TARIFF DISTRIBUTION

FILE PACKAGE NO.: KY-14-0049

DATE: June 2, 2014

STATE: KENTUCKY

EFFECTIVE DATE: 06/01/2014

TYPE OF DISTRIBUTION: Approved

PURPOSE: GB - Add new Work Preparation Fee under Special Construction

TARIFF SECTION	PAGE NUMBER	PAGE REVISION
G005	9	0001
G005	10	0001
G5 Cont. (pg)	1	0001
H005	3	0001

A5 CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

CONTENTS

A5.1	Construction Charges	1	
A5.1.	Reserved For Future Use	1	
A5.1.	2 General	1	
A5.1.	Pole Line Construction	4	
A5.1.	Reserved For Future Use	6	
A5.1.	5 Reserved For Future Use	6	
A5.1.	5 Underground Construction	6	
A5.1.	1 71	8	
A5.1.		8	
A5.1.	The state of the s	8	
	10 Application Of Installation And Carrying Charges For Cable And Wire Facilities	9	
	11 Special Construction Charges For Multiple Lines Terminated At Private Residence Locations	9	
A5.1.	2 Engineering Work Preparation Fee	9	(N
A5.2	Reserved For Future Use	10	T)
A5.3 Charges For Unusual Installations		10	T)
A5.3.	Reserved For Future Use	10	T)
A5.3.	2 Reserved For Future Use	13	
A5.3.	Reserved For Future Use	13	
A5.3.	4 Construction On Government Reservations Or Commonly Owned Property	14	
A5.3.	5 Clean Environment Equipment	14	
A5.3.	5 Special Types of Cabling	14	
A5.4	Special Service Arrangements	14.1	
A5.4.	General	14.1	
A5.4.	2 Reserved for Future Use	14.1	
A5.4.	Reserved For Future Use	14.1	
A5.5	Reserved For Future Use	14.1	
A5.6	Reserved For Future Use	14.1	
A5.7	Reserved For Future Use	14.1	

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

A5.1 Construction Charges (Cont'd)

A5.1.10 Application Of Installation And Carrying Charges For Cable And Wire Facilities

- **A.** Entrance cable and wire facilities in excess of the allowances stated in A5.1.3. and A5.1.6. preceding will be provided on the basis of the following plan:
 - 1. A nonrecurring charge, based on cost, representing the capital cost of construction, will be applicable for all customers.
 - 2. In addition, a monthly recurring charge, based on cost, representing the maintenance and administrative costs associated with the facilities, will be applicable to multi-line business and seasonal dwelling customers only.
 - 3. Under this plan, where a portion of the facilities must be replaced at a later date due to having served its useful life, charges apply to the replacing of facilities placed after 11-2-79 as if such facilities were installed new.
- **B.** When it is known or realized that the life of all or a part of outside circuit extensions will be shorter than the normal life of the plant or the cost of providing the plant is such as to render inadequate the mileage charges or the monthly cable carrying charges in lieu of mileage charges quoted in Section A13., construction charges apply as set out in A5.1.10.A. preceding for entrance facilities, except that no allowance is given in connection with extension lines.
- **C.** Cable and wire facilities specifically provided for off-premise circuits will be furnished in accordance with the provisions of A5.1.10.A.
- **D.** Ownership and maintenance of cable and wire facilities for on-premises and off-premises circuits provided with or without construction charges is vested in the Company.

A5.1.11 Special Construction Charges For Multiple Lines Terminated At Private Residence Locations

