
CONSTRUCTION CHARGES**A. General Regulations**

1. 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 charges which are covered separately in the other sections of this Part and Part 4 of the Guidebook for each Exchange.
2. Where service *is* furnished, construction charges may be payable, at the option of Company, at the time the application for such service is made. Where service *is not* furnished, an Engineering Work Preparation Fee shall apply.
3. When a deposit or a portion of a deposit is refunded in accordance with the plan for extension to new real estate additions (paragraph B.2.d.), interest will be paid at the rate of 9 percent per annum on the refunded portion of the deposit for the period held if it has been held 30 days or more. Interest on the refunded portion of the deposit is payable at the same intervals at which refunds are made.
4. 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.
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 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 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
- 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 Land Developers

CONSTRUCTION CHARGES (cont'd)

B. Rules for Extensions of Permanent Distributing Plant for Company Main Station Service and Private Branch Exchange Trunks

1. Within the basic service area, the Company will extend its distributing plant to furnish the designated service of the appropriate basic service area to any applicant without requiring a construction charge, except for temporary service.
2. Outside the basic service area, but within the exchange area, the Company will extend its distributing plant to applicants in areas where facilities are not available under the following conditions:
 - a. New pole line extensions required for furnishing Company main service will be constructed along public highways by the Company under the following conditions:

An allowance of 5/10 mile, route measurement, per applicant will be made for such pole line extensions without the application of a construction charge.

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.

For the construction in excess of the allowance stated above, applicants for service are required to pay a construction charge of \$106.50 per 1/10 mile or fraction 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. Circuits on existing pole lines required for furnishing company main service or a better grade of service will be constructed along public highways by the Company without the application of a construction charge.

Applicants may, at the option of the Company, be required to execute a minimum period service agreement in an amount equal to 12 months exchange service.

- c. Extensions of plant required for furnishing company main service will be made on private property for an individual customer provided suitable right-of-way can be obtained under the following conditions:

An allowance of 2/10 mile, route measurement, per applicant will be made for such plant extension without the application of a construction charge.

For construction in excess of the allowance stated in the preceding paragraph, an applicant for service will be required to pay a construction charge as specified in paragraph B.2.a. Where more than one applicant will be served by plant extensions on private property, the construction will be considered as pole line extensions on a public highway.

CONSTRUCTION CHARGES (cont'd)

B. Rules for Extensions of Permanent Distributing Plant for Company Main Station Service and Private Branch Exchange Trunks (cont'd)

2. (cont'd)

- d. The period for which construction charges will be applicable to a circuit construction project will be five years from the date service is first established on the project. After the expiration of the initial five- year period, the facilities included in the project will be considered as existing.

When a new applicant can be served from an existing circuit project during the initial five-year period, the construction charge applicable to the group or groups in the project will then be refigured on the basis of the number of customers having paid or then paying a construction charge.

- e. Extensions for mobile home or trailer park additions

In mobile home or trailer park additions, when the promoters desire to have telephone service made available for prospective residences without costs other than the regular service charges, and when in the judgment of the Company, the financial risk involved in the plant extensions does not warrant the expenditure, the promoters may make the following arrangements.

Deposit with the Company the cost of providing pole line and cable for a distributing plant within the addition of sufficient capacity to serve an agreed upon ultimate number of customers in the addition, less the estimated net salvage obtainable if the plant should be removed in three years.

Refunds will be made to the promoter over a three-year period on the following basis:

- At the end of each six-month period, a refund will be made for each customer attached to the system during that half-year period, which is a net main station gain over and above the greatest half-year total of main stations for which a refund was previously made provided the refund does not exceed the total amount of the deposit. The amount of the refund is Determined by dividing the total amount of the deposit by the agreed upon ultimate number of customers.

CONSTRUCTION CHARGES (cont'd)**C. Rules for Plant on Private Property Used in Providing Service Either Within the Base Rate Area or Outside the Base Rate Area**

1. Supporting structures, including either poles or underground conduit and opening and closing of trenches, used only in providing service and located on private property of the customer must be furnished and maintained by or at the customer's expense and must conform with the Company's standard specifications. Ownership of such supporting structures is vested in the customer, except that such facilities may be owned, furnished and maintained by another wire-using company in which case any cost assessed against the Company for occupancy of such supporting structures must be borne by the customer.
2. Supporting structures, including either poles or underground conduit and opening and closing of trenches, used in providing both Exchange Service or Private Branch Exchange trunk service and located on private property of the customer will be provided, owned, maintained and replaced by the Company under the conditions discussed in paragraph B.2.c., preceding.

Circuits on supporting structures owned by the customer or another wire-using company as discussed in paragraph C.1, preceding, are owned and maintained by the Company.

