

## LINE EXTENSIONS - SPECIAL CONSTRUCTION CHARGES

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## LINE EXTENSIONS - SPECIAL CONSTRUCTION CHARGES

## I. GENERAL REGULATIONS

A. AUTHORITY

The rules and regulations hereinafter set forth contain the conditions and circumstances under which line extensions or extensions of service will be made to render service to applicants. No construction will commence until all necessary permits, right-of-ways, payments, contracts or other requirements are met.

B. LINE EXTENSION & PROJECT DEFINITION & LIFE SPAN

A line extension is an extension of existing exchange outside plant along public rights of way or across permanent exclusive or public utility easements for the purpose of serving one or more applicants. A line extension should not be confused with a service connection which may require one or more spans of construction across private property to connect a customer's premises to existing plant running along a public right of way (see Tariff #15 Rule and Regulation No. XIV). Where only one applicant is involved, and the entire construction needed is only across the applicant's private property, a recorded easement is required when the project is considered a line extension. When two or more applicants on the same property can be served by a project, it will be treated as a line extension with applicable free allowances applied.

A project is defined as the facilities required beyond the end of existing construction to serve an applicant or group of applicants, some or all of whom are required to pay a construction charge. When two or more projects are established along the same route, the end of "existing construction" for the second or succeeding projects is the end of the immediately preceding project.

A project has a life of three years (from date of signed construction contract unless terminated earlier by the elimination of the construction charges as a result of connection of additional applicants) after which facilities included in the project are considered as existing construction. One or more successive projects may be combined with an existing project during its three year life whenever this results in lower construction charges (or no increase in charges) for the customers in the existing project.

C. TYPE OF FACILITY

The company will determine the type of facilities on public or private highways or other utility easements to be used in furnishing telephone service.

D. OWNERSHIP

Ownership of all facilities on public or private highways or other utility easements on established rights-of-way must be vested either in the company or in some other company with which CC Communications has an agreement for the joint use of plant.

E. ALLOWANCES & CHARGES

The allowances, charges and regulations governing the provision of service apply regardless of the type of construction or facilities used, including attachments to plant of other companies. No construction charge applies for the extension of plant on or along existing plant, except for speculative projects or when construction of multiple channel facilities are for the sole use of one customer or specialized circuitry is required, at the determination of the company, and a basic termination charge may apply.

F. CIRCUITOUS ROUTING/SPECIAL TYPE CONSTRUCTION

When circuitous routing or special type of construction is provided at the customer's request, or the service requirement is of a temporary nature, special additional charges may then be based on the cost of such construction.

G. CONSTRUCTION FEES ARE ADD-ON RATES

The construction charges hereinafter provided are in addition to the established service rates for the classes of service furnished and any service connection charges, or other charges that may apply, as provided in the tariffs.

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## I. GENERAL REGULATIONS (Continued)

H. MINIMUM SERVICE LIFE AGREEMENT

The company may require an applicant to sign an agreement to retain the service for a three year period, when, in the opinion of the company, there is reason to believe that the service will not be retained for three years. In such termination agreement, the customer may be required to pay a termination charge to include the cost of the free footage allowance extended to such customer.

I. ENGINEERING, INSPECTION & DESIGN OF FACILITIES

The cost associated with engineering, inspection, and design for the facilities to be installed and the contracts, easements, right-of-ways, survey, legal or environmental permits and studies, etc. will be the responsibility of applicant.

J. MATERIALS ARE TO COMPLY WITH STANDARDS

All materials, equipment and supplies required by the utility and the installation thereof, shall comply with the minimum construction standards of the utility and the national electric safety code; the same is to apply in the event that the applicant/s furnishes any or all of the same. All material and appurtenances associated with providing service whether provided by the utility or others will revert to CC Communications ownership, upon inspection and written acceptance.

K. COMPANY MUST GRANT CONSTRUCTION AUTHORITY

No construction provided by those other than the utility, is to commence until the company has approved, by authorized signature, all preliminary work to include, but not being limited to, planning, engineering, inspection, survey, easements, rights-of-way, grants and the approval by the utility of all materials and methods of construction.

L. MAINTENANCE TO BE RESPONSIBILITY OF COMPANY

Normal maintenance and upgrade of facilities of this company will normally be the responsibility of the company. The company will perform the work necessary to maintain facilities but the customer may be required to pay all costs incident to the replacement or moving of the line.

## II. FREE ALLOWANCE REGULATIONS

A. FREE ALLOWANCE DISTANCE

For each primary telephone service to be connected to its lines, the company will construct up to 300 feet of exchange facilities without extra construction charges over and above the regular service connection charges. For the distances beyond the applicable free allowance for each primary service, each applicant may be required to advance to the company a construction charge (grant in aid of construction), with such charge to be determined by the construction costs involved in line extension and by the number of applicants involved in each line extension.

