

RESOLUTION NO. 15 - 13999

A RESOLUTION ESTABLISHING A NEW DISTRICT TELECOMMUNICATIONS SERVICE INSTALLATION POLICY AND RESCINDING AND REPLACING RESOLUTION NO. 11-13641 TELECOMMUNICATION LINE EXTENSION POLICY

FACTUAL BACKGROUND AND REASONS FOR ACTION

In 2015, the Commission adopted a new Strategic Plan 2015-2019 to restart and expand the District's existing fiber system. In order to facilitate this restart, the existing Telecommunications Line Extension Policy adopted under Resolution No. 11-13641 must be rescinded.

As part of the District's effort to facilitate the fiber system expansion, improve business processes and provide options to its customers, District staff recommends rescission and replacement of Resolution No. 11-13641 with the attached proposed policy, entitled *Telecommunications Service Installation Policy*. The capitalized terms used in this resolution are as defined in the proposed policy.

A Telecommunications Service Installation is defined as a request by a Customer or Service Provider on behalf of the Customer to connect to existing District Telecommunications Facilities that requires a Fiber Drop extended to new or existing Premises within the District's established Service Area. The revised policy also addresses Special Construction, which is defined as a request to connect to existing Telecommunications Facilities where Fiber Distribution does not exist.

The proposed Telecommunications Service Installation Policy includes the following sections: General Purpose and Provisions, Service Installation and Special Construction, Definitions, Payment for Service Installation, Engineering Fees for Special Construction, Construction Process, Construction Requirements, Easements and Permits – Government Owned Land, District Ownership and Revision.

The proposed Telecommunications Service Installation Policy is attached as Exhibit A and includes the following significant elements and provisions:

- The policy is 1) designed to cover those Customer or Service Provider requested Telecommunications Service Installations that are not included in the District's proposed fiber system expansion and that are requested after the actual construction and completion of a fiber system expansion area (Service Area); and 2) land (subdivisions), commercial and industrial developments.
- Upon receiving a request for a Service Installation, the District will evaluate the serving arrangement to bring the connection to the home or business. If the length exceeds 1000 feet, the Customer will be responsible for costs in excess of the 1000 feet.

- Where Service Installation requires facilities such as trenching, vaults, hand holds, conduit and other apparatus on the Customer's property and none exist or are not usable for the District's purposes, the Customer will be responsible for constructing these facilities at Customer's expense and will own the facilities for which it pays.
- If the Service Installation requires new Fiber Distribution, Special Construction provisions apply and the Customer will be responsible for all costs to bring Fiber Distribution to the public right-of-way Adjacent to the Customers property.
- The proposed policy clarifies construction options for Service Installations including construction with existing facilities and new construction.
- The proposed policy contains an Application process for Special Construction for larger land developments (e.g. subdivisions), commercial or industrial installations.

District staff recommends the adoption of the proposed Telecommunications Service Installation Policy attached as Exhibit A to this Resolution.

The General Manager has reviewed District staff's recommendations and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON as follows:

Section 1. This resolution supersedes and replaces all prior resolutions related to this policy, and Resolution 11-13641 is specifically repealed.

Section 2. The Telecommunications Service Installation Policy set forth in Exhibit A is determined by the Commission to be fair, reasonable, necessary and non-discriminatory and the same is hereby approved to become effective immediately.

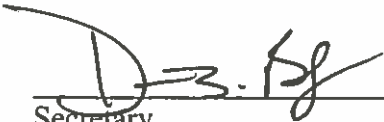
DATED this 7th day of December 2015.

President

ATTEST:



Vice President



Secretary



Commissioner



Commissioner

Seal

TELECOMMUNICATIONS SERVICE INSTALLATION POLICY

1. GENERAL PURPOSE AND PROVISIONS

The purpose of this policy is to identify the general procedure for requests to expand and connect through Service Installations and Special Construction to existing District Telecommunications Facilities. Modifications or relocations of existing facilities are covered in a separate policy.

All provisions of this policy apply to all requests of Telecommunication Service Installations.

This policy does not limit or apply to District's decisions to extend or modify its own Telecommunication Facilities.

2. SERVICE INSTALLATION AND SPECIAL CONSTRUCTION POLICY

A. Service Installation: Connection

A Service Installation is defined as a request by a Customer to connect to existing District Telecommunications Facilities required to serve a qualifying District Service Provider that requires a Fiber Drop extended to new or existing homes, businesses and industries within the District's established Service Area.

If District Fiber Distribution is available as determined by the District, in the public right-of-way and immediately Adjacent to the Customer's property, the Customer will make a Customer Service Request (CSR) to an authorized District Service Provider or the District. After the request is made, the District will evaluate the serving arrangement to bring the connection to the home or business. If the length exceeds 1000 feet, the Customer will be responsible for costs in excess of 1000 feet and all provisions of this Service Installation policy shall apply.

