

**Testimony of  
James R. Warta  
Frontier Communications  
Before the Pennsylvania Senate Transportation Committee  
Concerning: “The Delay and Delivery of State Road and Bridge Projects”  
Tuesday, February 2, 2016  
Harrisburg, Pennsylvania**

Good morning Chairman Rafferty, Chairman Wozniak and Members of the Senate Transportation Committee, my name is Jim Warta and I am responsible for Government and External Affairs for Frontier Communications (“Frontier”) in Pennsylvania. I am testifying today to offer Frontier’s perspective on what most certainly is a critical issue concerning State Road and Bridge Projects in its service area.

This Committee has asked Frontier, and others, to address the factors that contribute to delays in road and bridge projects. One of the factors causing them is the Pennsylvania Department of Transportation (“PennDOT”) changes in originally planned commitment dates. These changes, which are due to a variety of factors, put pressure on Frontier’s resource allocations and budgeting because they frequently increase the original project costs and divert its resources from other projects. Introducing changes in timing after a project plan has been finalized causes a reallocation of engineering, technical and construction resources. Reprioritizing resources and projects due to changing deadlines and specifications, not only takes time but also unnecessarily creates the possibility for further delay. Sufficient notice of PennDOT project changes—both in timing and specification—should be required.

To ensure adequate notice, Frontier generally recommends that at least a six months advance notice for larger projects be required. However, there are times when the impact on specific customers is so great that more advanced notice is warranted. For this reason, Frontier recommends that there be more collaboration with facilities owners and PennDOT in scoping, planning, and establishing deadlines for projects. Further, PennDOT must hold to its initial agreed to schedules between facility owner/operators to move facilities. This is

imperative to guard against further delay and cost overruns, thereby ensuring that finite capital resources—both those of the utility and taxpayers—are conserved, spent wisely and available for other critical projects like broadband service enhancements. As always, Frontier welcomes the opportunity to meet with PennDOT and work together to implement the most effective approach to scheduling.

In addition to scheduling, Frontier urges PennDOT to collaborate with Frontier on its engineering and planning process. Through collaboration, PennDOT could leverage Frontier's telecom, engineering and construction expertise to ensure projects are completed, on time, on budget and with the least impact to existing facilities. This approach protects both Frontier resources and valuable state resources since it will reduce or eliminate the need for outside utility consultants in the planning process. It also reduces public frustration with lengthy construction because it ensures the timely completion of contracts.

Further, better collaboration between PennDOT and utilities is in the public interest to ensure that facilities are relocated in a safe manner. There are strict safety protocols that govern their order of relocation and the time needed to perform the work in a safe manner. Generally, telecommunications facilities—especially those on poles—are the last to be relocated. Safety is of paramount importance on every Frontier project and the power environment must be stable before telecommunications technicians can safely perform any work. For this reason, there can be a misperception that Frontier, as the last utility to move its facilities, is the cause of a missed project deadline. Establishing a collaborative approach to planning minimizes the opportunity for delay, addresses critical safety considerations, and holds all participants appropriately accountable for meeting project deadlines.

As you may know, Frontier operates in a highly competitive environment and does so with an all US based work force that employs union workers. These projects have an adverse impact on Frontier's capital budget. They divert capital from critical projects aimed at enhancing the availability and performance of high speed broadband service in the state. As a result, requiring Frontier to fund road and bridge projects out of its private capital budget

prevents investment in other infrastructure that is essential to meet our customers' needs and unreasonably burdens the Company as compared to its competitors. Providing for some kind of reimbursement for these projects will benefit customers, ensure a level playing field for competition and is good public policy because it avoids unfunded mandates and encourages effective road engineering design that accounts for a project's impact on existing facilities. Going forward, Frontier pledges its commitment to work with this Committee and other stakeholders to reach a balanced resolution of this matter that addresses the very real need associated with transportation projects as well as the very real need to ensure Frontier has the necessary capital to aggressively compete and meet the broadband needs of our customers in Pennsylvania.

Frontier typically responds to more than 75 annual requests from PennDOT to, at its expense, move, relocate or remove Frontier facilities that are impacted by a PennDOT project. These projects are generally very complex and ensuring their safe and timely completion can be challenging. Yet Frontier has reliably met deadlines and utilized its own capital, on average in excess of \$1 million annually, to meet PennDOT's needs. And as this Committee is aware, Frontier has never been reimbursed for its expenses associated with any of these projects.

This Committee has asked commenters: What are the solutions to help reduce the costs and time of project delays?" Frontier respectfully suggests the following enhancements to the current planning process:

- 1- Involve utilities in the advanced planning of PennDOT projects. Frontier's telecom technology, engineering and construction expertise would be a valuable asset to all projects.
- 2- Require that all PennDOT project plans have clear construction schedules that are developed in collaboration with and agreed to by impacted utilities. This approach allows Frontier, and other utilities, to responsibly add the project to its annual construction schedule.
- 3- Require each project to seek to minimize the impact on existing facilities in the planning process. This not only reduces disruption to utility service for customers but also reduces overall project costs.
- 4- Provide for reimbursement for facility relocation expenses. This will encourage better initial design and appropriate compensation for work order changes and delays.
- 5- Emphasize safety in all aspects of project timelines.

Frontier is confident that the above measures will eliminate delays, ensure state resources are used wisely, and efficient use of utilities' resources. We request the General Assembly to consider action in accordance with our recommendations as doing so is in the public interest.

I appreciate the opportunity to speak today and represent Frontier with my testimony. I am available for questions and/or comments.