

Fiber Partnership discussion summary: Sierra Nevada Region

July 26, 2019

Participants in the July 26, 2019 Sierra Nevada Regional fiber partnerships meeting discussed interests and opportunities, as well as challenges and concerns related to fiber partnerships. The meeting was held at WAPA's Sierra Nevada Regional Office in Folsom, CA. The summarized comments and questions listed below were expressed by attendees and are published herein for informational purposes only. Every effort has been made to capture the full context of the comment or question. WAPA has taken no position on them at this point. The comments and questions will be carefully considered and will be used to inform WAPA's feasibility assessment. Information about the feasibility assessment is available on WAPA's website at:

<https://www.wapa.gov/About/keytopics/Pages/fiber-feasibility-assessment.aspx>

Highlights from the discussions include:

Interest and opportunities for new partnerships

Customer comments on interests & opportunities for new partnerships:

- Customers are interested in partnerships for fiber when building new transmission lines.
- WAPA should maintain current partnership practices; e.g., allow customers to request additional fiber added to the design of a new line (if feasible), in addition to WAPA fiber use.
- When building new transmission lines, WAPA should consider fiber partnerships for deciding the amount of fiber strung.
- There is interest in opportunities for intergovernmental/interagency partnerships.
- Rural customers need fiber for both utility services and broadband.
- Rural customers need fiber for broadband to outlying areas.

Customer questions on interests & opportunities for new partnerships:

- Can more transmission be built to expand fiber?
- Is the lease of fiber a possible revenue stream?

Customers' priorities and/or goals for fiber partnership

Customer comments on priorities and/or goals for fiber partnership

- Plan future builds with partnership opportunities in mind.
- Customers want partnerships to replace microwave and radio communication infrastructure.
- Cost-based rates for WAPA customers is important.
- WAPA should consider a different rate structure (market) for non-WAPA customers.
- WAPA needs to prioritize keeping up with technological advances for fiber on 500-kV lines.
- Partnerships should be leveraged to expand reliability and capability.

Customer question on priorities and/or goals for fiber partnership

- Within WAPA's current fiber inventory, are there needs for additional fiber in some locations?



Challenges and concerns with new partnerships

Customer comments on challenges and concerns with new partnerships:

- WAPA should ensure that physical security and cybersecurity is addressed.
- WAPA should ensure there's no impact to fiber already under contract.
- WAPA should ensure exchanged fiber, under current contract, is not utilized in a manner other than what is in the current contract.
- WAPA should ensure the beneficiary pays.
- WAPA should ensure that there are no negative affects to the operation of WAPA's system.
- In an outage, any restoration of fiber should be secondary to power restoration; WAPA should ensure that power is WAPA's priority.
- Current fiber partnerships associated with the California-Oregon Transmission Project must be protected.
- Customers would have concerns if WAPA considered entering multiplex fiber arrangements.
- WAPA's contract language should prevent broadband service providers from negotiating with third-party vendors to carry emergency services.

Customer questions on challenges and concerns with new partnerships:

- What is WAPA's liability for service interruptions that are either planned or unscheduled (such as a break in a line)? What is WAPA's liability for service interruption if proposed fiber use is for emergency services or financial purposes?
- Will liability be addressed and protections for WAPA be written into contracts?
- What is the impact of fiber partnerships to WAPA's current services?
- What affect will fiber partnerships have on rates and operations?
- Will fiber partnerships have an impact to WAPA's current services?

Gaps in feasibility assessment elements

Customer comments on challenges and concerns with new partnerships:

- Lands-related rights of way is an issue that needs to be fully scoped.
- WAPA should ensure that fiber is not overbuilt on their system.

Customer questions on challenges and concerns with new partnerships:

- Is the scope different for utility and non-utility partnerships?