- A. When a subscriber requests more than five (5) lines or requests additional lines that result in more than five (5) total lines to a residence location, special construction charges may apply. If existing facilities are not available to satisfy the subscriber's request, it may be necessary to place an additional service drop or to use approved electronics to avoid placing a cable. If electronics are utilized, the subscriber shall be responsible for the non-reusable material costs and the labor costs, including removing and relocating the electronics. If the Company deems it appropriate to place a cable from the right-of-way or easement to the premises, the special construction charges should include the costs to construct the cable and the terminal which are not reusable for other subscribers.
- **B.** When a subscriber requests more than five (5) lines or requests additional lines that results in a total of more than five lines at a residence location that requires the reinforcement of the distribution cable, special construction charges shall apply for the portion of the distribution facility that would not normally have been placed at that location by the Company.
 - 1. If the cable is sized to serve only the subscriber's request, i.e. the existing cable is properly sized for the current additional line usage for that location, the total cost for the construction of the cable and associated terminal (s) shall be billed to the subscriber making the request.
 - If the cable is sized to reinforce the existing distribution facility as well as serve the subscriber's request, only the portion of the material and labor costs above the costs to reinforce the embedded cable shall be billed to the subscriber making the request.
- C. The Company reserves the right to require a customer to pay special construction charges prior to the start of construction.
- O. Construction charges may apply to a private residence location in accordance with other provisions contained within Section A5. of this Tariff for subscriber requests of five (5) or less lines.

A5.1.12 Engineering Work Preparation Fee

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.

Material previously appearing on this page now appears on page(s) 10 of this section.

(N)

(N)

A5. CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

A5.2 Reserved For Future Use A5.3 Charges For Unusual Installations A5.3.1 (DELETED) (M)

(T)

Material appearing on this page previously appeared on page(s) 9 of this section.

B5. APPLICATION OF CONSTRUCTION (TERMINATION AND ADDITIONAL CHARGES)

B5.1 General (Cont'd)

- H. Definition Of Cost (Cont'd)
 - 5. Any other specific items of expense associated with the particular situation.
 - 6. A reasonable amount, computed on the estimated cost installed of any facilities provided, for return and contingencies. Estimated cost installed as mentioned in *paragraphs* B5.1.H.3 and 6 includes the cost of equipment and material specifically provided or used plus the estimated cost of installing, including engineering, labor, supervision, transportation, rights-of-way and any other investment items. "The cost installed" and "accounting costs" will, at the request of a subscriber, be recorded as actual costs by means of Keep Cost Authorization assigned to a particular project.

I. Engineering Work Preparation Fee

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.

B5.2 Special Type Of Construction

- A. Where a special type of construction is necessary because of unusual conditions or is desired by a customer, as when underground construction is desired in places where aerial facilities would normally be used to reach customer's premises, or when conditions imposed by a customer make the installation exceptionally expensive, an additional charge will be made equal to the difference between the cost of the special type of construction and the cost of normal construction.
- **B.** Where facilities are changed from aerial to underground, the customer is charged the cost of the underground facilities and for the cost of dismantling and moving the aerial facilities. Repair or replacements of cable in conduit or trench made necessary by damages caused by the customer or his representatives will be made only at the customer's expense.
- C. Construction Provided By Connecting Companies Or Other Participating Companies
 The charges to the customer for special construction provided by a connecting or other participating company of the Company will be based on the charges of the connecting or other participating company.

B5.3 Entrance And Local Distribution Facilities

- A. Pole Line Facilities
 - 1. Poles to be used in serving only a particular customer and located on his premises shall in all cases be furnished and maintained by him or at his expense and shall conform to the Company's specifications. Ownership of such poles on private property is vested in the customer and necessary pole replacements shall be made by him.
 - 2. Poles on private property to be used to serve more than one customer or to be used as a part of the standard distributing plant serving customers in general are furnished, maintained and owned by the Company, subject to such construction charge as may be applicable.
- B. Underground Facilities
 - Underground facilities consist either of underground conduit in which the underground cable is placed or, in lieu of
 conduit, where in the opinion of the Company conditions are suitable, of only excavation and fill-in in which buried
 underground wires or cables are placed, on private property required to serve one building or group of buildings.
 Underground conduit is provided as specified in *paragraph* 2. Underground facilities without conduit are provided as
 specified in *paragraph* 3.
 - 2. The customer or applicant is responsible for providing, at his own expense, all conduit located on private property including all conduit located on easements or rights-of-way, excluding public streets and highways, dedicated to public use but maintained by the customer or applicant. The Company may also require that a pull wire be provided by the customer or applicant for the purpose of placing wire or cable.

(N)

(N)

(N)

(N)

(N)

(T)