

Voice | Data | Internet | Wireless | Entertainment



EMBARQ™

Embarq Corporation
Mailstop: FTLHQ0102
1313 Blair Stone Rd.
Tallahassee, FL 32301
EMBARQ.com

RECEIVED- FPSC
07 DEC 27 PM 4: 22
COMMISSION
CLERK

December 27, 2007

Ms. Ann Cole
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

CMP 2
COM 5
CTR 1
ECR
GCL 3
OPC
RCA 1
SCR
SGA
SEC
OTH

Re: Embarq's Testimony and Exhibit SAK-1/Docket No. 070300-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Embarq Florida Inc., are the original and fifteen (15) copies of the Direct Testimony of Sandra A. Khazraee with Exhibit SAK-1 in regards to the above referenced docket matter.

Copies are being served on the parties in this docket pursuant to the attached certificate of service.

If you have any questions regarding this electronic filing, please do not hesitate to call me at (850) 599-1560.

Sincerely,

Susan S. Masterton

DOCUMENT NUMBER-DATE

11245 DEC 27 06

FPSC-COMMISSION CLERK

Susan S. Masterton
COUNSEL
LAW AND EXTERNAL AFFAIRS- REGULATORY
Voice: (850) 599-1560
Fax: (850) 878-0777

**CERTIFICATE OF SERVICE
DOCKET NO. 070300-EI**

I HEREBY CERTIFY that a true and correct copy of the foregoing was served electronically and by U.S. Mail on this 27th day of December, 2007 to the following:

Akerman Law Firm (07)

Beth Keating
106 East College Avenue, Suite 1200
Tallahassee, FL 32301
Phone: 850-521-8002
FAX: 222-0103
beth.keating@akerman.com

AT&T Florida (07e)

E. Edenfield/P. Carver/M. Gurdian/J. K
c/o Mr. Gregory Follensbee
150 South Monroe Street, Suite 400
Tallahassee, FL 32301-1561
Phone: 850-577-5555
FAX: 222-8640
greg.follensbee@att.com

Messer Law Firm (07)

Norman H. Horton, Jr.
Post Office Box 15579
Tallahassee, FL 32317
Phone: 850-222-0720
FAX: 224-4359
nhorton@lawfla.com

Florida Public Service Commission

Adam Teitzman
Keino Young
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
ateitzma@psc.state.fl.us
kyoung@psc.state.fl.us

Florida Public Service Commission

Division of Competitive Markets &
Enforcement
Beth Salak
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
bsalak@psc.state.fl.us

Florida Public Service Commission

Division of Economic Regulation
Thomas Ballinger
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
tballinger@psc.state.fl.us

Florida Public Service Commission

Division of Regulatory Compliance &
Consumer Assistance
Cecil Mills
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
cmills@psc.state.fl.us

Davis Law Firm (07)

Maria T. Browne
1919 Pennsylvania Ave., NW, Suite 200
Washington, DC 20006
Phone: 202-973-4200
FAX: 202-973-4499
mariabrowne@dwt.com

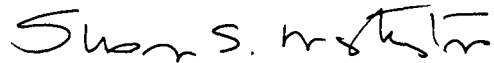
**Florida Cable Telecommunications
Association, Inc. (07)**

246 E. 6th Avenue, Suite 100
Tallahassee, FL 32303
Phone: 850-681-1990
FAX: 681-9676

**Florida Public Utilities Company
(07a)**

Mark Cutshaw
P. O. Box 418
Fernandina Beach, FL 32035-0418

Office of Public Counsel (07a)
Charles Beck/Patricia Christensen
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
Phone: 850-488-9330



Susan S. Masterton

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **DOCKET NO. 070300-EI**

3 **DIRECT TESTIMONY OF**

4 **SANDRA A. KHAZRAEE**

5
6 **Q. Please state your name, title and business address.**

7 **A. My name is Sandra A. Khazraee and I am employed by Embarq as Regulatory**
8 **Manager. My business address is 1313 Blair Stone Road, Tallahassee, Florida, 32301.**

9
10 **Q. On whose behalf are you testifying in this proceeding?**

11 **A. I am testifying on behalf of Embarq Florida, Inc.**

12
13 **Q. Please describe briefly your educational background and work experience.**

14 **A. I graduated from McNeese State University with a Bachelor of Science degree in**
15 **Mathematics. I have worked 30+ years in the telecommunications industry, specifically for**
16 **South Central Bell, Pacific Bell and Embarq Florida and its predecessor companies. During**
17 **those 30 years, I have worked as an Outside Plant Engineer, Long Range Network Planner,**
18 **Pricing and Product Evaluation Manager, Costing Manager and Regulatory Manager. In my**
19 **previous position as Costing Manager and my current position as Regulatory Manager, I have**
20 **testified before this Commission in various dockets.**

