner unless done so in writing and signed by both parties.

3. SCOPE OF AGREEMENT

3.1 General

3.1.1 Subject to the provisions of this Agreement, Duke agrees to issue to Licensee a license in the form of Exhibit A hereto attached, as it may be revised from time to time, authorizing attachment of Licensee's cable television facilities to the utility poles of Licensor and on such poles as are, in the sole judgment of Licensor, suitable and available for such attachments. A license must be applied for and obtained for each and every extension of Licensee's cable system where an attachment is to be

made to Licensor's poles. Each license shall describe in sufficient detail the location of the extension and the poles on which the Licensee proposes to attach. Licensor does hereby license attachments to the poles of Licensor made prior to the date of this Agreement by Licensee or by Licensee's predecessor under a prior attachment agreement and which were made in strict compliance with the terms and conditions of the prior attachment agreement. All licenses issued under any such prior agreement shall be incorporated as made under this Agreement.

3.1.2 Joint use of underground trenches or rights of way is not included within the scope of this Agreement.

3.1.3 No license shall be granted for the use of rights of way, easements, corridors, lines, poles or towers classified by Licensor either in whole or in part for transmission use.

3.2 *Facilities* - The facilities attached or to be attached by Licensee shall consist of one or more cables lashed together or to a single support wire together with other necessary appurtenances to be used solely for the operation by Licensee of a cable television system. "Cable television" shall be defined as that activity intended to be protected by Congress under the purview of the Pole Attachment Act of 1978, 47 U.S.C. 224, as amended. Use of Licensee's attached facilities for purposes other than "cable television" as the term was intended by Congress to mean, is prohibited under this Agreement.

If Licensee shall be determined by decision of a court of competent jurisdiction not subject to appeal to have used its facilities for purposes not intended by Congress to be under the purview of cable television, then in such event Licensee shall pay to Licensor an attachment fee for the time period during which such unauthorized uses occurred in an amount equal to one half the average pole rental fees per pole paid to Licensor by Southern Bell for the like time period in which such unauthorized use occurred, less credit for pole attachment fees paid, plus interest determined in accordance with the FCC formula for calculation of interest on overpayments or underpayments.

Licensor and Licensee agree that any past or present use by Licensee of its facilities shall not be deemed to be an accepted use under the scope of cable television. Failure of Licensor to prohibit Licensee from unauthorized uses shall not prejudice Licensor's right to additional compensation for any such unauthorized use.

Licensor and Licensee further agree that in no event shall the definition and scope of cable television be construed to be broader than the definition of "cable service" contained in the Cable Communications Policy Act of 1984, and codified as 47 U.S.C. 522(5).

3.3 *Attachments* - Upon issuance of a license, Licensee shall have the nonexclusive right to attach its transmission cable, riser cable, guys, service drops, power supplies and other appurtenances, to the poles described in such license.

3.4 Rights Reserved

3.4.1 No use, however extended, of poles or payment of any fees or charges required under this Agreement shall create or vest in Licensee any ownership of property rights in such poles. Licensee's right herein shall be and remain a license. Neither this Agreement nor any license granted hereunder shall constitute an assignment of any of Duke's rights to use the public or private property at the location of such poles.

3.4.2 Nothing contained in this Agreement shall be construed to compel Duke to construct, retain, extend, place or maintain any pole or other facilities not needed for Duke's own service requirements.

3.4.3 Nothing contained in this Agreement shall be construed as a limitation, restriction or prohibition against Duke with respect to any Agreement and/or arrangement which Duke has heretofore entered into with others not a party to this Agreement, or may in the future enter into with any electric utility, regulated local service telephone utility or municipality regarding the poles covered by this Agreement. The rights of Licensee shall at all times be subordinate to any such existing or future agreement and/or arrangement with electric utilities, regulated local service telephone utilities and municipalities, except the rights of Licensee shall not be subordinate to a municipality engaging in the business of providing cable television service.

3.4.4 In the event either Licensor, another electric utility, a local service telephone utility or a municipality desires to attach facilities to a pole to which Licensee has previously attached its cable and by reason of the presence of Licensee's cable said pole cannot support or accommodate the proposed facilities of Licensor, other electric utility, telephone utility or municipality, then Licensee shall either remove its cable or pay make-ready costs in those cases where in the sole opinion of Licensor the pole would have accommodated or supported the facilities of the Licensor, other electric utility, telephone utility or municipality but for the presence of Licensee's cable. Make-ready cost shall be determined in accordance with Article 6 *infra*.

3.4.5 If Licensee does not rearrange, transfer or remove its cable or guy wire within thirty (30) days following the date of written notice from Licensor regarding such requirements, Licensor, other electric utility, local service telephone utilities or municipalities may perform the work involved and Licensee shall pay the full costs thereof.

