EXHIBIT 1

AMENDMENT NO 2
TO
AGREEMENT FOR THE JOINT USE OF POLES

THIS AGREEMENT, made as of the 1st day of January 1982, between CONSUMERS POWER COMPANY and MICHIGAN BELL TELEPHONE COMPANY,

WHEREAS, the parties hereto entered into a certain modified agreement made as of January 1, 1971, and amended as of January 1, 1974, for the joint use of poles; and

WHEREAS, the parties hereto now again desire to amend said agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained the parties hereto agree as follows:

1. Article IV A., Rentals, of said agreement is hereby changed to read as follows:

> "A. The rental to be paid by one party ("Licensee") shall be a flat charge per year for each jointly used pole owned by the other party ("Owner"), to be determined as follows:
>
> Rt = .412 (Jp x Ap)
> Rp = .588 (Jp x Ap)
>
> Where:
>
> Rt = Telephone Company rental payment
> Rp = Electric Company rental payment
> Jp = Electric Company's average investment in its composite jointly used pole
> Ap = Electric Company's annual carrying charges in percentage (expressed in decimal form)"

2. The second paragraph of Article V, Rights of Other Parties, is hereby changed to read as follows:

> "Either party shall have the right to grant new rights of attachment on jointly used poles owned by it to any third party provided that the owner of the poles gives written notification to the other company before permission is granted and provided that no objection is raised by the other company within ten days after receipt of the written notification. Such objection shall state the basis for the objection, which may include that

(i) the proposed attachments would violate Michigan Public Service Commission Order No 1679 and subsequent revisions thereof or such other written specifications as may be adopted from time to time by the Joint Use Committee and included in the Administrative Practices, or (ii) the proposed attachments are communication attachments which even if not in violation of any of the specifications mentioned in (i) above, would nevertheless fail to provide a minimum of twelve (12) inches clearance above the Telephone Company's then existing attachments on jointly used poles."

The foregoing changes shall be effective as of January 1, 1982. All other provisions of said agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in triplicate by their duly authorized officers as of the day and year first above written.

CONSUMERS POWER COMPANY

APPROVED AS TO FORM

Donald E. Friedrich
CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

By _____
Vice President

Attest:

_____

MICHIGAN BELL TELEPHONE COMPANY

By _____
Vice President - Operations

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X.

AMENDMENT NO. 1
TO
AGREEMENT FOR THE JOINT USE OF POLES

THIS AGREEMENT, made as of the 1st day of January 1974, between CONSUMERS POWER COMPANY and MICHIGAN BELL TELEPHONE COMPANY,

WHEREAS, the parties hereto entered into a certain modified agreement made as of January 1, 1971, for the joint use of poles; and

WHEREAS, the parties hereto now desire to amend said agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained the parties hereto agree as follows:

1. The first sentence of Article II, Joint Use Committee, reading:

> "A Joint Use Committee composed of four representatives of each party hereto shall be established hereunder."

is hereby changed to read:

> "A Joint Use Committee composed of representatives of each party hereto shall be established hereunder."

2. Article IV, Rentals, of said agreement is hereby changed to read as follows:

> "A. The rental to be paid by one party (Licensee) shall be a flat charge per year for each jointly used pole owned by the other party (owner), to be determined as follows:
>
> $Rt = .413\ (Jp \times Ap)$
> $Rp = .587\ (Jp \times Ap)$
>
> Where:
>
> Rt = Telephone Company rental payment
> Rp = Electric Company rental payment
> Jp = Electric Company's average investment in its composite jointly used pole
> Ap = Electric Company's annual carrying charges in percentage (expressed in decimal form)

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B. The derivation of the elements of the rental formula included in Section A above, and the determination of the number of poles on which rental is to be charged, shall be as shown in the Administrative Practices."

The foregoing changes shall be effective as of January 1, 1974. All other provisions of said agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in triplicate by their duly authorized officers as of the day and year first above written.

CONSUMERS POWER COMPANY

By _____

Attest:

_____

MICHIGAN BELL TELEPHONE COMPANY

By _____
Vice President - Operations

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AGREEMENT FOR THE JOINT USE OF POLES
CONSUMERS POWER COMPANY
AND
MICHIGAN BELL TELEPHONE COMPANY

This Modified Agreement, made as of January 1, 1971, by and between CONSUMERS POWER COMPANY, a Michigan corporation, with its principal office at Jackson, hereinafter sometimes called the "Electric Company," party of the first part, and MICHIGAN BELL TELEPHONE COMPANY, a Michigan corporation with its principal office therein at Detroit, hereinafter sometimes called the "Telephone Company," party of the second part.

W I T N E S S E T H :

WHEREAS, the parties hereto have entered into an Agreement for the Joint Use of Poles dated July 28, 1932; and

WHEREAS, the parties hereto desire to modify said Agreement as hereinafter provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto, for themselves, their successors and assigns, agree that said Agreement dated July 28, 1932, is hereby modified to read as follows:

ARTICLE I

GENERAL

A. This Agreement shall be in effect in the territory in the State of Michigan now or hereafter served by both the Electric Company and the Telephone Company.

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B. All joint use of poles heretofore established by and between the parties shall remain in full force and effect upon the execution of this Agreement, provided, however, that on and after January 1, 1971 such joint use shall be governed by the provisions of this Agreement as modified.

C. Each party subscribes to the general policy of joint use of poles if and when such joint use is desirable in the judgment of both parties hereto.

D. The method of deciding which party hereto shall be the owner of a jointly used pole shall be as shown in the Administrative Practices hereinafter referred to.

E. The owner of a jointly used pole shall be responsible for providing a pole suitable for the requirements of both parties.

F. Permission to establish, and notice of termination of, joint use of poles between the parties hereto shall be in accordance with the procedures as set forth in said Administrative Practices, which shall also contain, if necessary, provisions concerning joint use by other parties on poles owned by either of the parties hereto.

G. In respect to jointly used poles, each party hereto shall be responsible for:

1. Placing, transferring, maintaining and rearranging its own attachments.
2. Sustaining its own unbalanced loads.
3. Providing rights of way and permits as it may deem necessary for its own requirements.

4. Providing tree trimming, tree cutting and brush control as it may deem necessary for its own requirements.

H. Costs of joint use which are not considered in determining the rental rate shall be equitably shared by the parties hereto. Such costs and the derivation thereof shall be as shown in said Administrative Practices.

I. Transfer of ownership of standing poles may be made between the parties hereto whenever it is feasible and desirable to do so. The procedures and pole price schedules, as shown in said Administrative Practices, shall be used in making such transfers in ownership.

ARTICLE II

JOINT USE COMMITTEE

A Joint Use Committee, composed of four representatives of each party hereto, shall be established hereunder. Each party shall keep the other advised by letter as to its current representatives and shall designate one of its representatives as its Principal Member on such Committee. The Joint Use Committee shall be responsible for:

1. Administering the provisions of this Agreement and the Administrative Practices referred to below, including the establishment and supervision of any working committee or task force for such purposes.
2. Recommending amendments to this Agreement.
3. Developing, adopting, revising, publishing and distributing Administrative Practices which shall

include: the methods used in arriving at rental rates and the Price Schedules I, II and III entitled "Sale Prices For Standing Poles Not Vacated By Owner," "Sale Prices For Standing Poles Vacated By Owner" and "Sacrifice Value Of Poles Replaced At Licensee's Request," respectively; billing procedures; forms; and any specification drawings, practices or procedures essential to the detailed administration and operation of this Agreement.

4. Initiating and establishing records, studies, audits, surveys, sampling and such other matters and activities as may be necessary to establish, maintain and carry out the Administrative Practices.

5. Negotiating with respect to all questions and problems which may arise regarding joint use under this Agreement and the Administrative Practices.