B. FREE ALLOWANCE DISTANCE FOR MULTIPLE APPLICANTS

The total free allowance for any line extension project will be a route distance equal to the applicable free footage allowance times the number of applicants who have signed "Application for Service" forms requesting service in a particular area.

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II. Free Allowance Regulations (Continued)

C. FREE ALLOWANCE SUBJECT TO MANAGERIAL DISCRETION

When the total free allowance for a line extension project happens to be reasonably close to the total length of the extension, the company may waive charges for excess free footage. Each such waiver will be approved in writing by the company.

III. LIFE OF EXTENSION PROJECTS

In this apportionment of construction charges for a particular extension project among two or more applicants, the life of each extension project is considered to be three years from the date of signed construction agreement. All components of a particular project will be considered as existing facilities and any additional extension or facilities connected thereto will then be considered as new projects. See also General Regulations II., above.

IV. RIGHT OF USE OF LINE EXTENSION

The company reserves the right, at any time, to occupy and use the line extension for circuits, or facilities other than those for which the line was extended.

V. TEMPORARY OR SPECULATIVE SERVICE

Line extension for service to an applicant engaged in temporary or speculative business as determined by the company, will be made, providing the applicant pays the company the total cost of construction and removing the line necessary to render that service.

VI.

VII.

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VIII.

IX. SAVING CLAUSE

The company reserves the right to require additional assurances when it determines the project is unreasonable in character or not subject to immediate use.

X. CALCULATION AND APPORTIONMENT OF CHARGES - REGULATIONS

A. CALCULATION BASED ON ENTIRE COST

In the determination of construction charges which are to be apportioned to the applicants for an extension project, the entire allocable costs of the extension will be accumulated by work order or by job order designation, and such total costs will include but will not be limited to, as many of the following items as may be applicable to the project:

1. Equipment, material and/or supplies
2. Supply expense for all materials and supplies
3. Trucking expenses for all material and supplies
4. Construction labor
5. Overhead on construction labor
6. Meals, lodging and/or transportation for construction labor
7. Interest during construction
8. Costs for rights-of-way or easements on private properties
9. Engineering
10. Supervision
11. Administration
12. Pole Contacts
13. Licenses and Fees
14. Any other incurred costs pertinent to the project

B. PROCEDURES FOR ALLOCATING COST

The total cost of the extension, as determined in A., above, will be allocated as follows:

1. Compute the total route distance in feet of the extension.
2. Compute the total free allowance by multiplying the free footage allowance times the number of applicants to be served by the extension.
3. Subtract the distance obtained in B.2., above, from the distance obtained in B.1., above, and then determine what percentage the remaining distance is to the whole distance.
4. Apply the percentage obtained in B.3., above, to the total extension costs as determined in B.2., above and the proportionate costs as thus determined will be billed to the applicants as construction charges (grants in aid of construction).

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## X. CALCULATION AND APPORTIONMENT OF CHARGES - REGULATIONS (Continued)

B. PROCEDURES FOR ALLOCATING COST - continued

5. The proportionate construction costs, as determined in 4., above will be allocated as follows:
  - a. The project will be divided into successive quarter mile (1,320') sections, and each applicant will be considered individually.
  - b. All applicants whose collective allowance equals or exceeds the construction required to serve them will be disregarded in the allocation of construction charges.
  - c. The remaining applicants, those located beyond the point of connection of the last applicant being served under 5.b., above, will be billed for the allocable construction charges determined in B.4., above, in proportion to each individual's (5.a. above) relative responsibility for the entire extension.
    - 1) Each group's relative responsibility for the extension is represented by a percentage figure for the quarter mile segment in which the group (or individual applicant) is located, each such segment being compared with all other quarter mile segments where applicants are located, on the basis of an accumulation of quarter mile distances from the point of beginning to each separate segment involved.
    - 2) Each group's relative responsibility will be divided equally among the applicants in the group.
    - 3) Each group's relative responsibility for the extension may be expressed percentage wise by:
      - i. Adding together the numbers of the quarter mile segments in which each applicant is located, such numbers being determined by counting successively the segments from the end of existing construction.
      - ii. Then determine for each quarter mile segment, in which each applicant is located, what percent its number is of the total accumulated number under (5.a.) above.
      - iii. The percentages then determined represent each group's relative responsibility for the allocable construction costs.
    - 4) Apply the relative percentages, as determined above to the allocable construction costs, and each group's portion of the allocable cost is thus determined.
6. If any applicant is located on a side leg which is to be connected to the main extension, then his free footage allowance will be combined with free allowances for all other applicants in the project for determination of the total free allowance, and his route distance from the beginning of the project will determine in which quarter mile segment his premise is located.
7. Types of Construction Specified by Customer
  - a. When underground construction is desired by the customer where aerial facilities ordinarily would be provided without a construction charge to the customer, the following regulations apply:
    - 1) Where cable is placed in conduit, the underground conduit is constructed and maintained by or at the expense of the customer. The underground conduit will be constructed in accordance with plans and specifications furnished by the company.
    - 2) The duct or ducts required in the underground conduit by the company are reserved for its exclusive use.