21
22 **Q. What is the purpose of your testimony?**

23 **A. The purpose of my testimony is to provide Embarq's position on the storm hardening**
24 **plan ("the Plan"), submitted by Florida Public Utility Company ("FPUC") for approval in**
25 **Docket 070300-EI.**

DOCUMENT NUMBER - DATE

11245 DEC 27 5

FPSC-COMMISSION CLERK

1 **Q. How is Embarq potentially affected by the storm hardening plan proposed by**
2 **FPUC?**

3 **A. Embarq attaches facilities to FPUC's poles under a joint use agreement. As an**
4 **attacher, Embarq may be affected both operationally and financially by the implementation of**
5 **the storm hardening measures proposed by FPUC in its storm hardening plan. Embarq must**
6 **have certain specific information from FPUC to allow Embarq to determine which, if any, of**
7 **its attachments will be affected by the storm hardening measures set forth in the plan.**

8

9 **Q. Could you provide an overview of Embarq's position on FPUC's storm**
10 **hardening plan?**

11 **A. Embarq has needed more detailed information than that set out in the plan filed by**
12 **FPUC to fully evaluate the reasonableness of the proposed storm hardening measures as they**
13 **affect Embarq. FPUC provided additional information that may include this necessary detail**
14 **on December 21, 2007. Embarq is in the process of evaluating this information. In addition,**
15 **Embarq supports the stipulation of the Process to Engage Third Party Attachers, discussed in**
16 **the Direct Testimony of AT&T's witness, Kirk Smith and included in Exhibit KS-1, which**
17 **was filed in this docket on December 21, 2007. I will address Embarq's position on each of**
18 **the 13 issues identified in the Order Establishing Procedure (Order No. PSC-07-0811-PCO-**
19 **EI) in the remainder of my testimony.**

20

21 **ISSUE 1: Does the Company's Plan address the extent to which, at a minimum, the**
22 **Plan complies with the National Electric Safety Code (ANSI C-2) [NESC]**
23 **that is applicable pursuant to subsection 25-6.0345(2), F.A.C.? [Rule 25-**
24 **6.0342(3)(a)]**

1 **Q. What is Embarq's position on Issue 1?**

2 **A.** Embarq's review indicates that the Plan appears to comply with the applicable NESC
3 requirements.

4

5 **ISSUE 2:** Does the Company's Plan address the extent to which the extreme wind
6 loading standards specified by Figure 250-2(d) of the 2007 edition of the
7 NESC are adopted for new distribution facility construction? [Rule 25-
8 6.0342(3)(b)1]

9

10 **ISSUE 3:** Does the Company's Plan address the extent to which the extreme wind
11 loading standards specified by Figure 250-2(d) of the 2007 edition of the
12 NESC are adopted for major planned work on the distribution system,
13 including expansion, rebuild, or relocation of existing facilities, assigned
14 on or after the effective date of this rule distribution facility construction?
15 [Rule 25-6.0342(3)(b)2]

16

17 **ISSUE 4:** Does the Company's Plan reasonably address the extent to which the
18 extreme wind loading standards specified by Figure 250-2(d) of the 2007
19 edition of the NESC are adopted for distribution facilities serving critical
20 infrastructure facilities and along major thoroughfares taking into
21 account political and geographical boundaries and other applicable
22 operational considerations? [Rule 256.0342(3)(b)3]

23

1 **Q. What is Embarq’s position on Issues 2 through 4 regarding extreme wind**
2 **loading standards?**

3 **A.** FPUC has stated that new specifications are being developed that will allow for certain
4 future installations to exceed the NESC by utilizing extreme wind loading standards (Section
5 3.1 of the Plan). FPUC is also proposing a program that will replace all remaining wood
6 transmission poles with concrete poles that will meet or exceed the NESC extreme wind
7 loading standards (Section 3.2 of the Plan). While Embarq does not believe these changes
8 should affect existing Embarq facilities, without specific details it cannot be determined that
9 this is the case.

10 In general, Embarq is aware that the NESC extreme wind loading provision is
11 designed for poles exceeding 60 feet in height due to the attachments (electric circuits) with a
12 greater exposure to the wind. Shorter poles with attachments closer to the ground, such as
13 Embarq’s attachments, are not as exposed and therefore are not considered by the NESC
14 standards.

15

16 **ISSUE 5: Does the Company's Plan address the extent to which its distribution**
17 **facilities are designed to mitigate damage to underground and supporting**
18 **overhead transmission and distribution facilities due to flooding and**
19 **storm surges? [Rule 25-6.0342(3)(c)]**

20

21 **Q. What is Embarq’s position on Issue 5?**

22 **A.** FPUC states in the Plan (Section 4.0) that it is currently beginning the development of
23 an expanded specifications book that will include detail on mitigating damage of underground

1 and overhead distribution and transmission facilities. Therefore, Embarq cannot provide a
2 position on this issue until that effort is completed and details shared with Embarq.

