



Inspection/Correction Efficiency (ICE) Committee Findings & Guidelines



Introduction

Oregon law requires every public utility to furnish “adequate and safe service at reasonable rates” and that any charges assessed in connection with providing that service be “reasonable and just” (ORS 757.020). In order to keep costs in check for customers, it is important for service providers to make the best use of their resources. However, utility pole owners and users have experienced frustration at the rising costs of regulatory compliance manifested, in part, in the cost of multiple inspection programs.

Following passage of House Bill 2271 in the 1999 legislature and the ensuing formation of the Oregon Joint Use Association, member companies began to recognize and discuss the possibility of the industry coming together to coordinate inspection programs in which companies would share in inspection costs. The concept generated many questions, not the least of which was whether companies could collaborate to conduct the inspections and allocate costs fairly and equitably.

Work products were generated by subcommittees in 2004 and 2006. Those were leveraged and assimilated for this effort.

History Statement

The Oregon Joint Use Association (OJUA) was born out of a task force established by the Oregon Public Utility Commission (PUC) after the passage of Oregon HB 2271 in 1999. First as a task force and subsequently as the OJUA it has been charged with advising the PUC on matters regarding safety and the joint use of utility poles. The association operates under the direction of 12 board members, each representing a unique industry group that uses poles in conducting its business.

Over the last 14 years the association has been involved in several rulemakings regarding pole attachments and compliance with Commission Safety Rules. It has also engaged in extensive committee work through the recruitment of industry volunteers. Through the efforts of these committees the OJUA has established standards for joint use practices, as well as rendered opinions and publications on subjects such as prioritization of repairs, joint inspections, and industry conflicts. The OJUA has also established itself as a national leader in the education of utility workers in the matters of NESC joint use rules.

It is with this background and forward vision that the OJUA presents this current work product, encouraging operators in Oregon to continue developing better working relationships and practices that benefit not only themselves, but the public they serve.

Mission Statement

The misalignment of inspection schedules and differing inspection criteria results in increased administrative burden and reduces operational efficiency without commensurately increasing safety.



Goals for ICE Committee

Joint Inspection Best Practices

- Maintain compliance with the intent of the OARs
- Inspection over 10 years, most correction in 2 years
- List of ways to reduce costs to administer Inspection-Correction Programs

A successful collaborative inspection program should provide these benefits:

- Cost savings for the inspecting parties
- Reduced long-term costs, including manpower reduction (initial cost could be more, but may be offset by cost recovery)
- Reduced number of visits to the pole
- Build trust, develop relationships, and improve coordination with all participating entities
- Improved customer perception
- Clarified expectations among parties
- Established geographic areas that are “clean” (providing correction program follows inspection program)
- Identified facilities (location of pole and identification of attachées)
- Improved coordination among the pole owner and the attachées
- Established uniform reporting
- Increased compliance resulting in reduced sanctions
- One party will not subsidize another party

Utilize Common Codes

The OJUA has created an industry wide standardized Inspection form, as well as abbreviations (exhibit A) for the equipment we use and the violations we encounter. While the form is not commonly being used, the abbreviations have received widespread use and have made communications more efficient between operators.

OJUA-Generated Map of Oregon Operators

Extensive effort has been made to create and update a map depicting boundaries and, in some cases, inspection cycles of power, telephone, cable TV, and CLEC providers. The map has an abundance of other features as well. This is a critical tool to establish Joint Inspection efforts.

Three Types of Cost-Associated Elements Have Been Established

Entities participating in joint inspection/joint correction programs can anticipate opportunities for efficiencies and cost savings as well as employing best practices for quality craftsmanship and worker safety. For purposes of a joint inspection program, three types of cost-associated elements have been established:

1. Facility Maintenance: The general repairs associated with pole ownership are to be the sole responsibility of the pole owner. Such items may include but are not limited to:
 - A. The replacement of rotten or otherwise deteriorated poles
 - B. Broken vertical grounds
 - C. Illegible pole tag replacements
 - D. Items generally considered to be part of the maintenance process



2. Individual Violations: The correction of violations that are associated with one individual occupant may be incurred solely by that occupant with no cost incurred by other occupants, including the pole owner. These items may include but are not limited to:

- A. Excessive sag
- B. Clearance from the ground or structures
- C. Non-bonded or non-insulated down guys

3. Joint Violations: The costs associated with mutual violations may be shared equally with all associated occupants. These items may include but not be limited to:

- A. Improper clearance between facilities that have been established for a number of years so that no singular responsibility can be established
- B. Obstructed climbing space that affects all occupants and no singular responsibility can be established
- C. Replacement of poles where clearance has not been established or has changed due to the change in the surrounding grade, etc.

Joint Inspection Subcommittee (JIS)

The Joint Inspection Subcommittee (JIS) was created as a working committee to develop products and tools that would help facilitate conducting a joint inspection. One of the first work products to come out of JIS is a matrix designed to identify the most common joint violations, recommend courses of corrective action, and suggest assignment(s) for correction of the violation. In identifying the recommended courses of corrective action, it was the goal of the Subcommittee to select options that represent industry best practices while offering cost efficiencies without negatively impacting worker safety.