B. Service Installation: Special Construction

A Service Installation Customer Service Request that requires Special Construction is defined as a request to connect to the existing District Telecommunications Facilities where Fiber Distribution does not exist to serve an authorized District Service Provider within the District's Telecommunications Service Area. All Service Installation Special Construction requests are subject to engineering and financial feasibility analysis by the District. The Customer will be responsible for all Special Construction costs. Once new District Fiber Distribution construction is complete, as determined by the District, the Service Installation Connection policy will apply.

The District will evaluate requests for Special Construction consistent with business-like practices and operational parameters to provide efficient service to the Customer taking into consideration future expansion options, ongoing maintenance and operations activities.

3. DEFINITIONS

The following terms wherever used in this Service Installation Policy and in any Application for Telecommunication Facilities shall have the following meanings and will be supplemented by the definitions in the District's Utility Service Regulations, the District's Design and Construction Standards and are subject to RCW 54.16.005 and RCW 54.16. 330 governing District telecommunication facilities and wholesale telecommunications services, as now exist or as maybe amended:

Application

A request for the District to expand its current Service Area as set forth in Section 6.c. below. Examples include, but are not limited to, subdivisions, developments, multi-unit dwellings, commercial and industrial Service Installations, as set out under. The Application must be completed to the District's satisfaction prior to review or other action by the District.

Adjacent

Means fiber distribution is existing and available in public right-of-way on customer's side of centerline.

Customer

A person or entity owning or occupying a Premise that has made a Customer Service Request with a Service Provider.

Customer Service Request (CSR)

A request for service placed with the District by one of the District's authorized Service Providers or by the Customer. This request is made prior to the District performing an Initial Cost Review and Estimate.

Customer Service Staff

Designated District staff acting as the District's authorized contact for the request in the Service Installation process.

District

Public Utility District No. 1 of Chelan County, Washington.

End-user

A Customer of a Service Provider receiving telecommunications services over the District's Telecommunications Facilities.

Equipment

The machinery, accessories, appurtenances, and manufactured articles to be furnished and/or installed for the Service Installation.

Estimate

The statement, performed by the District, of the approximate costs of a Service Installation, including labor, Materials, tools, transportation, services, administration, engineering, inspections, permitting, easements and other related costs.

Fees and Charges

District Fees and Charges based on District cost recovery as set forth in the [District's Fees and Charges](#) schedule, as now exists or as may be hereafter amended.

Fiber Drop

Connection from Fiber Distribution to a Premises Gateway Device location which is installed at the time Customer Service Request is completed.

Fiber Distribution

Telecommunications Facilities to make telecommunications service available to the Fiber Drop.

Initial Cost Review

A preliminary review by District after a written complete Customer Service Request is made and received by the District to evaluate the scope of Work and associated District cost.

Materials

The machinery, manufactured articles, Materials of construction (fabricated or otherwise), and any other classes of material to be furnished and permanently incorporated into the Work.

Plans and Specifications

All plans or drawings and reproductions of drawings prepared by a District Customer Services Engineer made pertaining to the Work provided with the Service Installation request and including all applicable federal, state, local, District regulations, policies, and/or standards related to such Work.

Premises

Address of house or business where a Fiber Drop will be installed to one or more End-users.

Premises Gateway Device

The terminating device installed by the District that delivers telecommunications services to the End-users. Also may be referred to as an Optical Network Terminal (ONT), Customer Premises Equipment (CPE) and/or Network Terminating Equipment (NTE).

Service Area

The area in which the District is authorized to provide and in which it has built Telecommunication Facilities to provide wholesale telecommunications services. For clarity, Service Area was formerly referred to as existing network footprint.

Service Installation

An extension of the District's Telecommunication Facilities required to serve an End-user's/Customer's Premises. A Service Installation may include new facilities or improvements to existing Telecommunication Facilities.

Service Providers (also known as Third Party Service Providers)

Entities which are authorized, pursuant to RCW 54.16.005 and 54.16.330, to provide resale of District wholesale telecommunications services or facilities to the general public and have entered into agreements with the District to provide telecommunications Services to District Customers through the District's Telecommunications Facilities.

Special Construction

A Customer Service Request or an Application to connect to the District's existing Telecommunications Facilities that requires the addition of Fiber Drop and Fiber Distribution required to serve an End-user within the District's Telecommunications Service Area.

Telecommunication Facilities

The lines, conduits, ducts, poles, wires, cables, fiber optic cable, Premises Gateway Devices, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities and all devices, real estate, easements, apparatus, property, and routes used, operated, owned, or controlled by the District to facilitate the provision of wholesale telecommunication services.