Any Administrative Practice adopted by the Joint Use Committee shall not be effective unless approved in writing by the Principal Member of each party hereto. The effective date of each Administrative Practice shall be specified in its heading. In the event of any conflict between any Administrative Practice and the provisions of this Agreement, the latter shall prevail over such Administrative Practice.

ARTICLE III

SPECIFICATIONS

All construction and maintenance in connection with the joint use of the poles covered by this Agreement shall be in conformity

with the terms and provisions of Michigan Public Service Commission Order No. 1679 and subsequent revisions thereof, and such other written specifications as may be adopted from time to time by the Joint Use Committee and included in the Administrative Practices.

ARTICLE IV

RENTALS

A. The rental to be paid by one party ("Licensee") shall be a flat charge per year for each jointly used pole owned by the other party ("Owner"), to be determined as follows:

$$\text{Rental} = J_O A_O \times \frac{I_L A_L}{I_L A_L + I_O A_O}$$

Where:

J_O = Owner's average investment in its composite jointly used pole
I_O = Owner's average investment in its composite non-jointly used pole
A_O = Owner's annual carrying charges in percentage (expressed in decimal form)
I_L = Licensee's average investment in its composite non-jointly used pole
A_L = Licensee's annual carrying charges in percentage (expressed in decimal form)

B. The derivation of the elements of the rental formula included in Section A above, and the determination of the number of poles on which rental is to be charged, shall be as shown in the Administrative Practices. Both parties shall cooperate toward obtaining and maintaining such division of ownership in the total number of jointly used poles as will result in approximately the same amount of total annual rental for each party.

ARTICLE V

RIGHTS OF OTHER PARTIES

If either of the parties hereto has, prior to January 1, 1971, granted to any person, firm or corporation not parties to this

Agreement, by contract or otherwise, rights or privileges to use any poles covered by this Agreement, nothing herein contained shall affect such rights or privileges, and either party hereto shall have the right to continue and extend such existing rights and privileges.

Either party shall have the right to grant new rights of attachment on jointly used poles owned by it to any third party provided that written consent of the other party is obtained, which consent may be withheld only if (i) the proposed attachments would violate Michigan Public Service Commission Order No. 1679 and subsequent revisions thereof or such other written specifications as may be adopted from time to time by the Joint Use Committee and included in the Administrative Practices, or (ii) the proposed attachments are communication attachments which, even if not in violation of any of the specifications mentioned in (i) above, would nevertheless fail to provide a minimum of twelve (12) inches clearance above the Telephone Company's then existing attachments on jointly used poles.

ARTICLE VI

ASSIGNMENT

Neither party shall assign or dispose of this Agreement or any of its rights or interests hereunder to any person, firm or corporation without the written consent of the other party, its successors or assigns, 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 to enter into any merger or consolidation; and in case of the foreclosure of such mortgage, or in case of such merger or consolidation, its rights and obligations hereunder shall pass to and be acquired and assumed by the purchaser on foreclosure or the merging or consolidating company, as the case may be.

ARTICLE VII

WAIVER

The failure of either party to enforce any of the terms or conditions of this Agreement shall not constitute a general 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 VIII

TAXES

Each party shall pay all taxes and assessments lawfully levied on its own property upon any jointly used poles covered by this Agreement, and the taxes and the assessments which are levied on said jointly used poles shall be paid by the owner thereof, except that any tax, assessment, fee or charge levied on the owner's poles solely because of their use by the other party shall be paid by the said other party.

ARTICLE IX

ARBITRATION

In the event that any claim or controversy shall arise between the parties hereto as to the meaning of this Agreement or any Administrative Practice, including the refusal of either party to perform in accordance with this Agreement or any Administrative Practice, or in the event the Joint Use Committee, because of disagreement among the members thereof, is unable to carry out any of its responsibilities specified in Article II hereof, then any such claim, controversy, refusal to perform, or disagreement (of said Committee) shall be settled by an Arbitration Board (which shall consist of one non-representative member and two representative members) in

accordance with the provisions of this Article. The party demanding arbitration shall serve written notice upon the other party hereto, setting forth in detail the matter with respect to which arbitration is demanded. Within a period of ten (10) days from the date of personal delivery or mailing of the aforesaid written notice, each of the parties shall appoint a representative to serve as a member of the Arbitration Board; and, within a period of thirty (30) days from such date of personal delivery or mailing of such notice such representative members shall agree upon the person who shall serve as the non-representative member of the Arbitration Board. If said representative members are not so appointed within the specified period, or if the representative members shall fail to agree upon the appointment of the non-representative member of the Arbitration Board within the specified period, either party, upon written notice to the other party, may apply to the American Arbitration Association for the appointment of the non-representative member and any representative member who has not been so appointed and such Association shall thereupon be empowered to appoint such member or members of the Board. No person shall be eligible for appointment as a non-representative member of the Arbitration Board who is an officer, employee, shareholder of, or otherwise interested in, either of the parties hereto or any affiliate of the parties hereto or in the matters sought to be arbitrated.

The arbitration proceedings shall be conducted at a place, to be designated by the Arbitration Board, within the territory in the State of Michigan served by both parties hereto. The Arbitration Board shall afford adequate opportunity to both parties to present information with

respect to the matter submitted to arbitration and may require further information from either party. Except as provided in the preceding sentence, the parties, by mutual agreement, may specify the rules which are to govern any arbitration proceeding and limit the matters to be considered by the Board, in which event the Arbitration Board shall be governed by the terms and conditions of such agreement. In the absence of any such agreement, the then current rules of the American Arbitration Association for the conduct of commercial arbitration shall govern the proceedings. Procedural matters pertaining to the conduct of the arbitration and the award of the Arbitration Board shall be made upon the determination of a majority of the members thereof. The findings and award of the Arbitration Board shall be final and conclusive with respect to the matter submitted to arbitration and shall be binding upon the parties hereto, except as otherwise provided by law. Such award of the Arbitration Board shall specify the manner and extent of the division of the cost of the arbitration proceedings among the parties hereto. Judgment upon the award may be entered in any court, State or Federal, having jurisdiction.

ARTICLE X

LIABILITY AND DAMAGES

This Agreement is intended for the mutual benefit and protection of the parties hereto and non-conformity therewith shall not create any presumption of fault on the part of either party in favor of any third party.

Whenever any liability is incurred by either or both of the parties hereto for damages for injuries to the employees or for injury to the property of either party, or for injuries to other persons

or their property, arising out of the joint use of poles under this Agreement, or due to the proximity of the wires and fixtures of the parties hereto attached to the jointly used poles covered by this Agreement, the liability for such damages, as between the parties hereto, shall be as follows:

1. Each party shall be liable for all damages for such injuries to persons or property caused solely by its negligence.

2. Each party shall be liable for all damages for such injuries to its employees or its own property that are caused by the concurrent negligence of both parties hereto.

3. Each party shall be liable for one-half (½) of all damages for such injuries to persons other than employees of either party, and for one-half (½) of all damages for such injuries to property not belonging to either party that are caused by the concurrent negligence of both parties hereto.

4. All claims for damages arising hereunder that are asserted against or affect both parties hereto shall be dealt with by the parties hereto jointly; provided, however, that in any case where the claimant desires to settle any such claim upon terms acceptable to one of the parties hereto, but not to the other, the party to which said terms are acceptable may, at its election, pay to the other party one-half (½) of the expense which such settlement would involve, and thereupon said other party shall be bound to protect the party making such payment from all further liability and expense on account of such claim.

5. In the adjustment between the parties hereto of any claim for damages arising hereunder, the liability assumed hereunder by the parties shall include, in addition to the amounts paid to the claimant, all expenses incurred by the parties in connection therewith, which shall comprise costs, attorney's fees, disbursements and other proper charges and expenditures.