To aid field inspectors in selecting the correct OJUA violation code, determine the best correction action, and then assign the corrective action to the proper entity, the committee developed the “Joint Field Inspection Best Practices.” Note: While the suggested assignments for corrective action were developed based on industry best practices and opportunities for cost efficiencies, they should not be interpreted as a reflection of a suggested allocation for the cost of the correction. It is neither the intent nor within the purview of the Joint Inspection Subcommittee to define cost allocation associated with the corrective action. Instead, such allocation should be determined by the negotiation process employed by the participating entities. It is the expectation of the Subcommittee that joint inspection pilot programs may provide guidance in future determinations of cost allocation.

The Subcommittee is also working to develop “Guidelines for Measuring Success,” which will provide suggestions on how to select random samples of inspected and/or corrected areas and establish metrics that could be tracked over time to assess the program.

Means to Address Non-Participants

- Letters and Notices
- Workshops
- OPUC influence
- OJUA participation
- Changes to existing Rules



Major Hurdles - Challenges and Approaches

| Challenge | Approach |
|---|--|
| Labor issues (union vs. non-union) | <ul style="list-style-type: none">• Communicate with Union shops in the planning stage.• Use third party, signatory companies for inspections. |
| Proprietary information | <ul style="list-style-type: none">• Non-disclosure agreements—create a specific agreement for inspections. |
| Common format for data sharing | <ul style="list-style-type: none">• Access, Excel, other Microsoft-based product |
| Non participating entities (e.g., cities and entities that have recently conducted detailed inspections) | <ul style="list-style-type: none">• Address through legislative fix, administrative rules and/or franchise rules.• Identify cost issues, such as who eats the costs of inspecting facilities of nonparticipants. |
| Corporate management (awareness and agreement) | <ul style="list-style-type: none">• Management from all companies needs clear communication about the project parameters• Management buy-in needs early commitment. |
| Contractual issues | <ul style="list-style-type: none">• Operators will need contracts with the pole owner or the inspection contractor directly. |
| Information collection during the inspection process (will parties actually collect enough info to make this a cost savings process?) | <ul style="list-style-type: none">• Need a formula/tool to determine ROI. |
| Identification of facilities (would inspecting parties tag poles during inspection?) | <ul style="list-style-type: none">• Pole-tagging has long-range benefits for all participating utilities. Determine which tag data to collect. Discuss NO TAG poles. |
| Cost sharing (what's the fairest way to split the cost?) | <ul style="list-style-type: none">• Suggest developing a scoping/costing matrix. |
| Coordinating the 10 percent issue (how do you find an equal 10 percent for all participants?) | <ul style="list-style-type: none">• If Charter, for example, is required to coordinate inspections with each of the 33 utilities from which it rents, the logistics will be daunting. Additionally 10 percent for each of those owners may not add up to 10 percent of Charter's attachments. This would lead to a very complex formula for full compliance.• Suggested solution: pick the low-hanging fruit. Coordinate joint inspections only in areas where there is a clear benefit, such as urban areas with high JU density. Rural joint inspections may also work if there is a clear benefit to participants in clear-cut territories.• Assume that solo inspections will always be needed to augment collaborative inspections in order to hit full compliance. |
| Percentage of area to be inspected (attachees may not be attached to all of proposed inspection area) | <ul style="list-style-type: none">• Defer to OPUC Safety Staff directives; When inspecting power footprint, how to incorporate the communication pole inspections in that area must be considered. |



| Challenge | Approach |
|--|---|
| Managing collected data and cost of sharing data | <ul style="list-style-type: none">• Try to keep cost-sharing formula simple.• One organization has to take responsibility for data management (probably the one managing inspections and quality assurance).• The Inspection Contractor must have the expertise and flexibility to provide for the data management needs of each operator involved. |
| Quality control (who will be responsible for quality control?) | <ul style="list-style-type: none">• It is advisable to run a short pilot inspection, follow up with re-inspection by all parties to identify what was missed, then re-train inspectors before progressing with the remainder of the project.• Utility with the most data to collect should generally take the QA role.• A third-party organization may be able to take this responsibility. |
| Finding qualified inspectors | <ul style="list-style-type: none">• Establish project scope with all participants, then post an RFP for inspection vendors.• To evaluate vendor proposals, interview and test the inspection vendor managers for understanding of the needs of all participating utilities. Also test the inspectors to make sure they can handle all aspects of the inspection. |
| Common denominator for design specifications | <ul style="list-style-type: none">• Confer upon and document mutually acceptable specifications and designs at the beginning of the project.• Create an effective training program for inspectors. |
| Dealing with bootlegs | <ul style="list-style-type: none">• Develop a plan for handling and paying for discovered unpermitted attachments prior to kicking off the project.• Factor in a “bootleg” margin of error when calculating estimated costs for attendees |
| Keeping project scope realistic | <ul style="list-style-type: none">• Pole test and treatment should be considered a separate project. |
| Assigning responsibility for repair (solution may fall on entity that did not create non-compliance—who pays for correction) | <ul style="list-style-type: none">• Establish joint corrections as a follow-on project with its own set of extensive planning requirements. |