Work

The Work necessary to complete the Service Installation including, but not limited to all Materials, labor, tools, Equipment, where required and other necessities for the construction shown and called for in the Plans and Specifications or required by District Design and Construction Standards.

4. PAYMENT FOR SERVICE INSTALLATION

The Customer will be provided an Initial Cost Review upon District receipt of a written complete Customer Service Request (CSR). Initial Cost Reviews are high level estimates and any further estimating will require the Customer to proceed with a formal Estimate.

If the Customer wants to proceed, it will provide written approval to the Service Provider submitting the CSR and/or the District. After payment of applicable Fees and Charges, as now exist or as may be hereafter amended, the District will provide Customer with an Estimate. The Estimate will be based on the Construction Options listed in Section 6, below. The Estimate will include all costs, fees and charges required by and/or associated with constructing and/or connecting the Customer to the District Telecommunication Facilities.

The Customer will be required to pay an engineering fee as outlined in Section 5, below.

All Service Installation costs and engineering fees (if applicable) must be paid by the Customer prior to the District scheduling construction crews and proceeding with any Work. Estimates provided to the Customer are void after 60 days from the date of issue by the District if full payment has not been received.

The Customer will be required to make payment arrangements for any ongoing permit fees or reoccurring fees prior to construction by the District.

District staff will process payments directly from Customers for the installation and construction Telecommunication Facilities when the CSR is made directly to the District.

5. ENGINEERING FEES FOR SPECIAL CONSTRUCTION

- A. Customers requesting Service Installation Special Construction described in Section 2.B above, shall be required to pay in advance a non-refundable engineering fee upon submittal of the request to proceed with the Estimate. This engineering fee is specified in the [District's Fees and Charges](#) schedule.
- B. The Customer's engineering fee will be applied to the overall cost of the Work.
- C. Customers who seek a change in the engineering design, after the initial engineering Estimate and Plans and Specifications are complete and transmitted to the Customer, will be required to pay an additional engineering fee.
- D. Customers will be required to retain and pay for professional services where the project design requires (as determined by the District) additional or specialized services including, but not limited to, advanced engineering, surveying, geotechnical, environmental and/or other professional services.

6. CONSTRUCTION PROCESS

The following options and conditions apply to the construction of Service Installations:

- A. Existing Facilities
 - a. Underground non-electrical conduit
 - b. If non-electrical conduit is present, the District will assess, in its sole discretion, the viability of the conduit for utilization. If a viable option, the District will perform all Work necessary for connection, pursuant to this Service Installation Connection Policy.
 - c. Underground electrical conduit
 - i. If a viable option, the District will perform all Work associated with a Service Installation Connection utilizing electrical conduit. The District will determine in its sole discretion viability of the option. Customers will be responsible for all costs of the extension pursuant to this Service Installation Connection policy.
 - d. Overhead
 - i. If a viable option, the District will perform all Work associated with an overhead connection. The District will determine in its sole discretion viability of the option. Customers will be responsible for all costs of the extension pursuant to this Service Installation Connection policy.
- B. New Construction
 - a. Underground

- i. Except as provided herein, the Customer will provide the trench, install warning tape, conduit, vaults, handholes, and backfilling of trench on its property to the public right-of-way.

All Work must comply with the Plans and Specifications provided by the District. Upon completion of the Work, the Connection policy will apply.

Vaults and handholes shall be purchased from the District and paid for prior to receipt and shall be installed per the Plans and Specifications to ensure compatibility and uniformity with the District's Telecommunication Facilities.

- b. Overhead

- i. If a viable option, the District will perform all Work associated with an overhead connection. The District will determine at its sole discretion viability of the option. Customers will be responsible for all costs of the Service Installation Connection pursuant to this Service Installation Connection policy.

C. Land Developments, Commercial or Industrial Service Installations

Applicants submitting Applications requesting Service Installations for land development including but not limited to subdivisions, commercial or industrial properties must construct facilities including but not limited to conduit, vaults and handholds in accordance with the following:

- a. The Applicant will provide and install the trench, conduit, warning tape, vaults, bases, hand holes and backfill. A Washington state licensed electrical contractor must install the grounding (if required). All Work must comply with District Construction and Design Standards. The Applicant shall do all Work or hire a qualified contractor to perform Work within the Applicant's property. All Work must be inspected by a District on-site inspector prior to backfilling.
- b. Vaults, bases and handholes shall be purchased from the District and paid for prior to receipt. Fiber conduit will be made available to Applicant at District cost. All must be installed per District Construction and Design Standards to ensure compatibility and uniformity with the District's Telecommunication system.
- c. All Work performed on public right-of-way or private easements will be completed by the District, unless the Applicant or developer has the specific permitting and authority to perform Work within the right or way or private property. Applicant must provide proof of appropriate rights or permits satisfactory to the District before commencing any Work.
- d. Except as provided herein, the District will install all Telecommunications Facilities including but not limited to nodes, distribution towers, connectors, splices, fiber optic cable and other Telecommunication apparatus as needed. These items will be included in the Estimate to be paid by the Applicant.
- e. The Applicant will pay for all estimated costs prior to the scheduling of District construction crews.

