

Valor FCC No. 2 Special Construction Tariff	GTE Systems Telephone Companies (GSTC) FCC No.2 Special Construction Tariff	
<p>Section 1</p> <p><u>Application of Tariff</u></p> <p>Same as GSTC</p>	<p>Section 1</p> <p><u>Application of Tariff</u></p> <p>2 <u>Application of Tariff</u></p> <p>This tariff contains regulations, rates, charges and liabilities applicable for the special construction of interstate facilities provided by the Issuing Carriers of this tariff, hereinafter referred to as the Telephone Company.</p> <p>When special construction of facilities is required, the provisions of this tariff apply in addition to all regulations, rates and charges set forth in the appropriate service tariff.</p>	<p>10. SPECIAL CONSTRUCTION</p> <p>10.1 General</p> <p>This section contains the regulations, rates and charges applicable for Special Construction of Telephone Company facilities which are used to provide FIA offered under this tariff.</p> <p>When Special Construction of FIA is required, the provisions of this section apply in addition to regulations, rates and charges set forth in other sections of this tariff.</p> <p>10.1.1 Conditions Requiring Special Construction</p> <p>Special Construction is required when facilities are not available to meet a customer's ASR and one or more of the following conditions exist:</p> <ul style="list-style-type: none"> <li>- The Telephone Company has no other requirement for the facilities constructed at the customer's request;</li> <li>- The customer requests that FIA be furnished using a type of facility, or via a route, other than that which the Telephone Company would otherwise utilize in furnishing the requested FIA;</li> <li>- The customer requests the construction of more facilities than is required to satisfy its ASR;</li> <li>- The customer requests construction be expedited resulting in added cost to the Telephone Company;</li> <li>- The customer requests that temporary facilities be constructed until permanent facilities are available.</li> <li>- The customer requests construction of permanent facilities to be used for temporary Video broadcast service.</li> </ul> <p>10.1.2 Filing of Charges</p> <p>Charges and liabilities for Special Construction will be filed in 10.4, 10.5 and 10.6 following. When Special Construction is required under conditions that preclude the filing of charges in full accordance with the FCC's Rules and Regulations (e.g., unavailability of cost details, short notice service date):</p> <p>(A) Notification will be made to the FCC that Special Construction will be provided in accordance with Special Permission No. 83-867.</p> <p>(B) After charges have been filed and have become effective they will apply from the date that the Special Construction was provided.</p> <p>(C) Charges and/or Maximum Termination Liabilities for Special Construction of facilities provided by a Connecting Carrier are developed by the Connecting Carrier and are filed by the Telephone Company in this tariff on its behalf.</p>

<p>Section 2 Services Same as GTSC</p> <p><u>Liabilities and Charges for Special Construction</u> <u>Types of Liabilities and Charges</u> <u>Deferral of Start of Service</u> <u>Construction Has Not Begun</u> <u>Construction Has Begun</u> <u>Construction Complete</u></p> <p><u>Optional Payment</u> An optional payment plan may be offered included in the nonrecurring charge in association with a type of facility or route other than that which the Telephone Company would normally use in furnishing the requested service if lower recurring monthly charges are desired for the specially constructed facilities. This charge is equal to the Total Special Construction cost, plus ten (10) percent, spread out over twelve (12) equal monthly payments. This election must be made in writing before special construction starts. If service is terminated before all payments have been made, the remaining balance will automatically become due.</p> <p>Services Not Offered in the Valor Tariff:</p> <p><u>Maximum Termination Liability and Termination Charge</u> <u>Annual Underutilization Liability and Underutilization Charge</u> <u>Recurring Monthly Charges</u> <u>Charge for Route or Type other than Normal</u> <u>Lease Charge</u> <u>Cancellation Charge</u></p>	<p>Section 2</p> <p><u>Liabilities and Charges for Special Construction</u> 2.6 <u>Liabilities and Charges for Special Construction</u> 2.6.1 <u>General</u></p> <p>This section describes the various charges and liabilities that may apply when the Telephone Company provides special construction of facilities in accordance with an order for service. Written approval of all liabilities and charges must be provided to the Telephone Company prior to the start of construction.