ARTICLE XI

DEFAULTS

If either party shall make default in any of its obligations under this Agreement or any of the Administrative Practices and such default continues thirty (30) days after notice thereof in writing from the other party, all rights of the party in default to use jointly the poles in question shall be suspended and if such default shall continue for a period of thirty (30) days after such suspension, the other party may forthwith terminate this Agreement as far as concerns future granting of joint use.

If either party shall make default in the performance of any work which it is obligated to do under this Agreement or any of the Administrative Practices at its sole expense, the other party may elect to do such work, and the party in default shall reimburse the other party for the cost thereof. Failure on the part of the defaulting party to make such payment within thirty (30) days upon presentation of bills thereof shall, at the election of the other party, constitute a default under the first paragraph of this Article.

ARTICLE XII

TERMINATION

Subject to the provisions of Article XI herein, this Agreement shall remain in full force and effect until terminated, so far as concerns the further granting of joint use, by either party giving, at any time, one (1) year's notice in writing by registered mail to the other party. When such notice shall have been given, the parties hereto shall meet and confer as often as may be necessary to determine what disposition, if any, shall be made with respect to existing joint use. If, at the end of the said one (1) year termination period, no agreement has been reached between the parties hereto as to the disposition of existing joint use, such existing joint use shall continue to be governed by the terms of this Agreement, subject to the provisions of Article XI, until such time as the parties hereto may otherwise mutually agree.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized officers as of the day and year first above written.

APPROVED AS TO FORM

CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

CONSUMERS POWER COMPANY

By _____
VICE PRESIDENT

ATTEST:

_____
ASSISTANT SECRETARY

MICHIGAN BELL TELEPHONE COMPANY

By _____
Vice President - Operations

APPROVED AS TO FORM
ATTORNEY
MICH. BELL TELEPHONE CO.

Executed in Triplicate

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ARTICLE XII

TERMINATION

Subject to the provisions of Article XI herein, this Agreement shall remain in full force and effect until terminated, so far as concerns the further granting of joint use, by either party giving, at any time, one (1) year's notice in writing by registered mail to the other party. When such notice shall have been given, the parties hereto shall meet and confer as often as may be necessary to determine what disposition, if any, shall be made with respect to existing joint use. If, at the end of the said one (1) year termination period, no agreement has been reached between the parties hereto as to the disposition of existing joint use, such existing joint use shall continue to be governed by the terms of this Agreement, subject to the provisions of Article XI, until such time as the parties hereto may otherwise mutually agree.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized officers as of the day and year first above written.

APPROVED AS TO FORM

CONSUMERS POWER COMPANY
LEGAL DEPARTMENT

CONSUMERS POWER COMPANY

By _____
VICE PRESIDENT

ATTEST:

_____
ASSISTANT SECRETARY

MICHIGAN BELL TELEPHONE COMPANY

By _____
Vice President - Operations

APPROVED AS TO FORM
ATTORNEY
MICH. BELL TELEPHONE CO.

Executed in Triplicate

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JOINT USE AGREEMENT

ADMINISTRATIVE PRACTICES

BETWEEN

CONSUMERS POWER COMPANY

AND

MICHIGAN BELL TELEPHONE COMPANY

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SECTION	SUBJECT
O	PRICE SCHEDULES 1. BASIC PRINCIPLES 2. JOINTLY USED POLES 3. VACATED POLES 4. SACRIFICE VALUE
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SECTION A - SCOPE

A-1 PURPOSE JANUARY 1, 1971

These Administrative Practices have been developed and adopted by the Joint Use Committee pursuant to Article II of the Joint Use Agreement between Michigan Bell Telephone Company ("Telephone Company") and Consumers Power Company ("Electric Company") dated as of January 1, 1971. They include practices and procedures essential to the detailed administration and operation of the Joint Use Agreement. In the event of any conflict between any Administrative Practice and said Joint Use Agreement, the latter shall prevail. The date shown in the heading of each Administrative Practice indicates the effective date of that particular Administrative Practice. Wherever "mutual agreement," "mutually agree," or a similar phrase is used in these Administrative Practices, it shall refer to and mean the mutual agreement of the Joint Use Committee.

A-2 ROUTINE PROCEDURES JANUARY 1, 1971

Each Company will issue its own necessary internal routine procedures to carry out the provisions of these Administrative Practices. These internal procedures should be coordinated between the two Companies but do not require approval of the Joint Use Committee.

SECTION B - GENERAL

B-1 POLICY JANUARY 1, 1971

As indicated in the Joint Use Agreement, each Company subscribes to the policy of joint use of poles wherever such joint use is desirable in the judgment of both Companies. Each Company shall determine the requirements of its own service and the character, design, and construction of its own facilities on jointly used poles, subject to the provisions and specifications included in these Administrative Practices.

B-2 VOLTAGE LIMITATIONS JANUARY 1, 1971

In general, these Administrative Practices cover the requirements for joint use of primary and secondary distribution at voltages not to exceed 15,000 volts phase to ground, or 26,000 volts phase to phase. Joint use at subtransmission and transmission voltages require special coordination. (See Section H)

B-3 VOLTAGE CONVERSION COORDINATION JANUARY 1, 1971

Telephone Company requirements for protection and grounding differ with certain primary voltages and systems. When it is proposed to change the primary system or voltage in any area, notification must be given, in accordance with Michigan Public Service Commission Order No. 1868, sufficiently in advance to permit the electrical coordination representatives of the Telephone Company to complete any necessary arrangements for protection and grounding.

B-4 CONSOLIDATION OF EXISTING SEPARATE LINES JANUARY 1, 1971

(a) In any location where separate and paralleling pole lines now exist, consideration shall be given to consolidating the pole lines when it becomes necessary to make major repairs or alterations.

(b) Where the Companies mutually agree to replace separate pole lines with a jointly used pole line, each Company shall assume the cost of transferring its own attachments unless mutually agreed otherwise.

SECTION C - ATTACHMENTS

C-1 PLACING ATTACHMENTS JANUARY 1, 1971

(a) When wood poles are not suitable for joint use, they shall be replaced before attachments are made.

(b) When wood poles are suitable for joint use, attachments may be placed without notification except as indicated in (c), (d) and (f) following.

(c) Long span joint use shall be coordinated in accordance with the provisions of Section G before attachments are placed.

(d) Joint use on subtransmission and transmission lines requires coordination before attachments are made. (See Section H)

(e) Metal and concrete poles owned by the Electric Company will not be contacted by the Telephone Company unless mutually agreed otherwise.

(f) In general, telephone cable will be installed on one side of the pole only. If, to save pole replacements, it is desirable to install cables on both sides of the pole, written permission must be obtained from the Electric Company's Division Electric Superintendent.

C-2 REMOVING ATTACHMENTS JANUARY 1, 1971

(a) Attachments may be removed at any time without notification except that when the pole owner plans to remove all of its attachments from a pole it shall so notify the other Company. (See Section I-2(b))

(b) When one Company proposes to relocate its attachments from an existing jointly used pole line to a new pole line in the same vicinity, the disposition of the existing pole line shall be mutually agreed upon in accordance with Section I-2(b).

C-3 TRANSFERRING AND REARRANGING ATTACHMENTS JANUARY 1, 1971

(a) Transferring or rearranging attachments on jointly used poles shall be done promptly. If this work cannot be completed within 30 days after notice, a date shall be negotiated.

(b) In general, each Company will handle its own attachments and make its own transfers and rearrangements. In certain cases, attachments of one Company may be handled by the other Company as indicated in (c) and (d) following. In such cases, verbal notice shall be given to the other Company not later than the next working day. This verbal notice shall be confirmed by a Joint Use Memo.