D. Special Construction

1. When a special type of construction is furnished to a customer, an additional charge is made equal to the difference between the estimated cost of the special type of construction and the estimated cost of standard construction. Charges will include materials, contract services, and loaded labor.^{/1/} 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 between the two.
3. The Company will provide an estimate of actual charges to the customer prior to the start of construction.
4. At the customer's request, the Company will provide additional regulated entrance facilities and/or demarcation arrangements beyond the one provisioned at the normal guidebook rate. In such cases, charges will include the actual cost of time and materials required.

^{/1/} Overhead loading of labor is calculated with a composite allocation factor that is based on general office salaries and expenses, reliefs and pensions, and Social Security taxes. This factor is developed annually by determining the relationship of these three expense items to the total payroll base. It is applied to expenses for construction, removals, test desk, and central office maintenance.

CONSTRUCTION CHARGES (cont'd)**E. Temporary**

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^{/1/} in order to meet the customer's requirements or when, in the judgment of the Company, the service or facilities cannot be refused in the event the customer disconnects the service or facilities, 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.

F. 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.

/1/ Temporary construction in advance of permanent construction consists of drops, cable leads and other facilities that would not be required to provide service on a permanent basis.

CONSTRUCTION CHARGES (cont'd)**G. Installation of Telephone Lines Within Subdivision^{/1/}**

1. Telephone lines constructed, installed and owned by the Company in subdivisions shall be installed underground.
2. The following definitions are used in this paragraph.

Applicant

The developer, builder or other person, partnership, association, firm, private or public corporation, trust, estate, political subdivision, governmental agency or other legal entity recognized by law, applying for the construction of a telephone distribution system in a subdivision.

Building

A single structure roofed and enclosed within exterior walls, built for permanent use, erected, framed of component structural parts and unified in its entirety both physically and in operation for single-family residential occupancy in a subdivision (definition excludes mobile home).

Subdivision

A lot, tract or parcel of land divided into two or more lots, plots, sites or other divisions for use for new residential buildings or the land on which is constructed new multiple-occupancy buildings per a recorded plot thereof if such recordation is required by law.

3. The Company, upon receipt of the applicant's proper application, will install an underground telephone system with suitable materials to assure that the applicant will receive reasonably safe and adequate telephone service. The provision of the underground telephone system will be provided at no charge except where a charge is permitted under paragraphs G.5 and G.7 of this Section of the Guidebook. Temporary service is provided under paragraph G.6 of this Section of the Guidebook.
4. Rights-of-Way and Easements
 - a. Within the applicant's subdivision, the Company will construct, own, operate and maintain underground telephone lines only along public streets, roads, and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained without cost or need for condemnation by the Company.
 - b. Rights-of-way and easements, within the subdivision, satisfactory to the Company, must be furnished by the applicant in reasonable time to meet construction and service requirements before the Company shall be required to commence its installation. Such rights-of-way and easements must be cleared of trees, tree stumps and other obstructions and graded to within six inches of final grade by applicant at no charge to the Company. Such clearance and grading must be maintained by the applicant during construction by the Company.

^{/1/} This is in accordance with Rule 4 CSR 240-30.020 of the Missouri Code of State Regulations relative to Residential Telephone Underground Systems.

CONSTRUCTION CHARGES (cont'd)**G. Installation of Telephone Lines Within Subdivision^{/1/} (cont'd)**

5. Advance Payments

- a. Where, due to the manner in which a subdivision is developed, the Company is required to construct and underground telephone distribution system through a section or sections of the subdivision where service will not be connected for at least two years, then the Company may require an advance payment equal to the estimated cost of construction from the applicant before construction is commenced. If, in the judgment of the Company, an advance is required under the above-described conditions, the Company has the right to refuse the installation of the underground system until the required advance is paid to the Company.
- b. If an advance is required under these rules, then the advance, without interest, shall be returned to the applicant on a pro-rata basis as the permanent service connection is made to each building or multiple-occupancy building.
- c. Any portion of an advance remaining unrefunded ten years from the date the Company is first ready to render service with the extension will be retained by the Company and credited to the appropriate construction account.

6. Temporary Facilities

- a. Temporary facilities may be installed to provide service, when necessary, for a maximum period of one year.
- b. Where it is necessary to place temporary facilities in advance of the permanent underground telephone system in order to provide telephone service, the Company may require the applicant to pay the estimated nonrecoverable costs of the temporary facilities. If the required costs under the above-described conditions apply, the Company has the right to refuse installation of the temporary facilities until the required costs are paid to the Company.

7. Special Conditions

In circumstances where the application of these rules appears impracticable or unjust to applicant or the Company, or discriminatory to other customers, e.g., difficult rock conditions, the Company or applicant shall refer the matter to the Missouri Public Service Commission for special ruling or for the approval of special conditions which may be mutually agreed upon prior to commencing constructions.

/1/ This is in accordance with Rule 4 CSR 240-30.020 of the Missouri Code of State Regulations relative to Residential Telephone Underground Systems.