

CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

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CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

10.1 SPECIAL CHARGES FOR TEMPORARY, SPECULATIVE OR UNUSUAL CONSTRUCTION

10.1.1 General

- A. Facilities of the Company will be extended in accordance with the provisions of this Section. Special Charges may be applied in addition to the usual service connection charges and monthly rates. Special Charges apply primarily when unusual investment or expense will be incurred by the Company, such as when:
 - 1. Conditions require, or the customer requests the provision of special equipment, unusual or non-standard methods of plant construction, installation or maintenance or a move of Company facilities;
 - 2. The customer's location requires the use of costly private right-of-way; or
 - 3. The proposed service is of a temporary nature and the plant to be used for such service would not all be of value to the Company in the general conduct of its business upon discontinuance of that service.
- B. The Company will retain title to all plant constructed, as specified within this Tariff, whether provided wholly or partially at a customer's expense.
- C. The customer is required to pay all Construction Charges made by another telephone Company providing facilities connecting with the facilities of the Company.
- D. Applicants may be required to make nonrefundable advance payments to cover all or a portion of the excess Construction Charges for Exchange Service or Special Service Arrangements when in the opinion of the Company there is evidence of credit risk. A cash deposit may also be required as discussed under Section 4 of this Tariff.
- E. A waiver of construction charges for temporary structures may be obtained when the customer agrees to construct a full time residence of a permanent nature within eighteen (18) months.

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10.1 SPECIAL CHARGES FOR TEMPORARY, SPECULATIVE OR UNUSUAL CONSTRUCTION (Cont'd)

10.1.1 General (Cont'd)

- F. When attachments are made to poles of other companies, instead of providing construction for which the customer would be charged under the provisions of this Section, the customer shall pay the Company's cost for such attachments.
- G. Line extensions and special service arrangements are further subject to the regulations specified in the Tariffs of this Company.

10.1.2 Application of Special Charges

- A. Temporary Construction - The customer shall be charged the estimated cost of construction and removal of the plant which would not be of value to the Company, less the estimated net recovery value of the material used. The Company may require the customer to pay the cost of construction plus the cost of removal, less salvage, for temporary construction performed in advance of permanent construction or to provide temporary service.

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10.2 LINE EXTENSIONS

10.2.1 Facilities to be Provided Without Construction Charge

- A. The Company will furnish adequate telephone service to the largest practicable number of customers within its certificated service area without requiring a Construction Charge.
- B. The Company will furnish service to all applicants for service for which the Rural Utilities Service (RUS) construction funds have been provided, without payment by such applicants of any extra charge as a contribution to the cost of construction of facilities to provide such service.
- C. The Line Extension Charges specified in this Tariff shall not apply to service requests of a remote commercial operation (e.g, request for Telemetering Service at a remote pipeline location) where it is determined by the Company that there will be no residential growth potential in the foreseeable future. Any and all costs of this nature shall be borne by the customer.

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10.2 LINE EXTENSIONS (Cont'd)

10.2.2 Construction Charges for Facilities in Excess of Allowances

- A. When the Company has extended service to the number of customers specified in its most current loan agreement with the RUS, a new applicant for service may be required to pay a contribution to the cost of construction. The Company will extend its distributing plant to applicants in areas where facilities are not available under the following conditions and limitations:
1. The applicant will be required to pay the cost of construction of the required line if this cost is in excess of five (5) times the estimated annual Local Exchange Service revenues for the applicant.
 2. Applicants may be required to make advance payments to cover all or a portion of the excess Construction Charges for Exchange Service or Special Service Arrangements when in the Company's judgment there is evidence of credit risk. A cash deposit may also be required as specified in Section 4 of this Tariff.
 3. The Construction Charge for line extensions is apportioned equally among all applicants of a group.
 4. All costs will be computed on a current basis. Material cost will be computed on the basis of the extension of one circuit to the applicant.
 5. The type of cable plant extension will be determined by the Company as dictated by current and future circumstances, situations and forecasts, and the cost will be estimated accordingly.
 6. When required, the Construction Charge assessed an applicant or applicants for facilities shall be paid in advance, based on estimated charges. An adjustment to the actual charge will be made upon completion of construction.
 7. Payments for line construction are not refundable and no credit will be allowed for future installation on line extensions constructed under the above regulations.
 8. Where the customer or applicant is required to pay all or a portion of the construction cost to extend a line, the materials and equipment furnished and installed by the Company shall be totally owned and maintained by the Company.