(c) In an emergency, work involving attachments of the other Company may be done to eliminate a hazard.

(d) To expedite completion of a pole replacement or other reconstruction, the Electric Company may temporarily fasten the following Telephone Company attachments to the new pole provided it is done in a safe and secure manner:

1. Drop wire (service and line).
2. Cable and/or strand except at angles and dead ends.
3. Pole mounted distribution terminals and small cabinets (2 feet square) except those equipped with platforms.

   NOTE: In these cases, special care is required to avoid damage to the terminal stub cable. Stub cables are easily damaged at the point of entrance to the terminal box and also at the entrance to the main cable sleeve.

4. Open wire brackets except at angles and dead ends.

In case of damage by the Electric Company, the Telephone Company shall be notified promptly. Damage found by the Telephone Company, and attributed to work by the Electric Company, shall be reported at once to the Electric Company.

C-4 MISCELLANEOUS FOREIGN ATTACHMENTS JANUARY 1, 1971

All jointly used poles should be kept free of posters, banners, nails, radio or television antennas, advertising signs, and other similar devices.

C-5 THIRD PARTY ATTACHMENTS JANUARY 1, 1971

(a) The pole owner shall have jurisdiction over attachments of any third party on jointly used poles. Such attachments shall conform to Michigan Public Service Commission requirements and any other mutually agreed-upon specifications.

(b) If either of the parties hereto has, prior to January 1, 1971, granted to any person, firm or corporation not parties to this Agreement, by contract or otherwise, rights or privileges to use any poles covered by this Agreement, nothing herein contained shall affect such rights or privileges, and either party hereto shall have the right to continue and extend such existing rights and privileges.

Either party shall have the right to grant new rights of attachment on jointly used poles owned by it to any third party provided that written consent of the other party is obtained, which consent may be withheld only if (i) the proposed attachments would violate Michigan Public Service Commission Order No. 1679 and subsequent revisions thereof or such other written specifications as may be adopted from time to time by the Joint Use Committee and included in the Administrative Practices, or (ii) the proposed attachments are communication attachments which, even if not in violation of any of the specifications mentioned in (i) above, would nevertheless fail to provide a minimum of twelve (12) inches clearance above the Telephone Company's then existing attachments on jointly used poles.

(c) When rearrangement of attachments of the other Company is necessary to accommodate proposed attachments of a third party, negotiations for such rearrangements shall be made by the third party with such other Company.

SECTION D - NEW POLE CONSTRUCTION

D-1 GENERAL POLICY JANUARY 1, 1971

(a) Both Companies shall cooperate fully in setting new poles for joint use in order to maintain the desired ratio of ownership of jointly used poles. (See Section K-6)

(b) When engineering judgment indicates that there will be a need for jointly used poles, either Company should be agreeable to setting the poles subject to the provisions of D-1(a) and D-2.

D-2 JOINTLY USED POLES 50 FEET OR MORE IN LENGTH JANUARY 1, 1971

Jointly used poles 50 feet or more in length shall be set and owned by the Electric Company unless otherwise specifically agreed upon for a particular case.

D-3 EXPEDITING POLE SETTING JANUARY 1, 1971

(a) To expedite the completion of new business jobs, a completion date for pole setting by the owner shall be agreed upon in advance and shall be in accordance with the service requirements of both Companies.

(b) If the owner cannot set poles to meet the agreed-upon pole setting date, it shall authorize the other Company to set the poles and bill in accordance with the established price of a zero year old pole in the current Price Schedule I.

D-4 SELF-SUSTAINING OR BRACING JANUARY 1, 1971

In accordance with Article I of the Joint Use Agreement, each Company is responsible for sustaining its own unbalanced loads.

D-5 COORDINATION JANUARY 1, 1971

Proposed new construction must be coordinated between the two Companies to reach agreement concerning pole setting, right-of-way, tree work, and completion dates.

D-6 OWNERSHIP IDENTIFICATION JANUARY 1, 1971

All joint poles shall be marked to show ownership in accordance with each Company's specifications, and each Company shall maintain such records as it deems necessary indicating ownership, height, and age of its poles.

SECTION E - RECONSTRUCTION

E-1 GENERAL JANUARY 1, 1971

(a) When replacement, alteration, or relocation of a jointly used pole is required, consideration shall be given each case so that the best joint engineering solution results.

(b) In cases indicated in (a) above, each Company shall perform its own work at its own expense, except as otherwise provided in these Administrative Practices.

(c) In the event either Company enlarges the scope of its business or adopts a new method of operation which would require rearrangement of the facilities of the other Company, an equitable sharing of the costs of the rearrangement work shall be mutually agreed upon prior to the performance thereof.

(d) Where it becomes necessary to replace an Electric Company pole which has telephone cable on both sides, the Telephone Company will compensate the Electric Company for the depreciated material value of such poles that meet all of the following conditions:

1. The pole must not be more than 20 years old.
2. The pole must be at least 50 feet in length.
3. The pole must be cut off in order to remove it.

The amount to be paid shall be the original material cost of the pole depreciated by 3.33 percent per year for the age of the pole.

E-2 SACRIFICE VALUE JANUARY 1, 1971

When replacement of a pole or poles is necessary to accommodate joint use, and the replacement is primarily for the benefit of the other Company, the latter shall reimburse the pole owner for sacrifice value of the pole or poles removed in accordance with the current Price Schedule III. (See Section O-4)

E-3 INITIATED BY THIRD PARTY JANUARY 1, 1971

When such reconstruction as indicated in E-1 above is made necessary because of requests of a third party such as a customer, subscriber, or governmental agency, each Company shall be responsible for the work involving its own poles or attachments. Such cases shall be coordinated between the two Companies before making final arrangements or commitments with the third party. Coordination will ordinarily be initiated by the pole owner and will include each Company's intent regarding billing to the third party, so that each Company's interest is protected.

E-4 EMERGENCY REPLACEMENT OF POLES JANUARY 1, 1971

(a) During emergencies, when immediate attention is required, the Electric Company may replace not more than three jointly used poles of the Telephone Company and temporarily secure telephone attachments in a safe manner without prior authorization from the Telephone Company. In cases involving more than three poles in any one location, authorization from the Telephone Company is required. In all cases, the Telephone Company shall be notified as soon as possible after the replacement of Telephone Company poles by the Electric Company. The Telephone Company shall reimburse the Electric Company for such pole replacements, using the established price of a zero year old pole in the current Price Schedule I increased by 25 percent. This applies to poles of 45 feet and less in length.

(b) In case of damage to property of either Company by a third party, each Company shall bill the third party for its separate costs of restoring plant. When such case involves the emergency replacement of a pole of the Telephone Company by the Electric Company, the Electric Company billing to the third party shall not include the emergency pole replacement cost.

E-5 COORDINATION JANUARY 1, 1971

(a) Advance coordination is essential so that all the requisites of joint use are taken care of satisfactorily. (See Sections G-1 and H-1)

(b) In many cases, replacing poles or adding poles in an existing lead can be safely done by the crew of one Company alone. Where it is necessary that crews from both Companies be present at the same time, the Company initiating the work shall determine when a crew of the other Company is required. This may be necessary for several reasons; such as, handling of equipment to facilitate construction, safety to crew personnel, protection to equipment of both Companies, or assurance of continuity of service.

(c) When both crews are required, the Company initiating the work shall give verbal notice to the other Company before noon of the day previous to that on which the work is to be done. This verbal notice is in addition to the usual Joint Use Memo. The work shall be arranged so as to avoid one crew waiting for the other crew to complete its work.

SECTION F - LINE CLEARING

F-1 PRINCIPLES JANUARY 1, 1971

(a) When construction of a new jointly used pole line is involved, and line clearing is necessary for both Companies, the cost of such line clearing work shall be shared by the two Companies as indicated in F-2 below.

