CONSTRUCTION CHARGES

A. General Regulations

- The charges, deposits and regulations specified below apply in connection with all classes of service, facilities or equipment furnished by the Company and are in addition to the installation charges applying in connection with particular classes of service, equipment or facilities and in addition to service connection and move charges which are covered separately in the other sections of this Guidebook for each exchange.
- 2. (a) Where service is furnished, construction charges may be payable, at the option of the Company, at the time the application for such service is made.
 - (b) Where service is not furnished, an Engineering Work Preparation Fee shall apply.
- 3. Plant extensions made by the Company in accordance with these rules, however financed, shall be and remain the property of the Company, or may be owned by some other company with whom the Company has a joint use agreement. Poles on private property owned by customers and used in furnishing main service will be replaced by the Company at its expense when required for maintenance reasons. The replacing poles shall be owned and maintained by the Company.
- 4. If a plant extension is required because facilities are not available, by other than a large industrial or commercial electric customer, the Company will provide an estimated completion date to the customer within 10 working days of receipt of the application.
- 5. A one time Engineering Work Preparation Fee of \$500 will apply for the preparation of a quotation for custom work which may require construction charges. This fee is applicable prior to preparation of an estimate for custom work requiring construction charges and will be applied regardless of whether or not the work is ultimately performed for the customer. The Engineering Work Preparation Fee is non-refundable; however, should the customer proceed with the custom work the fee will be applied against the special construction charges. If work is determined not to be a custom work order after the field visit by the engineer, the fee will be refunded to the customer.

The Engineering Work Preparation Fee provides for the development and preparation of a detailed estimate of cost including any appropriate engineering costs incurred in the preparation of this quotation. The customer will be advised of this charge and must agree to pay it before development of the quotation will commence. Preparation of the quotation will begin after the Engineering Work Preparation Fee is received by the Company.

Payment of the Engineering Work Preparation Fee does not assign, confer, or transfer title or ownership rights to proposals or equipment, designed or furnished by the Company. Title and ownership rights for any item developed at the customer's request remains with the Company except as specifically provided by an agreement between all parties.

The Engineering Work Preparation Fee will not apply for the following:

- Custom Work for highway projects dictated by utility agreements
- Custom Work for government entities including Federal, State, County, City and Public Schools
- Custom Work dictated by license agreements
- Custom Work dictated by pole use agreements
- Custom Work (i.e. make ready work) for other telecom providers to prepare for access to our facilities
- Custom Work for extending facilities outside the base rate area
- Custom Work associated with a request for service where no facilities exist
- Custom Work for Global Customers
- Custom Work for Land Developers
- Custom Work for AT&T Affiliates (e.g. AT&T Mobility, ATX, etc.)

PART 2 - General Terms and Conditions SECTION 5 - Construction Charges

CONSTRUCTION CHARGES (cont'd)

B. Rules for Extensions of Permanent Distribution Plant for Exchange Access Lines

- 1. Within the base rate area, the Company will extend its distribution plant to furnish service to any applicant without requiring a construction charge, except for temporary service discussed in 4, following.
- Outside the base rate area but within the exchange area, the Company may extend its distributing plant to applicants in areas where facilities are not available under the following conditions:
 - a. Along public right of way, extensions of distribution plant required for furnishing exchange access lines will be constructed by the Company under the following conditions:
 - 1. An allowance of 5/10 mile, route measurement, per applicant, will be made for such extensions of distribution plant without the application of a construction charge.
 - 2. Applicants may, at the option of the Company, be required to execute a termination agreement in an amount equal to 12 months exchange service in cases where no construction charges are applicable.
 - 3. For the construction in excess of the allowance stated in B.2.a.1. above, applicants are required to pay a construction charge of \$100.00 per 1/10 mile or nearest 1/10 of a mile thereof, route measurement, except where natural or other barriers are encountered which require undue circuitous routing or abnormal construction costs. In the latter cases, the construction charges may reflect the abnormal costs incurred by the Company.
 - b. Along public right of way, reinforcement of distribution plant along existing routes required for furnishing exchange access lines will be constructed by the Company under the following conditions:
 - 1. An allowance of two miles, route measurement, will be made for such plant reinforcement without the application of a construction charge.
 - 2. Applicants may, at the option of the Company, be required to execute a termination agreement in an amount equal to 12 months exchange service in cases where no construction charges are applicable.
 - 3. For construction in excess of the allowance stated in B.2.b.1. above, applicants for service are required to pay a construction charge of \$32.00 per 1/10 mile or nearest 1/10 of a mile thereof, route measurement.
 - c. The allowance discussed in B.2.a.1 and B.2.b.1 above, are not granted to the same applicant.

