

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES

1.1 GENERAL

Provision of Facilities and Service

A. Special Construction in authorized out of franchise service areas will be determined and charged solely at the discretion of the Company, in its capacity as a Competitive Local Carrier.

Facilities to provide exchange service to applicants/customers are furnished in accordance with the standards, up to and including, its local loop demarcation point as determined by the Company.

B. The provision of "Other Equipment and Wiring" as set forth in California Guidebook Part 3, Section 1. is applicable to service connection facilities.

C. Applicants/customers may desire service arrangements or facilities in the provision of their service which is beyond that normally provided by the Company. When such a request is made, the Company may furnish, where operating conditions permit, up to and including its local loop demarcation point, such other arrangements as the customer requests at charges based on the costs of providing such additional service or facility arrangements. The applicability and application of such charges are entirely at the option and discretion of the Company.

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES (cont'd)

1.2 APPLICATION OF SPECIAL PROVISION OF FACILITIES AND SERVICE

A. Facilities and services provided under special construction will be provided as set forth below:

1. At the request of the applicant/customer, the Company may construct additional facilities, including additional entrance facilities to other buildings on continuous property, of a type or in a location other than that which the Company would otherwise utilize in order to provide service for the applicant/customer.
2. In order to comply with requirements specified by the applicant/customer, construction by the Company involves a routing of facilities other than that which the Company would normally utilize in order to provide services for the applicant/customer. See California Guidebook Part 15, Section 2.
3. At the request of the applicant/customer, the Company constructs a greater quantity of facilities than that which the Company would otherwise construct in order to fulfill the applicant's/customer's initial requirements for services. California Guidebook Part 15, Section 2.
4. The facilities to provide services are not available and, at the request of the applicant/customer, the Company constructs temporary facilities to provide services for the period during which the permanent facilities are under construction.
5. The provision of any of the above listed special construction shall be entirely at the option of the Company.¹

NOTE 1: Includes Income Tax gross-up amount, as listed in California Guidebook Part 2, Section 2.

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES (cont'd)**1.2 APPLICATION OF SPECIAL PROVISION OF FACILITIES AND SERVICE (cont'd)****B. Alternate Routing or Standby Facilities for Exchange Service**

Normally, facility arrangements between a serving central office and a customer are furnished over the most economical route as determined by the Company up to and including its local loop demarcation point. Where an applicant/customer requests a serving arrangement furnished in a manner other than the most economical route as determined by the Company, the arrangements requested are generally one of the following:

1. Furnish facilities over the same physical route but in two or more different cables. Generally, the cables would be separated but share common poles, manholes or duct runs.
2. Facilities furnished over two or more separate routes. This would be alternate routing, i.e., facilities would be furnished in separate cables, separate routes and not share common pole line, ducts or manholes. The facilities could be used to separate services between the central office and the Company's local loop demarcation point on the customer's premises over the two or more routes, possibly providing a better opportunity for continuity of service of the communications services provided.
3. Standby facilities are those furnished to provide redundancy for all or a portion of the services furnished between a central office and a customer's premises. Such redundancy could be provided over an alternate route or in the same route via a different cable. In addition, equipment that is under the operational control of the customer located at the customer's premises is the customer's responsibility. The Company is responsible only up to, and including, its local loop demarcation point for the provision of such service.

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES (cont'd)**1.3 CHARGES FOR SPECIAL PROVISION OF FACILITIES AND SERVICE**

- A. Charges based on costs are applicable to special provision of facilities and service at the discretion of the Company. An advance payment of 100% of estimated cost will be required by the Company to protect its investment. The amount of the advance payment will be credited to the customer's account upon completion of the construction and the billing for the service arrangement.¹
- B. Charges may be quoted based on the material used and labor required that the Company may provide in connection with the outside plant and central office facilities to provide the arrangement requested.
- C. Application of Charges
 - 1. Additional cable may be required, which may not be reusable in place when the customer disconnects such a service arrangement. This could include portions of cable facilities along existing rights-of-way or dedicated streets where such cable was furnished for the use of one customer. Charges applicable to the facilities furnished are reflective of the material furnished. In addition, labor is required to place and terminate the facilities placed. Additional labor may be required to rearrange existing facilities to accommodate the additional facilities placed. Service connections may also be affected and may require additions and rearrangements to which charges would apply.
 - 2. Furnishing facilities over the same route but in two or more different cables.
 - a. Where distribution facilities are installed with possibility of reuse, the charges for the additional cable will be based on the facilities furnished.
 - b. If rearrangement of existing outside plant facilities may accommodate the applicant/customer's request without the addition of new plant, such costs will be the applicable charge to the applicant/customer for the furnishing of separate outside plant facilities.
 - c. Facilities requiring the reinforcement of an existing route, and which would not be constructed by the Company except to provide the facility arrangement requested by the customer, will be charged to the customer based on cost to provide the reinforcement.