(b) Usually, line clearing for both Companies will be done by the Company setting the poles. Where deviations from this general policy may be advantageous, the work may be allocated as agreed. All such work shall be coordinated and verbal arrangements shall be confirmed in writing.

(c) Each Company shall perform its own maintenance trimming at its own expense.

F-2 BILLING JANUARY 1, 1971

The division of cost for line clearing on new jointly used pole lines is 66-2/3 percent for the Electric Company and 33-1/3 percent for the Telephone Company. The cost of this line clearing shall be billed monthly and shall include all accumulated charges. Invoices shall include the Joint Use Memo numbers and the amount of billing for each job.

SECTION G - LONG SPAN LINES

G-1 GENERAL JANUARY 1, 1971

Span lengths which exceed the basic span lengths as specified in Michigan Public Service Commission Order No. 1679, Rule 232A2, require incremental increases in clearances. (See Section P for data concerning clearances, span limitations, sags, and transverse loading.) The general policy and procedures contained in these Administrative Practices apply to all span lengths. There are, however, certain additional requirements for joint use of long span lines. Accordingly, coordination of proposed joint use of long span lines is essential to assure adequate pole strength, separations, and clearances.

SECTION H - SUBTRANSMISSION AND TRANSMISSION LINES

H-1 GENERAL JANUARY 1, 1971

The general policy and procedures contained in these Administrative Practices shall be followed wherever applicable for joint use at voltages in excess of 15,000 volts phase to ground, or in excess of 26,000 volts phase to phase. However, joint use at subtransmission and transmission voltages shall require special coordination as specified in H-2 below.

H-2 COORDINATION, COSTS, AND BILLING JANUARY 1, 1971

(a) Initial coordination, determination and division of costs, and billing will be the responsibility of:

Electric Company: Supervisory Engineer
Transmission Division,
Electric Engineering Department
1945 Parnall Road
Jackson, Michigan 49201

Telephone Company: Transmission Engineer - Projects
General Engineering Department
23500 Northwestern Highway
Southfield, Michigan 48075

(b) Final approval of arrangements and billing shall be the responsibility of:

Electric Company: Principal Engineer
Transmission Division,
Electric Engineering Department
1945 Parnall Road
Jackson, Michigan 49201

Telephone Company: Transmission and Protection Engineer
General Engineering Department
23500 Northwestern Highway
Southfield, Michigan 48075

SECTION I - DIVISION AND TRANSFER OF OWNERSHIP

I-1 DIVISION OF OWNERSHIP JANUARY 1, 1971

In general, mixed ownership may be permitted in any pole line when it conforms to good engineering practice. However, the Telephone Company will own all toll poles, and the Electric Company will own all subtransmission and transmission poles. Ownership of a jointly used pole at the intersection of two pole leads shall be as mutually agreed upon.

I-2 POLE SALE OR PURCHASE JANUARY 1, 1971

(a) To effect ownership of poles in accordance with I-1 and to establish the desired ratio of ownership of jointly used poles, pole sales may be made by means of a Bill of Sale and shall be effective on the day the Bill of Sale is executed. (For Price Schedules see Sections O-2 and O-3) (For ownership identification see Section D-6)

(b) When the pole owner plans to vacate a jointly used pole, agreement shall be reached as to the disposition of the pole so that the owner may issue the proper construction orders. If the other Company agrees to purchase the pole, the present owner of the pole shall prepare

and execute the Bill of Sale as soon as practicable after its attachments have been removed. If the other Company does not agree to purchase the pole, it shall promptly remove its attachments therefrom.

(c) Condemned poles which are to remain jointly used poles shall not be sold, but shall be replaced by the present owner and the new pole included in the pole sale. Condemned poles which have been vacated by the owner shall not be sold and shall be removed by the owner and the other Company shall provide a pole for its own use.

I-3 BILLING JANUARY 1, 1971

(a) Invoices for the sale of poles and invoices for payment of sacrifice value shall usually be issued within 30 days after approval of the Joint Use Memo. A group of memos may be included in one invoice except as otherwise indicated in (b) and (c) following.

(b) Invoices issued by the Electric Company shall be separate for each Telephone Company District and shall be addressed to the District Plant Engineer or Area Engineer.

(c) Invoices issued by the Telephone Company shall be separate for each Electric Company Division and shall be addressed to the Division Assistant Electric Superintendent-Engineering.

SECTION J - RIGHT-OF-WAY

J-1 PRINCIPLES JANUARY 1, 1971

(a) Each Company is responsible for obtaining its own right-of-way as it may deem necessary for its own requirements. However, if either Company fails to obtain satisfactory right-of-way covering its attachments on the jointly used poles of the other Company and objection is made thereto by the landowner, such Company shall endeavor to adjust the matter as soon as practicable. If the matter is not satisfactorily adjusted within a reasonable time, such Company shall promptly remove its attachments from the jointly used poles involved.

(b) In cases where both Companies desire to obtain joint private right-of-way in order to expedite joint use, the Companies shall cooperate in obtaining the same. For any new jointly used pole lines, extensions, additions or relocations for which joint right-of-way is proposed, the pole owner shall coordinate the joint right-of-way requirements, by means of a Joint Use Memo, and generally arrange for execution of the necessary instruments.

(c) Whenever questions or objections are raised by the landowner concerning joint right-of-way, representatives from both Companies may meet jointly with the landowner for the purpose of resolving the problem.

(d) Whenever joint right-of-way cannot be secured or an instrument can be secured for only one Company, the other Company shall be notified promptly and shall secure its own right-of-way.

(e) The Company obtaining joint right-of-way shall request the grantor to sign duplicate originals of the right-of-way instrument, one for each of the two Companies. The Company obtaining joint right-of-way shall forward to the other Company, by means of an appropriate transmittal letter in duplicate, one signed original of each joint right-of-way instrument obtained by it, together with two copies of a sketch showing the location of the right-of-way obtained. One copy of the transmittal letter shall be returned to the originating Company with a statement that such copy is to be considered as billing authorization. One letter may be used to transmit more than one right-of-way instrument. If either Company elects to record its original of the right-of-way instrument, it shall promptly notify the other Company of its election in order to avoid a double recording and shall furnish the other Company with the pertinent recording data.

(f) Any construction, reconstruction or addition which is not covered by the original joint right-of-way instrument will require the acquisition of an additional right-of-way instrument.

(g) Each Company shall maintain a record of all joint right-of-way instruments secured in order to avoid soliciting right-of-way already obtained.

(h) Each Company is opposed to right-of-way encroachment by third parties with permanent structures. In any case where either Company wishes to deviate from or enforce this policy with respect to jointly used poles, it will notify the other Company by registered mail prior to any action on the part of its representatives with any third party.

J-2 DIVISION OF COST JANUARY 1, 1971

Joint right-of-way instruments are deemed to be of equal value to each Company. It may, however, be impracticable for each Company to obtain an equal number of joint right-of-way instruments. Accordingly, each Company shall bear an equal share of the cost of obtaining each joint right-of-way instrument. Fifty percent of the average current cost of each Company in acquiring joint right-of-way is Fifty Dollars.

J-3 BILLING JANUARY 1, 1971

Generally, billings for joint right-of-way instruments shall be made monthly. Invoices shall include a list of transmittal letters by date and related Joint Use Memo numbers, the number of instruments transmitted and the amount of billing involved.

SECTION K - RENTALS

K-1 GENERAL JANUARY 1, 1971

As set forth in Article IV of the Joint Use Agreement, a formula has been adopted which can be applied to changing values each year to determine billing for jointly used pole rentals. There are four major factors involved in the rental calculations for each Company as follows:

1. Its average investment in its composite non-jointly used pole.
2. Its average investment in its composite jointly used pole.
3. Its annual carrying charges in percentage.
4. Its actual ownership of jointly used poles.