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## X. CALCULATION AND APPORTIONMENT OF CHARGES - REGULATIONS (Continued)

## B. PROCEDURES FOR ALLOCATING COSTS (continued)

- 3) When cable is laid in a trench, the construction charge made to the customer is based on the cost of the cable including the cost of installing the cable less the estimated cost to the company of installing such aerial plant as would be required for similar use.
  - 4) Cable installed in conduit or trench will be maintained and replaced at the expense of the company. However, repairs to or replacement of cable made necessary by damages caused by the customer, his employees or representatives or water freezing in improperly drained conduits will be at the customer's expense.
- b. When circuitous routing or a type of construction not ordinarily required is provided at the customer's request, in cases where facilities would ordinarily be provided without construction charge to the customer, the excess cost of the construction is borne by the customer.
- c. Changes from Aerial to Underground Facilities  
Where aerial facilities were placed to provide service to a customer and subsequently the customer desires that such facilities be placed underground, the change from aerial to underground is made subject to the following conditions:
- 1) The underground conduit or trench is provided in accordance with XB.7. a.
  - 2) The customer is charged the cost of dismantling and removing the aerial facilities.
  - 3) The customer is charged the cost of the cable including its installation in the conduit or trench.
  - 4) The cable is maintained and replaced at the expense of the company. However, repairs to or replacements of cable made necessary by damages caused by the customer, his employees or representatives or by water freezing in improperly drained conduits will be at the customer's expense.

## XI. CONSTRUCTION OF TELEPHONE FACILITIES WITHIN THE DIVISION OF PROPERTIES

A. APPLICATION OF REGULATIONS

Applies to the extension of telephone distribution lines necessary to furnish permanent telephone service, underground or pole line construction within the division of properties. Underground construction of telephone facilities shall be made underground where required by local ordinance, or local governmental body or where undergrounding has been mutually agreed upon by the utility and applicant/s or where it is determined by the utility to be the most feasible means of providing service.

All regulations listed under the heading GENERAL REGULATIONS within this tariff shall apply equally to construction provided specifically within or for the division of properties.

B. REASONABLE TIME REQUIRED

Within a reasonable time to meet service requirements, the applicant/s shall furnish rights of way and easements across public lands and private property to the extent the same are necessary for underground utility facilities and such rights of way and easements shall be furnished by the applicant/s at no cost to the utility.

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## XI. CONSTRUCTION OF TELEPHONE FACILITIES WITHIN THE DIVISION OF PROPERTIES (Continued)

C. JOINT TRENCHING

Every effort will be made by the utility to use joint trenching with other utilities wherever possible.

D. PARTY RESPONSIBLE FOR TRENCHING, ETC.

All trenching, backfilling, and paving both within the division of properties on individual properties and within free allowance outside the division of properties shall be performed by the proprietor/s at his sole cost and expense (or advance the cost thereof to the utility).

Any trenching, backfilling, or paving which occurs beyond said free allowance shall be performed by the utility and at its expense unless it falls under the category of a line extension project. This determination will be made by the utility.

E. SEPARATIONS OF UTILITIES, CONFORMANCE TO STANDARDS, INSPECTION

In the performance of all trenching, backfilling and paving functions (including the use of any select backfill materials) appropriate separations shall be maintained between telephone and other utilities in conformance with the provisions of any applicable local ordinance and the minimum construction standards and materials as set down by the utility and the national electric safety code. In addition it shall be the utility's responsibility to provide adequate inspection for the purpose of insuring compliance with the aforesaid requirements at the expense of the applicant/s.

F. PARTY RESPONSIBLE FOR PROVISION OF CABLE FACILITY, COSTS, ETC.

Except for necessary conduit under and into fixed structures in order to make provisions for moving or modifying telephone service on or within such structure, or providing mounting structures where necessary for telephone equipment, the utility shall be responsible for furnishing, installing, splicing, and connecting all wire cable, telephone hardware and other appurtenances incident to the construction of pole line or an underground telephone system at the expense of the utility, except that;

- 1 In the case of a bonafide subdivision, the utility will require an advance in funding to cover such materials and labor as are necessary to complete the work. Such advance in funding will be equal to a minimum of 75% of the estimated cost of the construction, and may be up to a maximum of 100% of the estimated cost of construction if warranted by the nature of the work and the likely future income stream to the company as a result of the construction.
2. In the case of a land division with a common owner, the company may require the same advance funding as would be applicable in a subdivision.
3. In the case of a land division with multiple property owners, the company may require a written agreement among the owners which stipulates that the company will receive advance funding equal to the amount that would be applicable if the land division had a common owner if such an agreement would produce an economic benefit to the various property owners when compared with the cost of providing individual construction to each applicant separately.