3

4 **ISSUE 6: Does the Company's Plan address the extent to which the placement of**
5 **new and replacement distribution facilities facilitate safe and efficient**
6 **access for installation and maintenance pursuant to Rule 25- 6.0341,**
7 **F.A.C? [Rule 25-6.0342(3)(d)]**

8

9 **Q. What is Embarq's position on Issue 6?**

10 **A.** FPUC has stated that facilities will be placed along public rights of way or located on
11 private easements that are readily accessible from public streets. With regard to the placement
12 of new facilities, Embarq has no problem with FPUC's Plan. If, however, FPUC intends to
13 relocate existing facilities from rear lot lines based on these guidelines, then Embarq will need
14 additional information with specificity before determining whether Embarq's facilities will be
15 affected and any resulting impact on Embarq.

16

17 **ISSUE 7: Does the Company's Plan provide a detailed description of its deployment**
18 **strategy including a description of the facilities affected; including**
19 **technical design specifications, construction standards, and construction**
20 **methodologies employed? [Rule 25-6.0342(4)(a)]**

21

22 **Q. What is Embarq's position on Issue 7?**

23 **A.** FPUC witness Mark Cutshaw indicates in his testimony that the company has
24 provided a description of its deployment strategy in Section 6.1 of the Plan. Initially, Embarq

1 provided an estimate of the number of poles and dollar impact to Embarq based on the general
2 description provided by FPUC in the Plan (Section 3.4). This estimate was communicated to
3 FPUC in a letter dated July 12, 2007 included as Exhibit SAK-1. Embarq also requested
4 additional information with specifics at the route or street level so that a more precise
5 response could be provided to FPUC. On Friday afternoon, December 21, FPUC provided a
6 diagram of the route maps of the routes that would be impacted within the Marianna area.
7 Because Embarq has had this information for less than a week, there has not yet been time to
8 evaluate the information and make a field inspection to determine which, if any, of these poles
9 carry Embarq attachments. Embarq cannot take a final position on this issue until this review
10 is completed.

11 In addition, the Process to Engage Third Party Attachers discussed in the Direct
12 Testimony of AT&T witness Kirk Smith and included in Exhibit KS-1 establishes a
13 mechanism for FPUC to provide attachers with necessary details about the technical design
14 specifications, construction standards, and construction methodologies FPUC will employ.
15 Embarq supports this process which is the same process approved by the Commission in the
16 dockets to consider the other investor-owned electric utilities' storm hardening plans.

17 **ISSUE 8: Does the Company's Plan provide a detailed description of the**
18 **communities and areas within the utility's service area where the electric**
19 **infrastructure improvements, including facilities identified by the utility**
20 **as critical infrastructure and along major thoroughfares pursuant to**
21 **subparagraph (3)(b)3. are to be made? [Rule 25-6.0342(4)(b)]**

22 **Q. What is Embarq's position on Issue 8?**

23 **A.** The plan currently does not provide detailed descriptions of the communities and areas
24 within which the improvements will be made. However, as stated in my testimony on issues 2

1 through 4, FPUC provided some additional detail on December 21. Embarq is evaluating this
2 additional information and will be prepared to update its position at the appropriate time.
3

4 **ISSUE 9:** Does the Company's Plan provide a detailed description of the extent to
5 which the electric infrastructure improvements involve joint use facilities
6 on which third-party attachments exist? [Rule 25-6.0342(4)(c)]
7

8 **Q.** What is Embarq's position on Issue 9?
9

10 **A.** FPUC's Plan is not specific as to the extent to which the electric infrastructure
11 improvements involve joint use facilities. However, as stated previously, FPUC has provided
12 some additional detail which Embarq is currently evaluating.
13

14 **ISSUE 10:** Does the Company's Plan provide a reasonable estimate of the costs and
15 benefits to the utility of making the electric infrastructure improvements,
16 including the effect on reducing storm restoration costs and customer
17 outages? [Rule 25-6.0342(4)(d)]

18 **Q.** What is Embarq's position on Issue 10?

19 **A.** Embarq has not taken a position on this issue.
20

21 **ISSUE 11:** Does the Company's Plan provide an estimate of the costs and benefits,
22 obtained pursuant to subsection (6) below, to third-party attachers
23 affected by the electric infrastructure improvements, including the effect

1 **on reducing storm restoration costs and customer outages realized by the**
2 **third-party attachers? [Rule 25-6.0342(4)(e)]**

3
4 **Q. What is Embarq’s position on Issue 11?**

5
6 **A. FPUC has not provided an estimate of the costs and benefits to third-party attachers.**
7 As discussed in my testimony on Issue 7, Embarq provided FPUC with an estimate of the cost
8 impacts to Embarq, based on the information FPUC had provided at that time. This estimate is
9 detailed in the letter to FPUC attached as Exhibit SAK-1. Embarq may be in a position to
10 revise this cost estimate after completing the review of the information FPUC provided on
11 December 21. As stated in the letter, Embarq has no data that supports a quantification of the
12 potential benefits of the storm hardening measures, but anticipates that these benefits would
13 include a reduction in the amount of damage to Embarq’s facilities, thereby reducing the
14 number of customer outages and reducing the time to restore service.