The methods used to determine the above factors and their application in the formula are shown in K-2, 3, 4, 5, 6 and 7 following.

K-2 CURRENT AVERAGE PLANT-IN-SERVICE INVESTMENT JANUARY 1, 1971

(a) The current average plant-in-service investment on a thirty-year basis for each Company shall be determined annually for its poles of each height. The first step is to determine for each Company the total number of poles of each height, by year installed, remaining in service.

(b) Each Company annually determines its average installed cost of a pole of each height. This is the same information that is used to establish Price Schedules I, II and III. Each Company's average installed cost for its poles of each height for each year shall then be multiplied by the number of poles of such height installed by it in such year and remaining in service. The results are average annual investments for poles of each height.

(c) Each Company's average annual investments for its poles of each height shall then be summed over the preceding thirty-year period and divided by the total number of poles of such height installed by it during that period and remaining in service. The result of the above computations for each Company for its poles of each height shall be deemed to be such Company's current average plant-in-service investment for its poles of such height.

K-3 INVESTMENT - NON-JOINTLY USED POLE JANUARY 1, 1971

(a) A scientific sampling procedure in 1960 and again in 1967 produced data concerning the number of non-jointly used poles of each height owned by each Company. The information produced by the 1967 scientific sampling procedure shall be used until such time as it is mutually agreed otherwise.

(b) In the following table, the number of non-jointly used poles of each height owned by each Company has been converted to a percentage of the total non-jointly used poles owned by such Company. Each

Company's current average plant-in-service investment for each height of its poles shall be multiplied by its percentage of non-jointly used poles of such height as specified in said table. The sum of the products of said multiplication for all pole heights of each Company shall be deemed to be such Company's average investment in its composite non-jointly used pole. For poles under 25' in height, the 25' current average plant-in-service investment shall be used. For poles over 45' in height, the 45' current average plant-in-service investment shall be used.

(c) Percentage of non-jointly used poles by height:

	MBT Co	CP Co
20' and under	9.0627	0.1251
25'	30.3019	0.6572
30'	47.6793	10.6569
35'	10.5766	51.2473
40'	1.5591	19.2188
45' and over	0.8204	18.0947
Total	100.	100.

K-4 INVESTMENT - JOINTLY USED POLE JANUARY 1, 1971

(a) The 1967 scientific sampling procedure mentioned in K-3(a) above also produced data concerning the number of jointly used poles of each height owned by each Company. This information will be used in subsequent years until such time as it is mutually agreed otherwise.

(b) In the following table, the number of jointly used poles of each height owned by each Company has been converted to a percentage of the total jointly used poles owned by such Company. Each Company's current average plant-in-service investment for each height of its poles shall be multiplied by its percentage of jointly used poles of such height as specified in said table. The sum of the products of said multiplication for all pole heights of each Company shall be deemed to be such Company's average investment in its composite jointly used pole. For poles under 25' in height, the 25' current average plant-in-service investment shall be used. For poles over 45' in height, the 45' current average plant-in-service investment shall be used.

(c) Percentage of jointly used poles by height:

	MBT Co	CP Co
20' and under	0.0000	0.0249
25'	0.2906	0.2262
30'	5.1497	5.9110
35'	62.1804	39.8053
40'	21.0516	20.3131
45' and over	11.3277	33.7195
Total	100.	100.

K-5 ANNUAL CARRYING CHARGES JANUARY 1, 1971

The annual carrying charges applicable to all poles for each Company expressed in percentage shall include the following mutually agreed-upon items for the year previous to that for which the rentals are being determined:

MET Co	CP Co
Depreciation	Depreciation
Taxes	Real, Personal and Fran Taxes
Cost of Money, and Federal and Michigan Income Taxes	Federal and Michigan Inc
Maintenance Expenses	Cost of Money
Administration Expenses	Electric Distribution O and Maintenance Expen
General Operating Expenses	Customer Accounting, Sa motion, Administrativ General Expenses

K-6 RENTAL RATE AND DIVISION OF OWNERSHIP JANUARY 1, 1971

The rental rate for each Company shall be determined annually by applying the rental formula specified in Article IV of the Joint Use Agreement. Every effort should be made to maintain the division of ownership of jointly used poles which will result in a net rental payment of zero.

K-7 NUMBER OF JOINTLY USED POLES JANUARY 1, 1971

For the purpose of determining the rental payments payable by each Company for a given year, the number of jointly used poles owned by such Company shall be determined for such year by means of scientific sampling. However, when mutually agreed upon, some areas may be censused instead of sampled. (See Section L)

K-8 RENTAL PAYMENT JANUARY 1, 1971

When the number of jointly used poles owned by each Company has been determined for a given year in accordance with Section L, said number of jointly used poles for each Company shall be multiplied by the appropriate rental rate determined in accordance with Article IV of the Joint Use Agreement in order to establish the amount of rental owed by each Company for such year. Payment will be made on the basis of the net difference between these two figures unless mutually agreed otherwise.

K-9 BILLING JANUARY 1, 1971

Unless mutually agreed otherwise, billing for rental payments for any given year will occur during that year with the billing invoice to be issued not later than 30 days after the completion of the pole survey made for that year in accordance with Section L.

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SECTION L - NUMBER OF JOINTLY USED POLES

L-1 METHOD JANUARY 1, 1971

(a) Scientific sampling procedure shall be used to determine the number of jointly used poles owned by each Company. This shall be done annually unless otherwise agreed upon in any particular year prior to start of sampling. The sampling technique shall use a systematically drawn sample of geographic units from the jointly served area.

(b) The entire sampling procedure shall be a joint effort and, where possible, the work shared equally by the two Companies. Records shall be kept of all costs applicable to the survey, and the Company having the greater share of the costs shall bill the other Company for one-half of the unbalance. The specific costs of supervision, labor and mileage shall be as agreed upon by the two Companies for each specific year.

L-2 HEADQUARTERS JANUARY 1, 1971

It is necessary to arrange for office space, furniture and equipment for the sampling headquarters each year. A minimum of 300 square feet of office space is required. Suggested furnishings and equipment are as follows:

1. Furnishings: Should include at least 1 desk, 5 tables, 2 light boards, 2 drawing stools, 1 telephone, and chairs and miscellaneous furnishings sufficient for personnel working on the sampling.

2. Equipment: Overlay grids and templates (2 each size). An adequate supply of red and green ballpoint pens, IBM electrographic pencils, erasers, scratch pads, paper clips, etc.

L-3 BASIC MAPS JANUARY 1, 1971

(a) The sampling framework from which the geographic sampling units are drawn shall be the maps used by the Electric Company to record the location of its overhead plant each year. These maps are known as Overhead Lines Distribution Maps and cover the entire jointly served territory. Each map is accurately drawn to one of two scales, depending upon the pole population. The scales are 200 and 1,000 feet to the inch, covering urban and rural areas respectively. The rural maps are set up by townships, with each map covering, in general, one complete township. The urban maps are set up by town, range and section numbers, with each map covering, in general, one complete section.

(b) The townships and sections involved in the jointly served territory are determined from the Exchange Maps used by the Telephone Company to record its exchange boundaries. In those townships not served entirely by the Telephone Company, the boundary lines are indicated on

the Electric Company's Overhead Lines Distribution Maps. Townships not served by the Telephone Company are excluded.

L-4 STRATIFICATION JANUARY 1, 1971

(a) To accomplish reasonable accuracy with a minimum size sample, each of the two map scales is a separate stratum. Each stratum is sampled independently and the results for the two strata are weighted together to give a total figure. (See Section L-7)

(b) The geographic sampling units (or squares) have been established as 640' x 640' for the urban maps with 90 such units covering the entire area shown on any 200-foot map section; and 1500' x 1500' for the rural maps with 576 such units covering the entire area shown on any 1,000-foot map section.

