

STATE OF UTAH
2003
COMPUTATION OF ANNUAL POLE ATTACHMENT RENTAL RATE
PACIFICORP, d.b.a. PACIFIC POWER & UTAH POWER

A. Net Investment Per Bare Pole

(1)	Investment in poles, towers, & fixtures	\$370,786,082
(2)	Less depreciation reserve associated with item (1)	(\$134,237,118)
(3)	Less deferred Federal income taxes associated with item (1)	(\$33,401,051)
(4)	Net investment in poles and support equipment	\$203,147,914
(5)	Less Crossarms & Appurtenances	(\$18,866,626)
(6)	Net investment in poles and support equipment	\$184,281,288
(7)	Total number of poles	<u>+ 424,302</u>

Net Pole Value \$434.32 (PV)

B. Annual Carrying Charge

(1)	Depreciation Expenses	6.74%
(2)	Administration and General Expenses	3.02%
(3)	Maintenance Expenses	4.93%
(4)	Taxes	4.17%
(5)	Authorized Cost of capital	8.87%

27.73% (CC)

C. Use Ratio Per Pole

(1)	Usable space on pole, in feet	13.5
(2)	Effective space occupied by Licensee Attachment	1.0

7.41% (PR)

D. Annual Pole Attachment Rate

(PV) X (CC) X (PR)

\$8.93

E. 2003 Basic Rate (2001 escalated at 2.5% per year)

\$9.38

F. Surcharge for actual A&G costs directly associated to pole attachments

\$0.41

2003 TOTAL ANNUAL RENTAL RATE PER ATTACHMENT

\$9.79

Exhibit A
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UNUSABLE SPACE

$$\begin{aligned} \text{UNUSABLE SPACE} &= (2/3) (24/37.5) (\$434.32/2) (27.73\%) \\ &= (.67) (.64) (\$217.16) (.2773) \\ &= \$25.82 \end{aligned}$$

$$\begin{aligned} \$25.82 - 9.79 &= \$16.03 \\ \$16.03 (.60) &= \$9.62 \\ \$9.62 + 9.79(2) &= \$29.20 \end{aligned}$$

The telephone rate for each attachment to PacifiCorp owned poles in the state of Utah is \$29.20.

NOTE: All data is as of end of business on December 31, 2001, except where noted.