D. General Provisions

- a. The District will provide and install Telecommunications Facilities including all nodes, splice cases, distribution towers, fiber optic cable, connectors, splices, cabinets and other telecommunications apparatus as needed for the Service Installation Connection. These items will be included in the Estimate to be paid by the Customer.

- b. All Work on public right-of-way or Work to be completed, which is not on the Customer's property, must be completed by the District. All costs of such Work must be paid for by the Customer as part of the Service Installation. All permitting and easements must be secured prior to the start of construction.

7. CONSTRUCTION REQUIREMENTS

- A. Prior to the commencement of any Work or construction, all easements and/or permits for the Telecommunication Facilities must be executed and on file with the District. The easements and/or permits must be complete and satisfactory as solely determined by the District. For easements and permits on government owned lands, see Section 8, below.
- B. Overhead or underground construction will be installed as determined appropriate by the District. The District shall determine the most suitable type of construction at its sole discretion.
- C. The District will be the sole owner of all Service Installation Telecommunication Facilities with the exception of non-electrical conduit provided and installed by the Customer. The following conditions will apply to the installation of the underground conduit for the Service Installation:
 1. The construction will be completely on private property or on an established right-of-way with the permanent right to locate and maintain the facilities. The District will not accept any Service Installation located on government agency lands with revocable permits.
 2. Where the city, county or state requires improvements within the right-of-way as a result of a proposed development and said right-of-way improvements require relocation of the District's Telecommunication Facilities, the Customer shall pay the estimated cost of relocating or converting these facilities.
 3. All conduits, sweeps, and the installation thereof must meet the Plans and Specifications as provided by the District.
 4. After receiving required advance notice from the Customer or its contractor, the District may provide an on-site inspector at times during construction and before the trench is backfilled to determine if the conduits, sweeps, and vaults are installed according to the District's Plans and Specifications.
 5. The presence of the on-site inspector or other District representative does not constitute assurance that the District will accept the Service Installation or the Work as satisfactory. All other matters connected with Customer providing Telecommunication Facilities shall be in compliance with the District's Utility Service Regulations, Policies, Design and Construction Standards and other applicable federal, state, and local regulations, policies and standards as may be amended.
 6. If the Service Installation has been installed according to the approved Plans and Specifications, and after all of the Telecommunication Service Installation Policy conditions are fully satisfied, the District will install the remaining Equipment required to provide District wholesale telecommunication services. District crews will light the Service Installation only after all Estimates and Fees and Charges have been paid.

8. EASEMENTS AND PERMITS – GOVERNMENT OWNED LANDS

When an extension of the District's Telecommunication Facilities is to be installed on state, county or city right-of-way, federal Lands or by permits from a governmental agency, the District shall physically construct such facilities.

The District will attempt to secure the appropriate easements and/or permits from governmental entities. When an extension of District Telecommunication Facilities is to be constructed on property or right-of-way not under the jurisdiction of a governmental agency with which the District has an existing franchise or permit, the District will attempt to secure necessary easements and will initially process the easements. The Customer shall be responsible to pay all costs to obtain right-of-way easements and/or permits prior to construction. All easements and permits shall name the District as grantee or permittee and shall include all Telecommunication Facilities. In the event the District personnel are unable to secure right-of-way easements and/or permits, the Customer may assist with negotiating said easements or permits. All non-standard or non-typical costs (as determined by the District) associated with the District's obtaining easements or permits in excess of these included in the Estimate will be paid by the Customer.

The District is under no obligation to commence any legal action to secure easements, permits or rights-of-way.

Any and all costs associated with obtaining easements and/or permits or ongoing permit fees will be paid by the Customer. The payment of ongoing easement or permit fees may require a recorded agreement, such as a participation contract, on all properties connected to the Service Installation. As an example, if a Service Installation crosses Forest Service land, Department of Natural Resources land or railroad property, all properties connected to the Service Installation will share in the annual cost of the easement or permit.

9. DISTRICT OWNERSHIP

Except for Customer provided facilities, the District will be the sole owner of all the Telecommunication Facilities upon completion and final acceptance by the District.

10. REVISION

This policy cancels and supersedes any previous policy related to Telecommunications & Fiber Line Extensions. This policy may be revised, supplemented or otherwise modified by action of the District's Board of Commissioners.

EFFECTIVE: December 7, 2015