L-5 MAP LISTS - NUMBERING JANUARY 1, 1971

(a) A list is prepared annually, by stratum, of all maps in the jointly served territory of each of the twelve electric operating Divisions of the Electric Company. These lists are arranged numerically by town, range and section by Divisions for the urban maps; and alphabetically by townships by Divisions for the rural maps.

(b) After the map lists have been prepared, each map is assigned a number beginning with number one in stratum one. These numbers are of ascending sequence with twenty additional numbers being assigned to stratum one and five additional numbers being assigned to stratum two to accommodate miscellaneous additions or omissions.

L-6 SUMMARY JANUARY 1, 1971

A summary is prepared annually showing the total number of maps of each stratum by Division and the numbers assigned thereto. The information in this summary is used in establishing the random number selection. (See Section L-7) This information is also used as a nucleus for a map order list for the ensuing year.

L-7 DRAWING THE SAMPLE JANUARY 1, 1971

(a) A separate sample is drawn for each stratum. The size of the total sample and the distribution between strata is determined annually, or as required to meet the agreed-upon precision limits. A systematic form of sampling is used. Sampling units are selected at constant intervals following a random start in each stratum. Stratum samples may be composed of several subsamples, each with an independent random start.

(b) The statistical departments of both Companies shall be responsible for the determination of sampling parameters and selection of starts. Formulas for the determination of sample size are based on (1) prescribed confidence limits and confidence level; (2) the proportion of units in each stratum to the total units in all strata; and (3) variances of the

pole population in each stratum determined from the previous year's sample data. Random starts may be determined from any reliable source of random numbers.

(c) Formulas for determination of optimum sample size;

1. Total sample size

$$m = \frac{\left(\sum_{i=1}^{2} W_i S_i\right)^2}{\text{var. } \bar{y} + \frac{1}{N}\left(\sum_{i=1}^{2} W_i S_i^2\right)}$$

2. Optimum distribution between strata

$$m_i' = \frac{W_i S_i m}{\sum_{i=1}^{2} W_i S_i}; \quad m_i = \frac{m_i'}{f_i}$$

3. Intermediate formulas to determine values for use in the above formulas

$$s_i^2 = \frac{\sum_{j=1}^{m_i} (y_{ij})^2 - m_i(\bar{y}_i^2)}{m_i - 1}$$

$$\text{var. } \bar{y} = \frac{k^2\left(\sum_{i=1}^{2} W_i \bar{y}_i\right)^2}{t_\alpha^2}$$

$$\bar{y}_i = \frac{\sum_{j=1}^{m_i} y_{ij}}{m_i}$$

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Where: k = design confidence limits = ± 3.0% = ± .03

$t_k = t_{90}$ at confidence level of 90% = 1.645

i = 1, 2 (designates 200' or 1000' stratum, respectively)

j = designation of the particular unit referred to in the ith stratum

y_{ij} = number of poles in the jth unit in the ith stratum

m_i = sample size, in units, of the ith stratum for the current year

M = total units in universe for current year

M_i = total units in i^{th} stratum for the current year

$W_i = \frac{M_i}{M}$

S_i^2 = variance of poles in i^{th} stratum determined from sampling results in previous year

f_i = % useable units from previous year's sampling results

m = total sample size, in units, for current year

(d) Random numbers, sampling interval and other system parameters, as determined in (b) shall be transmitted to the sampling headquarters.

(e) An electronic computer is used to generate the specified number of sampling units on a systematic basis from data provided as set forth in Section L-7(a).

(f) A mark sense card is prepared for each sampling unit and contains information necessary to identify the geographical location of each unit. A machine list of all cards is used for identification of each unit so that each unit can be shown in the proper location on the particular map involved. The field data on the maps is recorded on the cards for computation.

(g) Formulas for determining total jointly used poles and reliability of these values:

1. Total jointly used poles

$$Y = \sum_{i=1}^{2} M_i \bar{y}_i$$

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2. Reliability of $Y = t_{\alpha}\sqrt{\sum_{i=1}^{2}\left[\frac{M_i(M_i - m_i)}{m_i(m_i - 1)}\left(\sum_{j=1}^{m_i} Y_{ij}^{\ 2} - m_i\bar{y}_i^{\ 2}\right)\right]}$

Where: Y = Best estimate of total jointly used poles in jointly served territory. This is determined for each Company.

Reliability of Y = The limits within which the true Y will fall 90% of the time.

L-8 PLOTTING ON MAPS JANUARY 1, 1971

Overlay grids suitable for each scale map section which identify the specific geographic location of the sampling unit shall be prepared. These grids are used to mark the units on the appropriate map section. This is done from the information shown in the machine list mentioned previously. Templates for each scale are required.

L-9 FIELD SURVEY JANUARY 1, 1971

(a) The purpose of the field survey is to record jointly used poles in the units designated on the maps. This shall be done by teams of two men, one from each Company. The geographical boundaries of the two Companies do not coincide in all cases, but as nearly as possible, the work should be assigned to those familiar with the area.

(b) Sufficient teams shall be formed so that the field work can be completed in time to permit starting and completion of mark sensing of cards to fit in with the scheduled final completion date of the entire project.

(c) Arrangements shall be made to have the necessary maps and other equipment for each crew in the proper district or division office in advance of the starting date. Field instructions shall be prepared in advance, showing the formation of teams, work assignments, starting times, and meeting places.

L-10 FIELD INSTRUCTIONS JANUARY 1, 1971

(a) Accuracy in the field samplings is a very important factor in the accuracy of the results. In this sampling technique, each error is multiplied many times in computing the final result.

(b) The general procedure is as follows:

1. Plot in red all <u>jointly used</u> poles not shown on map.
2. Code in red all <u>jointly used</u> poles as follows:

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	Shown on Map	Added to Map
CP Co. Poles	⊗	⊗
MBT Co. Poles	◎	⊡

3. Check mark (√) all poles not coded as jointly used poles.
4. If there are no poles in a square, place check mark (√) in upper right corner of square.

(c) In the event the two Companies agree to include a determination of percentage of poles by height owned by each Company in the survey, the map units will be divided into red and green squares. The general procedure for coding the red squares is the same as for (b) above.

(d) The general procedure for coding green squares is as follows:

1. Plot <u>all</u> poles (both joint and non-joint) of each Company not shown on the map in their relative location.

2. Record <u>all</u> pole heights (both joint and non-joint) not shown on map.

3. All Electric Company poles appearing on Electric Company maps are 35' poles unless otherwise indicated. Correct pole heights on map if information shown does not conform to field conditions.

(e) Additional pertinent information is as follows:

1. At or near exchange boundaries between the Telephone Company and other telephone companies, particular care must be taken in identifying ownership of telephone poles or attachments.

2. Poles falling at the outline of the square shall be included if the pole touches the square. This also applies to poles added to the maps.

3. Many squares overlap the matchline on the map. Poles in the field which fall outside the matchline shall not be included.

4. Any square that has a squiggle (∿) through a line or through the square is not to be counted. Such squares were plotted in error.

5. Many of the squares on the maps will show no poles but they must be checked because of the possibility of new poles in the field. Each pole in each square will have to be checked, including new poles not shown on the maps.

6. It is presumed that in most cases, poles not shown on the maps can be plotted accurately from established measuring points in the field. If this is not possible, obtain a job sketch in the office and scale in the poles.

(f) Daily procedure is as follows:

1. Coordinate daily starting time and place with the designated representative of the other Company, including arrangements for substitute in case of absence.

2. Have the necessary equipment such as maps, red pencils, lap board, engineers' scale, measuring tape, and in rural areas, a wheel odometer, if possible.