15
16 **ISSUE 12: Does the Company's Plan include written Attachment Standards and**
17 **Procedures addressing safety, reliability, pole loading capacity, and**
18 **engineering standards and procedures for attachments by others to the**
19 **utility's electric transmission and distribution poles that meet or exceed**
20 **the edition of the National Electrical Safety Code (ANSI C-2) that is**
21 **applicable pursuant to Rule 25-6.034, F.A.C.? [Rule 25-6.0342(5)]**

22
23 **Q. What is Embarq’s position on Issue 12?**

1 **A.** FPUC has indicated in the Plan that the current contracts with third-party attachers
2 will continue in effect and will govern the standards and procedures at this time. (Section 7.3)
3 Embarq agrees that its current joint use agreement with FPUC governs the relationship
4 between the parties and the operational and cost impacts to Embarq resulting from the
5 implementation of FPUC's storm hardening plan. FPUC has indicated that it intends to
6 develop additional construction standards and that third-party attachers will have the ability to
7 provide input into the new specifications. Embarq certainly intends to participate fully in any
8 discussions of changes to the attachment standards.

9
10 **ISSUE 13:** **Based on the resolution of the preceding issues, should the Commission**
11 **find that the Company's Plan meets the desired objectives of enhancing**
12 **reliability and reducing restoration costs and outage times in a prudent,**
13 **practical, and cost-effective manner to the affected parties? [Rule 25-**
14 **6.0342(1) and (2)]**

15
16 **Q.** **What is Embarq's position on Issue 13?**

17 **A.** Embarq cannot take a final position on this issue until it completes its review of the
18 information provided by FPUC on December 21 and determines the specific impact of the
19 plan on Embarq. In addition, implementation of the Process to Engage Third Party Attachers
20 is key to Embarq's ability to be comfortable with the level of detail provided by FPUC.

21
22 **Q.** **Does that conclude your testimony?**

23 **A.** Yes it does.



Voice | Data | Internet | Wireless | Entertainment

Embarq Corporation
Mailstop: FLTLH00201
1313 Blair Stone Road
Tallahassee, FL 32301
EMBARQ.com

July 12, 2007

Mr. Mark Cutshaw, General Manager
Florida Public Utilities Company
911 South 8th Street
Fernandina Beach, Florida 32034

In RE: Florida Public Utilities Company 2007 – 2009 Storm Hardening Plan

Dear Mr. Cutshaw:

Embarq has reviewed the FPUC Storm Hardening Plan received on Sunday, June 24, 2007 for the years 2007 through 2009. While the plan provided some specifics, e.g. the intent to harden the facilities in the Northwest Division on an 18 pole route to a Prison/H.S. Shelter in 2007, additional detailed information would be necessary in order to complete a thorough cost and benefit analysis. Therefore, in order to respond regarding the impact of this plan on Embarq, certain assumptions have been made. If additional details are provided regarding the plan, Embarq will review this response and provide a more targeted estimation of the costs and benefits.

The FPUC plan indicates that approximately 170 poles in their northwest division will be hardened in the years 2007 through 2009 in the proposed plan. For purposes of this response to the plan, Embarq has assumed that all of the approximately 170 poles targeted in those years in that division have Embarq attachments and that those 170 poles will be replaced. Thus, the estimated costs to Embarq in the first three years of this plan for pole replacements and transfer of attachments would be approximately \$289,000. Those costs would include Embarq's pro rata share of the cost of the new poles computed under the current pole attachment agreement between Embarq and FPUC as well as the cost to transfer Embarq's attachments to the new poles. If more detailed "street level" data such as street names and route schematics are provided these estimated dollars may be adjusted

FPUC's Hardening Plan may benefit Embarq by reducing the amount of damage to our facilities, thereby reducing the number of customer outages and reducing the time to restore service. The extent of these benefits will not be known until the next storm and they cannot be readily quantified in dollar savings; however, Embarq does not believe that it is likely these benefits will outweigh the costs.

Sincerely,

Sandra A. Khazraee

cc: Henry Bowlin, Embarq
Bill Radel, Embarq
Norman Horton

Sandra A. Khazraee
REGULATORY MANAGER
LAW AND EXTERNAL AFFAIRS
Voice: (850) 847-0173
Fax: (850) 878-0777

DOCUMENT NUMBER - DATE

11245 DEC 27 06

FPSC-COMMISSION CLERK