

CONSTRUCTION, INSTALLATION AND MAINTENANCE CHARGES

A. Construction Charge

1. Construction charges based on cost, in the form of installation charges, monthly charges, or both, are applied in addition to the usual service connection charges and monthly rates when revenue or expenses do not fully compensate the Company - as for example when conditions require the provision of special equipment or unusual methods of plant construction, installation or maintenance, or when the customer's location requires annual payments of licenses or agreements for the use of Public or Private Land.

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. (N)

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. (N)

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/1/ Material now appears on Sheet 1.1.

CONSTRUCTION, INSTALLATION AND MAINTENANCE CHARGES (cont'd)

A. Construction Charge (cont'd)

1. (cont'd) (N)

Construction Charges are applicable for each of the following conditions, when such work is performed at the request of the customer. Payment of nonrecurring Construction Charges will be required prior to the commencement of the work with which such Construction Charges are associated. /1/

- When 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.
- When 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.
- When 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.
- When 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.
- When 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.
- When 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.
- When a rearrangement, removal, move or replacement of existing facilities is made, the Customer shall pay the charges.
- When facilities are removed and reinstalled to accommodate building reconstruction or modification, the Customer shall pay the charges.
- When 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.
- When 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.

2. Except as specified hereinafter, title to all construction provided wholly or partly at a customer's expense is vested in the Company.

3. The cost to the Company for attachments to structures of other companies, made in lieu of providing construction for which the customer would be charged under the provisions hereof, is borne by the customer. The customer is required to pay construction charges as made by another company providing facilities connecting with the facilities of the Company. /1/

/1/ Material formerly appeared on Sheet 1.