PART 2 - General Terms and Conditions SECTION 5 - Construction Charges

CONSTRUCTION CHARGES (cont'd)

B. Rules for Extensions of Permanent Distribution Plant for Exchange Access Lines (cont'd)

- 4. On private property, extensions of distribution plant required for furnishing exchange access lines will be made provided suitable right-of-way can be obtained under the following conditions:
 - a. An allowance of 2/10 mile, route measurement, per applicant, will be made for such plant extension without the application of a construction charge.
 - b. For new plant reinforcement in excess of the 2/10 mile allowance stated in 4.a., above, an applicant will be required to pay a construction charge of \$100 per 1/10 mile or nearest 1/10 of a mile thereof, route measurement.
 - c. For plant reinforcement along existing routes in excess of the 2/10 mile allowance stated in 4.a., above, an applicant will be required to pay a construction charge of \$32 per 1/10 mile or nearest 1/10 of a mile thereof, route measurement.
 - d. Where more than one applicant will be served by plant extensions on private property, the construction will be considered as plant extensions on a public right of way as stated in B.2.a, above.
- 5. The allowance in B.2.a.1 or B.2.b.1 above, may be added to the allowance discussed in B.4, above, if applicable. However, the accumulation of allowances shall not exceed the maximum of 5/10 of a mile for a single applicant.

C. Special Construction

- 1. When a special type of construction is furnished to a customer, either inside or outside the base rate area, a charge is made equal to the difference between the estimated cost of labor and materials of the special type of construction and the estimated cost of labor and materials of standard construction. The customer is required to bear unusual maintenance costs for the special construction.
- 2. Where either underground or aerial construction of facilities is required, other than by choice of the Company, an additional charge shall be made if the estimated cost of the type of construction required, underground or aerial exceeds the estimated cost of the other type of construction. This charge shall be the difference in the cost of labor and materials between the two.
- 3. The Company will provide one primary demarcation point for services provided through the Company network facilities at no cost to the subscriber. Any secondary or additional demarcation point(s) requested by the customer will be provided as specified in this guidebook. The costs of providing these secondary or additional demarcation points include all labor and materials including cabling. Additions or reinforcement of all existing facilities to secondary demarcation points will be provided upon customer request and billed as specified in this guidebook.

PART 2 - General Terms and Conditions SECTION 5 - Construction Charges

CONSTRUCTION CHARGES (cont'd)

D. Temporary Service

Where plant construction, either inside or outside the base rate area, is required to provide any service or facility temporary in character, or where it is necessary to place temporary construction in advance of permanent construction to meet the customer's requirements, the Company may require the applicant to pay the nonrecoverable costs of the temporary construction, or to contract for service beyond the initial period, or both.

E. Service Provided to Movable Premises

- 1. When telephone service is provided to movable premises by means of aerial plant, a clearance pole shall be provided if needed in the opinion of the Company. The customer shall place, own and maintain the pole. However, if the customer elects, the Company will place, own and maintain the pole and bill the customer the cost of placing the pole.
- 2. The clearance pole must comply with specifications determined to be applicable by the Company.

F. Facility Moves

Customers requesting the Company to move facilities on premises owned or leased by the customer are required to pay a construction charge equal to the actual material and labor costs unless the facility was not placed in an approved easement or right-of-way or if the move benefits the Company.