

**A. Application**

All rates and charges quoted elsewhere in this guidebook provide for the furnishing of service when (1) suitable facilities are available, and (2) the revenue to be derived from the service is sufficient to warrant the Company assuming the usual cost of providing the necessary facilities. If these conditions are not met, the provisions of this section apply in addition to those quoted elsewhere in this guidebook.

Special construction charges are applicable for work performed, at the request of the customer, on the central office side of the NETPOP.

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 nonrefundable; 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 Company has the right to apply more applicable engineering preparation fees for any large, complex and/or unique projects that will require excessive engineering hours to develop a detailed cost quote.

**B. Scope**

1. Special Construction Charges as specified are applicable for each of the following conditions:
  - a. When, at the request of the customer, the Company constructs facilities to provide service where there is no other requirement for the facilities so constructed, the customer shall pay the cost of such construction.
  - b. When, at the request of the customer, the Company constructs facilities of a type other than that which the Company would otherwise construct in order to provide service, the customer shall pay the excess construction cost over that which the Company would have ordinarily incurred.
  - c. When, at the request of the customer, construction by the Company involves a routing for facilities other than that which the Company would normally use in order to provide service, the customer shall pay the excess construction cost over that which the Company would have ordinarily incurred.
  - d. When, at the request of the customer, the Company constructs temporary facilities to provide service for a period during which permanent facilities are under construction, the customer shall pay the cost of constructing the temporary facilities.
  - e. When, at the request of the customer, the Company constructs a greater quantity of facilities than that which the Company would otherwise construct in order to fulfill the customer's initial requirements for service, the customer shall pay the excess construction cost over that which the Company would have ordinarily incurred.
  - f. When, at the request of the customer, the Company expedites construction of facilities at a greater expense than would otherwise be incurred, the customer shall pay the excess construction cost over that which the Company would have ordinarily incurred.
  - g. When, at the request of the customer, a rearrangement, move or replacement of existing facilities is made, the Customer shall pay the charges.
  - h. When, at the request of the customer, a service is required where the revenue to be derived is not sufficient to warrant the Company assuming the unusual cost of providing the necessary service, the customer may be required to pay all or a portion of such cost.
  - i. When, at the request of the customer, service is required at locations that may present hazards to personnel or communications equipment, the customer shall pay the full cost of providing any protection equipment required to minimize such hazard.

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**C. Structure of Charges**

1. Special Construction Charges will include all cost allocable to the special construction performed in providing the requested service. These charges will include any of the following items, depending upon circumstances involved:
  - Labor and materials
  - Supervision
  - Operating expenses, e.g., maintenance, administrative, etc.
  - Return on investment
  - Allocable taxes
  - Revenue expense
  - Charges associated with construction provided by another telephone company
  - Charges for securing private right-of-way
  - Charges for securing use of poles and pole line attachments
  - Equipment or space rental
  - Expenses made necessary by damages caused by the customer or his agents
  - Expenses made necessary by damages caused by water freezing in improperly drained customer-provided conduits
  - Any other identifiable associated cost
2. The Special Construction Charges developed from the above items will include any or all of the following elements, depending upon the circumstances in each case.
  - a. Initial Nonrecurring Charge
  - b. Recurring Monthly Charge
  - c. Maximum Termination Liability (MTL) - A financial obligation assumed by the customer which shall immediately become due and payable upon termination of all or part of the service prior to a specified period of time. This obligation is reduced proportionately for each month the facilities are in service over the specified time period. The amount due upon termination of the service prior to the specified time period may be reduced to the extent that the facilities are reusable.

*Termination Charge*

A termination charge applies when, at the customer's request, services provided on specially constructed facilities which have a Maximum Termination Liability, are discontinued prior to the expiration of the liability period.

The charge reflects the unamortized portion of the non-recoverable cost at the time of termination of the specially constructed facilities adjusted for tax effects, for net salvage and for possible reuse. Administrative costs associated with the specific case of special construction and any cost for restoring a location to its original condition are also included. Termination charges will never exceed the MTL.

**C. Structure of Charges (cont'd)**

## 1. (cont'd)

## d. Cancellation Charge

If the customer cancels the order prior to the completion of special construction, a cancellation charge will apply. The charge will include any expenses incurred by the Company for special construction up to and including the time of cancellation.

## e. Expediting Charge

An expediting charge applies when customer requests that construction be completed on an expedited basis. The charge is equal to the difference between the estimated cost of construction on an expedited basis and construction without expediting.

**D. Calculation of Charges**

Customer shall be notified whether special construction charges are required. Prices for special construction shall be included in such notification. Prices shall be based on the best information available at the time such notification is prepared.

**E. General Conditions**

1. Payment of nonrecurring Special Construction Charges will be required prior to the commencement of the work with which such Construction Charges are associated.
2. Any pole line or underground construction furnished by the customer is subject to the approval of the Company.
3. All construction, except as outlined in E.4., is owned, maintained and replaced by the Company.
4. The customer or contractor shall own and bear the expense of providing and maintaining all conduit on private property, except where the Company, in its sole discretion, initiates the installation or maintenance of such conduit as part of modernizing the network. Ducts in underground conduit required by the Company are reserved for its exclusive use.
5. The customer must provide the Company with written acceptance of all special construction charges and liabilities prior to the start of construction. If more than one condition requiring special construction is involved, charges for each condition apply.

**F. Other Special Construction Provisions**

For other miscellaneous provisions which may apply in a state, refer to the existing Special Construction terms and conditions found in the following:

<u>State</u>	<u>Guidebook Reference</u>
Arkansas, California Out of Territory, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio Oklahoma, Texas, Wisconsin	AT&T [State] Guidebook, Part 2, Section 5
Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee	General Exchange Guidebook, Section A5 or Private Line Guidebook, Section B5

Examples of other miscellaneous provisions include Entrance Facilities, Loop Conditioning, Extensions of Facilities, Service Provided to Movable Premises, Attachments, Pole Line/Buried Construction, Installation of Facilities for Developments/Sub-Divisions, Emergency Service Continuity Plan, etc. where applicable in a particular state.