
CONSTRUCTION CHARGES

A. General

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 Charges which are covered separately in the other sections of this Guidebook or in Part 4, Section 2, Paragraph A.2.a. for each exchange.
2. The customer may be required to pay the full amount of construction charges prior to the start of construction.
3. Extensions of facilities 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.

B. Regulations and Charges for Extensions of Permanent Distribution Facilities for Company Access Line Service to the Local Exchange Network

The Company will extend its distributing facilities to furnish service to any applicant provided that right-of-way to the point of service is furnished or available to the Company without charge.

Facility extensions or reinforcement of existing facilities required for local exchange service, will be constructed along public highways or private property by the Company under the following conditions:

- a. An allowance of 1/4 mile, route measurement, per applicant, will be made for such facility extensions or reinforcement of existing facilities without a construction charge. This allowance applies to the total construction route, whether on public or private right-of-way, or a combination. For calculations of the allowance, multiple applicants at the same location will receive one allowance.
- b. 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.
- c. For the construction in excess of the allowance described above, applicants for service may be required at the option of the Company to pay a construction charge based on cost, or execute a termination agreement.
- d. When an end-user requests services requiring an excessive quantity of facilities which will have extremely little potential for reuse, should that end-user move or otherwise discontinue service, a construction charge based on the cost of the facilities would apply.

CONSTRUCTION CHARGES (cont'd)**C. Installation of Telephone Facilities for Real Estate Developments**

1. General

- a. The following definitions, in addition to those terms found in Part 2, Section 1, are used in this section of the Guidebook.

Developer - the person, partnership, private or public corporation, governmental agency or other legal entity recognized by law as being the owner or owner's agent of the real estate development.

Real Estate Development - a lot, tract or parcel of land divided into two or more lots, plots, sites or other divisions for use for new residential buildings, placing mobile homes, or trailers. This may also be the land designated for new commercial buildings or land on which is constructed new commercial buildings.

- b. Failure of the developer to comply with our tariff and this Guidebook may result in the delay in the provisioning of distribution facilities to customers located in the development while being appealed to the Oklahoma Corporation Commission.

2. Public Easements

- a. Within the developer's real estate development, the Company will construct, own, operate and maintain telephone lines along public thoroughfares and on public lands and private property where public easements may be obtained without cost.
- b. Public easements, within the real estate development must be furnished by the developer in reasonable time to meet construction and service requirements before the Company will begin installation. Such public easements must be cleared of trees, tree stumps and other obstructions and graded to within six inches of final grade by developer at no cost to the Company. The clearance and grading must be maintained by the developer during construction by the Company.

3. Payments, Refunds and Credits

- a. The developer may be required to enter into a contract with the Company. Under the terms of the contract the developer will make a cash deposit, or bank letter of credit, or obtain a surety bond in return for the Company placing the required facilities. Among other items the terms of the contract will provide for full or partial periodic refunds of the charges as the area reaches the anticipated development. The contract will specify the estimated telephone development within the area and the time required to complete the project, not to exceed five (5) years.
- b. The cash deposit, bank letter of credit, or surety bond that will be provided by the developer will be in an amount equal to, the estimated cost of the project, less the cost of drops to individual users from the telephone distribution facilities.

CONSTRUCTION CHARGES (cont'd)**C. Installation of Telephone Facilities for Real Estate Developments (cont'd)**

3. Payments, Refunds and Credits (cont'd)

- c. Whenever a surety bond or bank letter of credit is posted, the most recent average embedded debt cost of the Company, filed with the Oklahoma Corporation Commission, shall be added to the principal amount.^{/1/} The cash deposit, bank letter of credit, or surety bond must be presented prior to the start of construction and will be required for each phase of development if multiple phases are contemplated.
- d. Refunds (without interest) will be given when the developer makes a cash deposit for construction charges. Credits (without interest) will be given in the form of a reduction of the face amount of a surety bond or bank letter of credit when submitted by the developer in lieu of cash deposit. Refunds and credits will be made as follows:
 1. Annually the developer will be responsible for submitting to the Company a list of the customer access lines connected to the network. For refund/credit purposes, the Company will verify the list against Company records to determine the number of access lines connected to the network.

A refund or credit will be given equal to the percentage that the number of working access lines represents, to 75% of the total access lines provided, less any previous refunds or credits. In no case shall the total of the refunds or credits exceed the initial amount of the deposit, bank letter of credit, or surety bond.

2. If within five years from the date of the deposit, bank letter of credit, or surety bond the proposed development has not developed to 75% of the total access lines provided, the developer shall be obligated to pay to the Company the total construction costs, reduced by all refunds or credits previously allowed. Where this amount is not paid within sixty days of the date due and a surety bond, or bank letter of credit has been submitted in lieu of a cash deposit, the Company may declare a default and call upon the surety bond, or bank letter of credit for payment of the remaining amount due.

D. Regulations for Facilities on Private Property

The extension of facilities to provide for additional point(s) of termination (i.e., extension lines) on private property is the responsibility of the customer.

/1/ The developer must post a new surety bond or bank letter of credit thirty days prior to the expiration date of the previous surety bond or bank letter of credit.

CONSTRUCTION CHARGES (cont'd)

E. Regulations and Charges for 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. 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.

F. Regulations and Charges for Construction of Temporary Service

Where facility construction 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 in order 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.

G. Regulations and Charges for Service Provided to Movable Premises

1. When telephone service is provided to movable premises by means of aerial facilities, 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.