NOTE 1: Includes Income Tax gross-up amount, as listed in California Guidebook Part 2, Section2.

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES (cont'd)

1.3 CHARGES FOR SPECIAL PROVISION OF FACILITIES AND SERVICE (cont'd)

C. Application of Charges (cont'd)

2. Furnishing facilities over the same route, but in two or more different cables. (cont'd)

- d. New exchange facilities will be furnished up to, and including, the Company's local loop demarcation point over either the normal or alternate route. Service connection or nonrecurring charges applicable to the service furnished will apply.
- e. Rearrangement of exchange facilities to utilize two routes will be furnished by the Company, not to exceed the charges of furnishing of new services as set forth in applicable Guidebooks and tariffs.

3. Facilities furnished over two or more separate routes.

- a. Where existing outside plant facilities are capable of providing the arrangements requested by the applicant/customer, but rearrangement is required, the applicant/customer will pay charges equal to the costs of furnishing such rearrangements of distribution or of service connection.
- b. Where a line extension of an existing facility route is required to provide an alternate serving arrangement, the applicant/customer will pay charges based on the additional costs involved in furnishing the line extension on the alternate route which are in addition to the costs involved in furnishing service over the normal route.
- c. New exchange facilities will be furnished up to, and including, the Company's local loop demarcation point over either the normal or alternate route. Service connection or nonrecurring charges applicable to the services furnished will apply.
- d. Rearrangement of existing exchange facilities over either the normal or the alternate route to accommodate the request of the applicant/customer as to the route requested for use will be provided at costs not to exceed the service connection or nonrecurring charges applicable to the services furnished.

1. SPECIAL CONSTRUCTION OF EXCHANGE FACILITIES (cont'd)**1.3 CHARGES FOR SPECIAL PROVISION OF FACILITIES AND SERVICE (cont'd)****C. Application of Charges (cont'd)****4. Facilities furnished on a standby or redundant basis.**

- a. Charges for furnishing facilities will be the same as that set forth in 3.a.,b.,c. and d. preceding.
- b. In addition to the nonrecurring charges for establishing the standby route, the monthly rate for each pair furnished in the redundant route will be the monthly rate associated with the normal service.
- c. Where equipment is furnished to transfer facilities between the normal route and the standby route, it may be provided at rates and charges as set forth in California Guidebook Part 15, Section 2.

1.4 APPLICATION CANCELLED, MODIFIED OR DEFERRED BY CUSTOMER OR APPLICANT**A. Cancellation of Application**

1. Prior to the start of installation as defined in California Guidebook Part 2 Section 1, no charge.
2. Where installation of equipment or facilities, other than those provided by special construction, has been started prior to the cancellation, the charges and regulations as set forth under California Guidebook Part 2 Section 2 are applicable.¹
3. Where special construction of exchange facilities has been started prior to the cancellation, a charge is applicable which is equal to the costs incurred in the special construction, less net salvage of facilities removed and/or credit for facilities for which there is another requirement. Where partially cancelled (one or more services or facilities, but not all), charges for such cancelled service or facilities shall apply. Charges are determined as set forth in California Guidebook Part 2 Section 2 and D. following.

B. Change or Modification of an Application

Charges and regulations as set forth in California Guidebook Part 2 Section 2 and D. following.

NOTE 1: Includes Income Tax gross-up amount, as listed in California Guidebook Part 2 Section 2.

1.4 APPLICATION CANCELLED, MODIFIED OR DEFERRED BY CUSTOMER OR APPLICANT (cont'd)

C. Deferment of an Application

Charges and regulations as set forth in California Guidebook Part 2, Section 2 are applicable and D. following.

