



Control Number: 32182



Item Number: 75

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**PROJECT NO. 32182**

**PUC INVESTIGATION OF METHODS  
TO IMPROVE ELECTRIC AND  
TELECOMMUNICATIONS  
INFRASTRUCTURE TO MINIMIZE  
LONG TERM OUTAGES AND  
RESTORATION COSTS ASSOCIATED  
WITH GULF COAST HURRICANES**

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**PUBLIC UTILITY  
COMMISSION  
OF TEXAS**

**COMMENTS OF VERIZON SOUTHWEST**

Verizon Southwest ("Verizon") respectfully files these comments on the Staff's recommendations in the above-referenced project, distributed on June 9, 2006 and discussed at the workshop held on June 15, 2006.

While this revision certainly reflects hard work and consideration of the submissions of interested commentors, it still suffers from some fundamental problems. First, the project has gone far beyond its initial mandate, which was protection of hurricane-threatened infrastructure. By considering statewide measures of extraordinary cost and burden to utilities, and what may turn out to be extraordinary imposition on landowners, on wildlife, and on the trees of Texas, the latest draft continues to overstep its appropriate authority. This became evident at the latest workshop, in which commentors were told that "public hearings" had been conducted on the matter; those hearings, of course, were held only in Beaumont, Houston and Corpus Christi, areas in the natural path of a Gulf Coast hurricane. Presumably, consumers, governments and industries in the rest of our state should have the opportunity to voice their concerns, if they are to be as affected by this rulemaking as are those on the coast.

Second, Verizon still has concerns about the extremely broad in scope of the recommendations which, as we stated in our original comments, continue to wholly omit three of the most important questions associated with any project: (1) how much will it cost; (2) how

will those costs be funded or recovered; and, (3) is the benefit worth the burden? It is not at all clear that there is an effective mechanism in place for telecommunications utilities (who cannot simply pass costs on to their customers) to fund the enormous costs associated with the recommendations, nor is there any empirical evidence that even suggests the presence of a problem necessitating such draconian measures to solve. Verizon recommends that each recommendation be vetted based on its cost and its likelihood of meaningfully reducing future outages, before serious consideration is given to implementation. Recommending changes to infrastructure in a cost-benefit vacuum serves no relevant purpose, and certainly does not advance the goal of greater network reliability in the hurricane-prone regions of our state.

With those overarching concerns, Verizon comments on the individual recommendations that are of concern.

The Executive Summary proposes “that the utilities report on the amount of pre-1977 facilities and to project the cost and time to upgrade the facilities to meet current wind loading standards to improve the likelihood that infrastructure facilities will be able to withstand severe weather events.” For Verizon to conduct such a study on its facilities, would be extremely labor intensive and, therefore, very costly. Verizon has no evidence that such a study would yield any meaningful results and, indeed, the vast majority of hurricane damage to outside plant facilities was the direct result of flying debris and uprooted trees falling against cables. In addition, based on empirical data from the last series of hurricanes, there is nothing that even suggests that facilities placed prior to 1977 and the standards used then, had *anything* to do with downed facilities. As to age, the facilities are checked during the normal maintenance routines and during the addition of facilities to accommodate growth. Any facility deterioration is noted and

if that deterioration is to the point where standards are not being met, that facility is replaced.

Verizon suggests this recommendation be removed.

The following comments are offered on particular recommendations that affect Verizon.

1. **Require electric and telephone utilities without a vegetation management program to develop and implement a vegetation management program for all overhead facilities/lines (structures, poles, cross arms, insulators, etc.). This program should consider the growth rates of common vegetation in the service area. Each utility should provide the Commission with the details of its existing or newly developed vegetation management program by April 1, 2007.**

Comment : This recommendation is basically the same as in the original draft that was filed on May 10, 2006. On May 30, 2006, Verizon commented on this recommendation and stands by its initial position. In addition, as stated above, the cost to develop and implement such a program needs to be addressed as does the comment, "The cost of an effective program must be borne by the ratepayers and recovered through traditional rate making procedures." While this may work for the electric utilities, Verizon is a PURA Chapter 58 and Chapter 65 Company and as such is extremely limited on what it can do pursuant to "traditional rate making procedures." Moreover, even if it *were* to receive authority to pass these costs along to its customers, a general rate-increase would have the likely economic effect of sending more customers to telecommunications sources that were *not* burdened by this regulation. It is difficult to see how that result serves any appropriate purpose in the context of this proceeding.

Put simply, the Commission genuinely needs to arrive at an understanding of how much a vegetation management program is likely to cost each utility, and how it is going to be funded. While the project has encompassed a great deal of technical analysis, it has had very little practical inquiry into the costs and genuine benefits of its recommendations.

2. **Require electric and telephone utilities without a cyclical ground-based facilities inspection program to develop and implement a regular, ground-based inspection cycle for all overhead facilities (structures, poles, cross arms, insulators, etc.), including a condition-based assessment of wood pole suitability for continued service. Each utility should provide the Commission with the details of its existing or newly developed facilities inspection program by April 1, 2007.**

Comment: Except for the time required to complete the recommendation, this requirement is the same as the original draft. The comments made on this recommendation by Verizon in its filing on May 30, 2006, and to Item 1, above, apply with equal vigor to this recommendation.

3. **Require telecommunications utilities to ensure that all central offices in hurricane-prone areas be capable of full operation without interruption for at least 72 hours after loss of electric utility power.**

Comment: This is consistent with Verizon's suggestions from its earlier comment and provides a workable solution to the problem of loss of power in hurricane-prone areas. Significantly, using this standard during the last series of hurricanes when commercial power was lost, not one Central Office lost power to operate; instead, installed batteries and external power generation equipment were fully able to handle the emergency load faced.

Verizon appreciates the opportunity to comment and remains available to work with Staff on this project.

Respectfully submitted,

VERIZON SOUTHWEST

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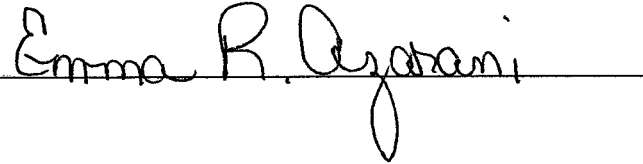
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**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the Comments of Verizon was hand-delivered to the General Counsel this 23<sup>rd</sup> day of June 2006.

A handwritten signature in black ink, reading "Emma R. Azarani", is written over a horizontal line. The signature is cursive and includes a large loop at the end.