

Making Pole-Top Damage a Capital Offense

I-Corp Is Changing The Way Poles Are Capped, Treated... and Cost-Accounted?

Nature destroys utility poles, and utility companies repair them. This, it seems, is the circle of life in this industry. Typically, the most vulnerable area is the top 5 to 6 feet of the pole, exposed to birds, insects and wood rot—most unprotected poles eventually show signs of deterioration. Typically, the response is to cap the pole. And typically, the repair is treated as a non-capitalized maintenance expense. I-Corp suggests that it may be time to change the way utilities treat these vulnerable parts of the pole... and how they are treated in the books.

The Problem With Caps

Metal Caps are an easy fix that might end up causing as much damage as they prevent, and they must be installed in the field, tying up crew time. Now you have moisture trapped inside a small dark space, warmed by the sun hitting the metal cap-- the perfect recipe for wood rot.

Tar-based caps, historically, were much more effective than they are now, as they stuck fast and molded to the contours of the pole tops. But, existing tar-based caps are not as sticky, and don't mold as well, leaving unprotected pockets where rot can get a foothold.

Building A Better Cap

I-Corp has solved all of these problems and more with one product: IPOLE Asphalt-Enhanced Pole Capping Putty.

IPOLE Asphalt-Enhanced Pole Capping Putty is an asphalt-enhanced polymer putty that comes in a caulking tube-- a comprehensive woodpecker deterrent that can be applied with a putty knife. You simply spread it on as you would filler putty on drywall, so an entire crew isn't needed to make the repair. It can also be applied on its side while in the pole pile

IPOLE Asphalt-Enhanced Pole Capping Putty is infused with Sniff'n'Stop, I-Corp's proprietary non-toxic, all-natural Woodpecker deterrent. So not only does it seal the pole against rot, it keeps the woodpeckers from coming anywhere near

the top of the pole.

IPOLE Asphalt-Enhanced Pole Capping Putty fills all holes, grooves and grain contours, providing complete coverage of the pole. The putty can be applied to the area around the shield wire bolt as well to seal and protect. A single solution that seals the business end of the pole in its entirety AND runs the woodpeckers and other pests off, without hurting them.

Unlike other caps, IPOLE Asphalt-Enhanced Pole Capping Putty can be applied to the pole on the ground before it is installed in the field, and time-released furfuryl alcohol in the product rejuvenates the wood's preservatives preventing the need for repairs from day one and extending the effective life of the pole.

In addition, IPOLE Asphalt-Enhanced Pole Capping Putty's actives are pure essential oils—natural plant derivatives-- combined in a way that woodpeckers avoid because they don't like the smell. It won't hurt crews, and it won't hurt the woodpeckers.

Putting the Cap In Capitalized

Some utilities argue that, unlike traditional pole caps and patches, since you're preserving the wood and repairing damage, you are extending the life of the pole, therefore the expense of capping poles should be capitalized. IPOLE Asphalt-Enhanced Pole Capping Putty adds extra weight to the argument by actively preventing future woodpecker damage (some of the original test poles are still woodpecker free seventeen years later).

In regards to FERC Regulations in considering the life extending nature of Wood Pole Capping as capitalizable, a few items from the IRS's Capitalization v Repairs Audit Technique Guide, Sections 8 and 9 stand out. According to FERC, a cost can be capitalized if it (8.4.6) "Extends the useful life of the property," and (9.1.2) "appreciably prolong(s) UOP's economic life."

It would seem difficult to argue against the fact that pole capping fits these requirements. If it repairs damage, seals against rot AND actively prevents future deterioration and pest damage, then there is little doubt that capping with IPOLE Asphalt-Enhanced Pole Capping Putty will extend the useful and economic life of utility poles.

I-Corp supports those advocating for this change after talking with utility clients who feel it makes sense. According to Phil Landers, Director of R&D at I-Corp, the whole point of IPOLE Asphalt-Enhanced Pole Capping Putty is to save utility companies time and money. "Until now, that's been by mitigating and eliminating Woodpecker threats. I'm neither an attorney or an accountant, but if IPOLE Asphalt-Enhanced Pole Capping Putty turns out to be as effective a tool in cost accounting as it is in pest control, then why wouldn't we help support such a change?"