D. Determination of charges

1. In determining the charge for A., B. and C. preceding, each application of cancelled, modified or deferred service is treated as discontinued as of the date on which facilities were to have been placed in service.
2. Such charges apply, provided the applicant/customer received written notice (signed by the customer and the Company) at the time the order for such service was taken stating that charges would apply should the applicant/customer request the cancellation, modification or deferment of the application for service.
3. Installation of special construction of facilities is considered to have started as defined by "Start of Installation" in California Guidebook Part 2, Section 2.

2. SPECIAL CONSTRUCTION – ACCESS SERVICES**2.1 SPECIAL CONSTRUCTION REGULATIONS – ACCESS SERVICES**

- A. All rates and charges quoted in the schedules of the Company provide for the furnishing of service or channels when suitable facilities are available or where the additional construction of the necessary facilities does not involve unusual costs.
- B. Where the additional construction of necessary facilities involves unusual costs and the revenue to be derived from the service or channels is not, in the opinion of the Company, sufficient to warrant the Company assuming the unusual costs of providing the necessary construction, the customer may be required to pay all or a portion of such costs, the amount depending upon the circumstances on an individual case basis¹.
- C. When construction is provided by a connecting telephone company, charges made to the customer will be based on the charges of the connecting telephone company.
- D. Where a customer is so located that it is necessary to use private right-of-way to furnish a service or channels and the Company is unable to obtain the required right-of-way without cost, the customer may be required to pay the entire costs involved in securing and retaining such right-of-way¹.
- E. When attachments are made to poles of other companies, the additional cost to the Company of such attachments is borne by the customer.
- F. Title to all construction provided wholly or partly at a customer's expense is vested in the Company.
- G. Construction charges are payable at the time application for service is signed or when the account is rendered, at the option of the Company.
- H. 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 customer¹.

/1/ Includes Federal Income Tax gross-up amount, as listed in Schedule Cal.P.U.C. No. A2.1.3,D.

2. SPECIAL CONSTRUCTION – ACCESS SERVICES

2.2 TYPES OF CONSTRUCTION SPECIFIED BY THE CUSTOMER

A. Underground

(1) 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

- a. Where cable is laid in conduit, the underground conduit is constructed and maintained by or at the expense of the customer. The construction charge made to the customer is based on the cost of the underground cable, including the cost of installing the cable, less the estimated cost to the Company of installing such aerial facilities as would be required for similar use.¹ The underground conduit shall be constructed in accordance with plans and specifications furnished by the Company.
- b. The duct or ducts required in the underground conduit by the Company are reserved for its exclusive use.
- c. 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.¹
- d. Cable installed in conduit or trench will be maintained and replaced at the expense of the Company. However, repairs to or replacements of cable made necessary by damages caused by the customer, their employees or representatives or water freezing in improperly drained conduits will be at the customer's expense.

^{1/} Includes Federal Income Tax gross-up amount, as listed in Schedule Cal.P.U.C. No. A2.1.3,D.

2. SPECIAL CONSTRUCTION – ACCESS SERVICES (cont'd)**2.2 TYPES OF CONSTRUCTION SPECIFIED BY THE CUSTOMER (cont'd)****B. Change From Aerial to Underground¹**

(1) Where aerial facilities are used to provide service or channels 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:

- a. The underground conduit or trench is provided in accordance with A.1., preceding.
- b. The customer is charged the cost of dismantling and removing the aerial facilities.
- c. The customer is charged the cost of the cable including its installation in the conduit or trench.
- d. 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, their employees or representatives or by water freezing in improperly drained conduits will be at the customer's expense.

2.3 ADDITIONAL CHARGES¹

Equipment and arrangements requested by the customer and not otherwise provided for, are furnished wherever possible, if facilities are available and if not detrimental to any of the services furnished by the Company, and additional charges based upon the costs incurred, apply.

2.4 FEDERAL INCOME TAX

For Contributions in Aid of Construction that have been made taxable to the Company by the Tax Reform Act of 1986, the Company will bill an additional fee which has resulted from the taxable income for payments that aid in our cost of construction, other contributions, and the fair market value of property contributions received in aid of construction, and the prior nonrecurring rates which will remain in effect.

/1/ Includes Federal Income Tax gross-up amount, as listed in Schedule Cal.P.U.C. No. A2.1.3.D.