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10.2 LINE EXTENSIONS (Cont'd)

10.2.3 Poles on Private Property

Poles on private property to be used in serving an individual customer will be furnished by the Company at no cost to the customer except in cases where the customer is required to pay for constructing the line extension. Poles requested by the customer in excess of those deemed necessary by the Company will be charged to the customer at the installed cost. Ownership and maintenance of such poles is vested in the Company.

10.2.4 Provisions of Private Right-of-Way

The Company's obligation to provide service is solely dependent upon its ability to secure, retain and maintain suitable rights-of-way without unreasonable expense. When conditions require, applicants shall provide, without expense to the Company, private right-of-way as needed. Any and all private right-of-way or permit requirements, and any and all associated costs, will be the responsibility of the applicant, and must be furnished before a plant extension project begins.

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10.2 LINE EXTENSIONS (Cont'd)

10.2.5 Temporary Service or Service to a Moveable Premises

- A. Where the proposed service is of a temporary nature and the plant would have no value to the Company upon discontinuance of the service, the applicant shall be charged the estimated cost of construction and removal of the plant or portion of the plant which would not be of value to the Company, less the estimated immediate net recovery value of the material used.
- B. Where plant construction is required to provide any service or facility of a temporary nature 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 non-recoverable costs of the temporary construction or to contract for service beyond the initial period, or both.
- C. When telephone service is provided to movable premises by means of aerial plant, the customer shall provide a clearance pole if the Company considers it necessary. The clearance pole must comply with the Company's specifications. The customer shall place, own and maintain the pole. However, if the customer elects and the Company agrees, the Company will place, own and maintain the pole and bill the customer the cost of placing the pole.
- D. Where plant construction is required to provide any service or facility to a movable premises, and 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.

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10.3 SPECIAL CONSTRUCTION

10.3.1 Private Property

A. An average amount of entrance and distribution facilities will be furnished by the Company provided the facilities are of the standard type normally furnished for the particular location or kind of service.

B. The applicant may be required to pay the costs over and above those applicable for a normal installation:

If additional entrance or distribution facilities are required; if the conditions are such as to require special facilities, maintenance or methods of construction; if the installation is for a temporary or semi-permanent purpose; or if for any other reason the construction costs are excessive as compared with the revenue to be derived.

C. The customer will provide the Company upon request and without charge written permission for the placing of the Company's facilities on the property.

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10.3 SPECIAL CONSTRUCTION (Cont'd)

10.3.2 Service to Residential and Commercial Developments

- A. The Construction Charges, allowances and provisions previously specified in this Section contemplate the extension of facilities into areas of normal growth and development. Where facilities are to be extended into new areas of residential or commercial real estate development which, in the Company's opinion, are of a promotional or speculative nature, the Company may require an advance deposit equal to all or a portion of the costs of such construction, depending on the circumstances in each case. This advance deposit will be payable prior to the start of construction.
1. The Company and the developer may enter into a contractual agreement that provides for the periodic refund of portions of the deposit as customers in the development receive telephone service, and other terms of the contract are met. The contract will specify the estimated number of telephone customers expected to receive service within the area and the time required to complete the project (not to exceed five years). The contract will provide that the construction charge be computed to reflect regular Tariff allowances, design changes made by the developer, damage to telephone facilities by persons other than Company employees, or agents or unusual construction requirements. Periodic refunds to the developer will be adjusted accordingly.
 2. No refund will be made of any remaining balance of the construction advance after five years from the date the extension of facilities for the developer was completed.
 3. Unless included in the construction advance made by the developer, extensions from the facilities installed for the developer will be made in accordance with the provisions of the Company's extension policies and any required fees, deposits or prepayments shall be paid by the applicant requesting service to such lot or tract.
- B. The applicant for telephone service to a development is required to provide the Company, at his/her own expense, the necessary easements for installation and maintenance of telephone facilities, clear the ground where facilities are to be installed according to Company specifications and request installation of telephone facilities at an appropriate time during construction of the project to avoid unnecessary costs to the Company.