3.4.6 Licensor reserves to itself, its successors and assigns, and to the owners of other facilities attached to said poles, the right to maintain, replace and enlarge its facilities and to operate the same from time to time in such manner as will best enable it, in its sole judgment, to meet the needs of its customers

And fulfill its own service requirements. Licensor shall not be liable to Licensee or to Licensee's customers for any interruption to service of Licensee or for interference with the operation of Licensee's cable arising in any manner out of the use of Licensor's poles hereunder, or arising in any manner out of the condition or character of Licensor's facilities or the manner of the operation thereof.

3.4.7 Licensor reserves the right and option, exercisable in its sole discretion, upon written notice thereof to Licensee, to withdraw from any obligation to issue licenses for additional attachments. In the event Licensor shall withdraw the right to additional licenses, this Agreement shall remain in force as to all licenses then in existence unless terminated by either party pursuant to Article 13.

4. FEES AND CHARGES

4.1 *Application Fee* - Licensee shall pay to Licensor, for the processing and handling of a request for a pole attachment agreement, an Application Fee of Two Hundred Fifty Dollars (\$250.00) for each pole attachment agreement. A separate pole attachment agreement and an additional Application Fee shall be required for each district of Licensor in which Licensee requests to make attachments.

4.2 *Attachment Fee* - Licensee shall pay to Licensor, for attachments of its cable to poles under this Agreement, rental in an amount to be determined by multiplying the number of poles to which Licensee is attached by the maximum Annual Pole Attachment Fee allowable under the rules and regulations issued by the Federal Communications Commission pursuant to the Federal Pole Attachment Act or as may be determined by the appropriate state regulatory commission, as the case may be. The Annual Pole Attachment Fee shall be based upon data from Licensor's most recent Federal Energy Regulatory Commission (FERC) Form 1. The Annual Pole Attachment Fee for the calendar year of 1989 is \$4.26. The Annual Pole Attachment Fee for any future year shall be retroactively adjusted to January 1 and shall be based upon data from Licensor's FERC Form 1 for the prior year.

4.3 *Assessment of Attachment Fee*

4.3.1 The Attachment Fee shall be assessed semiannually based upon the number of poles of Licensor for which licenses have been issued, less those for which the license has been terminated, as of December 1 or June 1 and multiplied by one half the Annual Pole Attachment Fee.

4.3.2 The Attachment Fee shall be assessed as of the effective date of the License and shall not be refundable due to early termination of such License.

4.4 *Additional Fee* - The fee imposed upon Licensee specified in Article 4.2 is for the right to attach Licensee's cable to Licensor's poles

under §224 of the Communications Act of 1934 and regulations pursuant thereto. Licensee shall pay an Additional Fee for the following services:

4.4.1 *Power Supplies* - For the privilege of attaching power supply apparatus or similar devices, hereinafter termed "power supplies," to any pole of Licensor, Licensee shall pay an annual fee equal to two times the Annual Pole Attachment Fee then in effect. Licensee shall report on December 1 and June 1 of each year the number of power supplies attached to Licensor's poles. The Additional Fee for power supplies shall be assessed semiannually based upon the number of power supplies attached to Licensor's poles as of December 1 or June 1 and multiplied by the Annual Pole Attachment Fee. No charge shall be made for in-line amplifiers attached to Licensee's cable and not directly attached to Licensor's poles.

4.5 *Fees Cumulative* - The fees herein charged for additional attachments are cumulative. Licensee agrees to pay cumulative rental for all attachments upon any single pole.

4.6 *Adjustment of Additional Fees* - When the basic Annual Pole Attachment Fee is retroactively adjusted pursuant to Article 4.2, then the Additional Fee in Article 4.4 shall be adjusted proportionally to any increase or decrease in the Annual Pole Attachment Fee.

4.7 *Terms of Payment* - The Attachment Fee and all Additional fees shall be payable in advance in semiannual payments as of the first day of January, based upon the number of poles to which Licensee is attached and the number of power supplies attached to Licensor's poles as of the preceding first day of December, and the first day of July, based upon the number of poles to which Licensee is attached and the number of power supplies attached to Licensor's poles as of the preceding first day of June of each year. Nonpayment shall constitute a default of this Agreement.

4.8 *Payment* - All payments for Attachment Fees, Additional Fees and bills for costs and expenses reimbursable under this Agreement, shall be payable within thirty (30) days after presentation. Nonpayment of bills shall constitute a default of this Agreement.

4.9 *Late Payment Penalty* - If Licensee shall fail to pay when due any sum due Licensor hereunder, Licensee shall pay in addition to the sum due a late payment penalty of 1.5% for each 30-day interval or portion thereof. Partial payment shall be applied first to payment of accrued penalties.

5. SURETY BOND

Licensee shall furnish bond or an irrevocable, standby letter of credit issued by a federally chartered commercial bank of good standing and acceptable to Licensor, in such amount as Licensor from time to time may require, and in an initial amount in accordance with Exhibit C hereto attached, to guarantee the payment of any sums which may become due