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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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COMCAST CABLE COMMUNICATIONS, )	
INC., )	<b>Docket No. 03-035-28</b>
)	
Claimant, )	<b>PREPARED SUR-REBUTTAL</b>
v. )	<b>TESTIMONY OF JAMES E.</b>
)	<b>COPPEDGE</b>
PACIFICORP, dba UTAH POWER, )	<b>FOR PACIFICORP</b>
)	
Respondent. )	<b>July 22, 2004</b>
)	

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2 **Q. Please state your name and business address.**

3 A. My name is James E. Coppedge. My business address is 650 NE Holladay,  
4 Suite 700, Portland, Oregon 97232.

5 **Q. Have you previously submitted testimony in this proceeding?**

6 A. Yes.

7 **Q. Have you read the rebuttal testimony offered by Rodney Bell, Gary Goldstein,**  
8 **and Michael Harrelson on behalf of Comcast in the above captioned proceeding?**

9 A. Yes. I have read their testimony.

10 **Q. What is your reaction to Mr. Bell's and Mr. Goldstein's claim that it is**  
11 **implausible that Comcast could have made approximately 35,439 unauthorized**  
12 **attachments in seven districts in Utah in the past five years?**

13 A. Because Comcast has refused, in the context of discovery in this proceeding, to  
14 provide information related to its upgrade/build-out in Utah, it is difficult for me to  
15 thoroughly evaluate this contention. In fact, Comcast claimed that information

1 regarding its upgrade/build-out in Utah was irrelevant. That being said, I do not share  
2 Mr. Goldstein's and Mr. Bell's opinion.

3 **Q. Why is that?**

4 A. Based on my experience in the cable industry, during the 1980's and 1990's,  
5 cable operators typically only built out their systems to areas where there was a density  
6 of 35 homes or greater per strand-mile to maximize cost recovery and profits. Because  
7 of the rural characteristics of the American Fork, Layton, and Ogden districts and other  
8 areas in Utah during that time, it would be unlikely that large portions of those districts  
9 would have been thoroughly built out by previous cable operators. However, during  
10 the late 1990's, the Salt Lake Valley area experienced a rapid and unprecedented  
11 population growth, which was accompanied by a boom in construction. This  
12 population and construction outgrowth spread to the surrounding areas, including the  
13 once rural districts of American Fork, Layton, and Ogden. This resulted in an increase  
14 in the density of homes per strand-mile in those areas.

15 It is very reasonable to believe that there would be extensive construction  
16 undertaken by Comcast and its predecessors to meet the growing demand for service.  
17 PacifiCorp already was providing electric service to those once rural areas, and  
18 Comcast would have had to use PacifiCorp's existing poles to reach areas where it  
19 previously had only a limited presence.

20

1 **Q. Please respond to Mr. Goldstein's assertion that the majority of line extension**  
2 **work performed by Comcast in Utah goes underground.**

3 A. Because Comcast has refused to provide documentation relating to its  
4 upgrade/build out in Utah, I cannot verify whether or not his statement is true.  
5 However, regardless of the amount of underground work performed relating to line  
6 extensions, I believe that it still would be necessary for Comcast to make new  
7 attachments to PacifiCorp's poles in order to reach underground subdivisions. Also,  
8 not all construction has been underground.

9 **Q. Mr. Bell states that, if Comcast made 35,439 new attachments since the 1997/1998**  
10 **Audit, it would have engaged in approximately 1,012 miles of new plant**  
11 **construction, which would represent a massive project. What is your response to**  
12 **his position?**

13 A. After examining the figure provided by Mr. Bell for an area spanning seven  
14 districts, I concluded, based on the assumption that Comcast made 35,000 new  
15 attachments in five years, that it would have averaged 37 miles of cable plant being  
16 installed per district, per year. Given the construction boom occurring in Utah during  
17 the late 1990's and continuing today, this number is neither extraordinary as Mr. Bell  
18 contends, nor is it outside the realm of possibility. In fact, it is quite sensible.

19 **Q. How did you arrive at your figure of 37 miles per district, per year?**

20 A. I multiplied 35,000 poles by an estimated average 200-foot span between poles.  
21 This yielded a product of 7.0 million feet, which equates to approximately 1,300 miles.

1 I then divided 1,300 miles by seven (the number of districts) and divided that result by  
2 5 (the number of years at issue) to arrive at a figure of 37 miles of build per district, per  
3 year.

4 **Q. What is your response to Mr. Goldstein's claim that he can demonstrate that**  
5 **PacifiCorp's 2002/2003 Audit was inaccurate.**

6 A. I do not find Mr. Goldstein's logic persuasive. First, Mr. Goldstein's analysis  
7 only involved 39 attachments/poles. This is not even close to being a representative  
8 sample of the approximately 130,000 attachments Comcast believes it has on  
9 PacifiCorp's system, or the approximately 100,000 attachments inventoried. Second,  
10 Mr. Goldstein's alleged proof is limited to fewer than 40 instances out of the over  
11 35,000 unauthorized attachments at issue. Third, Mr. Goldstein conspicuously ignored  
12 all attachments in the three districts that are the focus of this proceeding—American  
13 Fork, Layton, and Ogden—and offered testimony only for the Salt Lake Metro district  
14 for which he claims to have documents. Finally, Comcast waited over a year after  
15 receiving an invoice for the attachments in the Salt Lake Metro district to come  
16 forward with any documents allegedly proving authorization, despite numerous  
17 invitations from PacifiCorp to do so. With the exception of seven instances, Comcast  
18 still has provided nothing for any other district.

19 This is the first specific response to PacifiCorp's several invitations for  
20 Comcast to provide information to show that there are some poles for which Comcast

1 has information different from PacifiCorp's. Once verified, PacifiCorp will modify its  
2 records and its billings to Comcast.

3 **Q, Please respond to Mr. Harrelson's claim that Osmose contractors were not**  
4 **properly trained and that the contractors were trained to only find violations**  
5 **committed by Comcast.**

6 A. First, this is simply an attempt to divert the focus from the heart of the matter at  
7 hand—Comcast's compliance with applications, permitting and payment obligations.  
8 In any event, Mr. Harrelson did not attend any of the training classes for Osmose  
9 contractors and does not appear to have considered Osmose's documented wealth of  
10 experience in conducting joint use audits. Instead, Mr. Harrelson bases his opinion  
11 solely on his very brief and selective analysis of a few discrete items in the training  
12 manual, which was intended to be used as a guideline during the training sessions.

13 Further, it is important to remember that these poles belong to PacifiCorp, not  
14 Comcast, and as the owner/manager of these assets, PacifiCorp has a duty to its  
15 customers and joint pole users to ensure the safety and integrity of its system.

16 **Q. Do you have any other comments about the rebuttal testimony filed by Comcast?**

17 A. Yes. During my tenure working as a contractor for the cable industry, I learned  
18 that the primary concern for cable operators was the rush to market. As part of this  
19 mindset, cable operators did not adequately monitor the work performed by their  
20 contractors and rarely took any responsibility for the actions of these contractors.  
21 There was no priority placed on safety or notification to pole owners of work being

1 performed on their poles. I would describe the situation as a free-for-all. I believe that  
2 this problem persists today because contractors are paid by the foot. Pursuant to this  
3 arrangement, there is little incentive to do the work correctly. Instead, contractors are  
4 motivated to complete the work as quickly as possible. Comcast has merely followed  
5 standard cable industry practice.

6 **Q. Does this conclude your testimony?**

7 A. Yes.