CHARGES APPLICABLE UNDER SPECIAL CONDITIONS

10.3 SPECIAL CONSTRUCTION (Cont'd)

10.3.3 Underground Service Connections

- A. When customers request underground service connections instead of aerial drop wires which would ordinarily be used to reach the customer's premises, or when aerial facilities are used to provide service or channels to a customer and the customer subsequently requests that such facilities be placed underground, the following regulations apply:
1. Where cable is to be placed in conduit, the underground conduit shall be constructed and maintained by or at the expense of the customer. The underground conduit shall 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 to furnish service shall be reserved for its exclusive use;
 3. Where cable is laid in a trench at the customer's request, the trench shall be constructed and back filled under the Company's supervision and by or at the customer's expense;
 4. Cable installed in conduit will be maintained and replaced at the expense of the Company where the conduit has been inspected in place by the Company and approved, but repairs or replacements of cable in the conduit or trench made necessary by damage caused by the customer or his representatives will be made only at the customer's expense;

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10.3 SPECIAL CONSTRUCTION (Cont'd)

10.3.3 Underground Service Connections (Cont'd)

A. (Cont'd)

5. Where facilities are changed from aerial to buried or underground, in addition to the above, the customer is charged the cost of dismantling and removing the aerial facilities;
6. Except as otherwise provided herein, the regulations in this Tariff contemplate that the type of construction required to provide the quantity and class of service involved will be determined by the Company. The applicant may be required to pay additional costs involved where a different type of construction than that proposed by the Company is desired; and
7. When a special type of construction other than those covered preceding is desired by the customer or when the individual requirements of a particular situation make the construction unusually expensive, the customer is required to bear the excess cost of such construction. Any special maintenance expense that may from time to time occur will be borne by the customer except that maintenance of buried service wire, including associated trenching where required, will be at the expense of the Company.

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10.4 SPECIAL SERVICE ARRANGEMENTS

10.4.1 General

- A. If the requirements of customers cannot be met with the regularly offered service arrangements, Special Service Arrangements may be furnished by the Company, where practical, at charges equivalent to the estimated cost of such equipment and arrangements provided it is not detrimental to any of the services furnished under the Company's Tariffs.
- B. If any one type of Special Service Arrangement is subscribed to by more than fifteen (15) customers, the Company may file for approval of the service as a general offering in the appropriate Tariff.

10.4.2 Computation of Rates and Charges

- A. Rates for Special Service Arrangements are equivalent to the estimated costs of furnishing the Special Service Arrangement.
- B. Estimated cost consists of an estimate of the total cost to the Company in providing the Special Service Arrangement including:
 - 1. Cost of maintenance;
 - 2. Cost of operation;
 - 3. Depreciation on the estimated installed cost of any facilities used to provide the Special Service Arrangement based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;
 - 4. General administration expenses, including taxes on the basis of average charges for these items;

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10.4 SPECIAL SERVICE ARRANGEMENTS (Cont'd)

10.4.2 Computation of Rates and Charges (Cont'd)

- B. (Cont'd)
5. Any other item of expense associated with the particular Special Service Arrangement; and
 6. An amount, computed on the estimated cost installed of the facilities used to provide the Special Service Arrangement, for return on investment.
- C. Estimated installed cost mentioned above includes cost of equipment and materials provided or used plus the estimated cost of installing, including engineering, labor, supervision, transportation, rights-of-way, and other items which are chargeable to the capital accounts.
- D. Special Service Arrangement rates are subject to review and revision conditioned upon changing costs.
- E. At such time as a Special Service Arrangement becomes a Tariff offering, the Tariff rate or rates will apply from the date of Tariff approval.
- F. The following rate treatments may be used in connection with charges for Special Service Arrangements.
1. Monthly rental and termination agreement with or without an Installation Charge.
 2. Monthly rental with or without an Installation Charge.
 3. Installation Charge only.

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10.5 PROVISION FOR CERTAIN TAXES AND FEES

When any political body or sub-division thereof charges, collects or receives from the company any fees whether in money, service, or other thing in value:

- (1) For or by reason of any license, privilege, inspection, franchise tax, fee, charge, or other imposition, or taxation, or
- (2) For or by reason of the use of the streets, alleys, conduit systems, right of ways, or other facilities or public places of the political body whether it be Federal, State, county or municipality

Whether in a lump sum or at a flat rate, or based on receipts or otherwise, the aggregate amount of such payments (less any related deductions authorized or imposed by State or Federal codes) shall be billed, insofar as practicable, pro rata to the affected or exchange customer within the applicable political division, or part of either in which the charges, fees, or tax is applicable; provided, however, the forgoing shall not apply to ad valorem taxes.

The charges billed by the Company pursuant to these tariff provisions will be listed individually on the bill and identified as follows: "(type of license, fee, tax or charge) required by action of (name of governmental entity)."