3. Arrange transportation so that the use of automobiles by each Company will be nearly equal. In no case is a representative of one Company to drive a car belonging to the other Company.

4. Fill out time and mileage report daily. If cars of both Companies are used, show the mileage of each. Mail reports upon completion of survey under separate cover to sampling headquarters.

5. Mail completed maps as directed to the sampling headquarters.

L-11 MARK SENSING JANUARY 1, 1971

(a) Mark sense cards shall be designed to record the numbers of jointly used poles owned by each Company in each sampling unit. In the case outlined in Section L-10(c), these cards shall also be designed to record the total number of poles by height owned by each Company (both joint and non-joint).

(b) To insure accuracy, a complete editing verification shall be made, checking each completed card against the map. Completed cards shall be forwarded as directed to the sampling headquarters.

(c) Any omission or questionable item found while drawing off the information as recorded on the field maps shall be investigated and rechecked in the field if necessary. When it is necessary to recheck any item in the field, the entire unit involved shall be rechecked. This will result in a reasonable verification of the field work.

L-12 FINAL COMPUTATIONS JANUARY 1, 1971

(a) The sampling headquarters shall be responsible for interpreting mark sense cards and providing output data.

(b) A summary shall be prepared showing the total number of jointly used poles of each Company, by sub-samples, in each stratum. This summary shall include the square of the jointly used poles in each sampling unit totaled by sub-samples.

(c) A frequency distribution report shall be prepared by ownership, by sub-sample, and by stratum, showing the frequency of the number of jointly used poles in each category from zero to the maximum number in a sampling unit.

(d) A multiplier for each stratum shall be determined by dividing the total units in such stratum by the number of sampling units in such stratum. This multiplier applied to the sampled jointly used poles for each Company for each stratum will provide the total number of jointly used poles for the sampled area for each Company. (See Section L-12(e) following)

(e) The Telephone Company maintains toll leads through territory of other telephone companies, but does not have exchange service in those areas. These toll leads and any adjacent jointly used poles of the Electric Company do not have an opportunity to be counted in the sampling procedure. An inventory of these poles was made in 1960. This count, as adjusted, shall be added each year until mutually agreed otherwise.

(f) Based on data provided in (b) and (c) above, the statistical departments shall compute reliability of results. The data shall also be used to determine optimum sample size for subsequent years.

SECTION M - FORMS

M-1 JOINT USE MEMO JANUARY 1, 1971

(a) The Joint Use Memo form shall be prepared in triplicate for any phase of correspondence or notification necessary in day-to-day work in accordance with procedures established elsewhere in these Administrative Practices. The form numbers are as follows:

	Electric Company	Telephone Company
Form No.	918	3521

(b) A sketch is usually necessary and it may be attached to or drawn on the form.

(c) Joint Use Memos shall be addressed to the District Plant Engineer or Area Engineer of the Telephone Company or to the Division Assistant Electric Superintendent - Engineering, of the Electric Company, as the case may require. Two copies of each Joint Use Memo shall be transmitted to the addressee and, when completed, one copy shall be returned by the addressee to the originating Company.

M-2 RIGHT-OF-WAY JANUARY 1, 1971

(a) All forms to be used for the acquisition of joint right-of-way shall be limited to those specifically approved by both Companies.

(b) In accordance with Administrative Practice J-1, a transmittal letter will be used to facilitate forwarding joint right-of-way instruments and to obtain billing authorization.

SECTION N - ORGANIZATION

N-1 JOINT USE COMMITTEE JANUARY 1, 1971

Pursuant to Article II of the Joint Use Agreement, a Joint Use Committee has been established consisting of the following representatives of the Telephone Company:

Outside Plant Engineer,
Transmission and Protection Engineer,
General Construction and Engineering
Superintendent, Northern Area,
General Construction and Engineering
Superintendent, Southern Area,

and the following representatives of the Electric Company:

Manager of Electric Transmission and Distribution,
Principal Engineer, Electric Engineering,
Manager of Land and Right of Way,
Manager of Gas Distribution.

The Telephone Company has designated its Outside Plant Engineer as its Principal Member on said Committee; and the Electric Company has designated its Manager of Electric Transmission and Distribution as its Principal Member on said Committee.

N-2 JOINT USE WORKING COMMITTEE JANUARY 1, 1971

The following additional representatives of each Company have been appointed to a Joint Use Working Committee which will handle the daily administrative functions associated with joint use and make recommendations to the Joint Use Committee.

For the Telephone Company:

Plant Engineering Supervisor, Northern Area,
Division Plant Engineer, Southern Area,
Engineer of Outside Plant, Tools,
Materials and Construction Methods,
Transmission Engineer-Staff

For the Electric Company:

Senior Engineer, Electric Engineering

Coordination Supervisor, Land and Right of Way,
Senior Engineer, Electric Transmission and Distribution,
Senior Supervisory Engineer, Gas Engineering

N-3 OTHER PERSONNEL JANUARY 1, 1971

Each Company shall keep the other informed of the names and location of other representatives who are active in certain procedures or in day-to-day operation of the provisions of these Administrative Practices.

SECTION O - PRICE SCHEDULES

O-1 BASIC PRINCIPLES JANUARY 1, 1971

(a) Basic pole costs for the respective pole heights, without distinction as to species, class or treatment, shall be determined by each Company each year or at other intervals if mutually agreed. The prices to be used in the schedule shall be an average of the basic costs prepared by each Company.

(b) Actual expenditures in any year are not available until sometime in the following year. It is not desirable to revise the schedules to become effective at any time during the year other than January 1. Because of these two factors, there necessarily is a two-year lag in the actual basic price figures. In other words, the basic price for a two-year old pole is used for one- and zero-year old poles.

(c) The schedules shall show depreciated values of the basic costs for each of the years involved and for pole heights of 22 feet or less, 25 feet, and in 5-foot increments to 65 feet. Straight-line depreciation shall be computed on a thirty-year basis with a minimum price of $1.00.

(d) The year set as shown in the schedule shall conform to the year indicated in the respective owner's office records. Prices for sale or purchase, and payment for sacrifice value, shall be governed by the price schedule in effect on the date of issue of the Joint Use Memo pertaining to such sale, purchase or payment of sacrifice value.

O-2 JOINTLY USED POLES JANUARY 1, 1971

Schedule I shall cover the sale prices of standing poles not vacated by the owner and sold to the other Company.

O-3 VACATED POLES JANUARY 1, 1971

Schedule II shall cover the sale prices of standing poles vacated by the owner and sold to the other Company. The prices in Schedule II shall represent a 25 percent reduction from the prices in Schedule I, with the price of a 45-foot pole being the ceiling. This method of computing prices takes into consideration various factors; such as, a pole already in place for continued service by the other Company, pole removal

avoided by the owner, and no transfer work to a newly set pole being required by the other Company.

O-4 SACRIFICE VALUE JANUARY 1, 1971

Schedule III shall cover values for reimbursement to the pole owner for premature removal losses caused by pole replacement requested by the other Company. The values consider only the undepreciated portion of the direct and indirect labor costs of the original pole setting and the unaccumulated reserve for pole removal based on average current removal costs. Pole material is omitted from the computations on the assumption that the salvage value will equal the unaccumulated reserve.

SECTION P - SPECIFICATIONS

P-1 GENERAL JANUARY 1, 1971

All construction, reconstruction, additions and/or maintenance related to the joint use of poles, including the installation of third party attachments, shall conform to the current edition of Michigan Public Service Commission Order No. 1679, and subsequent revisions thereof, and such other specifications as may be adopted by the Joint Use Committee and approved by the Principal Members thereof. After such adoption and approval, such other specifications shall be included in these Administrative Practices.