</p> <p>2.6.2 <u>Conditions Requiring Special Construction</u></p> <p>Special construction is required when 1) facilities are not available to meet an order for service, and 2) the Telephone Company constructs facilities, and 3) one or more of the following conditions exist:</p> <ul style="list-style-type: none"> <li>- The Telephone Company has no other requirement for the facilities requested.</li> <li>- It is requested that service be furnished using a type of facility, or via a route, other than that which the Telephone Company would normally utilize in furnishing the requested service.</li> <li>- More facilities are requested than would normally be required to satisfy an order.</li> <li>- It is requested that construction be expedited, resulting in added cost to the Telephone Company.</li> </ul> <p>2.6.3 <u>Development of Liabilities and Charges</u></p> <p>Special construction charges and liabilities will be developed based on estimated costs, except when actual costs are requested in writing prior to the start of special construction.</p> <p>In order to meet a scheduled service date when actual costs are requested, an initial special construction filing may be made based on estimated costs. Such a filing will be revised when actual costs are available..</p>	<p>(D) Regulations and charges for Special Construction of facilities provided by Other Participating Carriers are filed in their tariffs.</p> <p>10.1.3 Ownership of Facilities</p> <p>The Telephone Company retains ownership of all specially constructed facilities, except for those facilities constructed by connecting companies or carriers, even though the customer may be required to pay Special Construction charges.</p> <p>Certain material appearing on this page formerly appeared on Page 280.</p> <p>10.1 General (Cont'd)</p> <p>10.1.4 Interval to Provide FIA Based on available information and the type of FIA ordered, the Telephone Company will establish a scheduled date for the installation of necessary facilities. The date will be established on an Individual Case Basis and provided to the customer. The Telephone Company will make every reasonable effort to assure that the date is met. However, circumstances beyond the Telephone Company's control (e.g., backorder of components) may force a reschedule, and a new completion date will be established with the customer when appropriate.</p> <p>10.1.5 Special Construction Involving Interstate and Intrastate FIA When Special Construction involves facilities used to provide both interstate and intrastate FIA, charges for the portion of the construction used to provide interstate FIA shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate FIA shall be in accordance with the appropriate GTE Telephone Operating Company state tariff providing Facilities for Intrastate Access.</p> <p>10.2 Liabilities, Charges and Payments</p> <p>10.2.1 General This section describes the various charges and liabilities that apply when the Telephone Company provides Special Construction of FIA, as outlined in 10.1.1 preceding, in accordance with a customer's specific request. Once the customer is notified of all charges and liabilities, the customer must provide the Telephone Company with written approval prior to the start of construction. If more than one condition requiring Special Construction is involved, charges for each condition apply (see Conditions Requiring Special Construction, 10.1.1 preceding).</p> <p>10.2.2 Payment of Charges Payment is due upon presentation of a bill for the specially constructed facilities.</p> <p>10.2.3 Start/End of Billing Billing of recurring charges for specially constructed FIA starts on the day after the FIA are provided. Billing accrues through and includes the day that the specially constructed FIA are</p>
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		<p>discontinued. Monthly charges will be billed one month in advance.</p> <p>10.2.4 Partial Payments The Telephone Company will require a customer which has a proven history of late payments to the Telephone Company, or does not have established credit, to make a partial payment for the portion of the estimated cost of the Special Construction for which the customer is subject to a nonrecurring charge. Partial payments will be requested as costs are incurred and will be credited to the customer's account. Partial payments will not exceed the total nonrecurring charge to the customer for the Special Construction. (T)</p>
	<p><u>2.6.4 Types of Liabilities and Charges</u></p> <p>Depending on the specifics associated with each individual case, one or more of the following special construction charges and/or liabilities may be applicable:</p> <p>(A) <u>Nonrecurring Charge</u></p> <p>A nonrecurring charge always applies and includes one or more of the following components:</p> <p>(1) <u>Case Preparation Charge</u></p> <p>A nonrecurring charge always includes a case preparation charge component to cover the administrative expenses associated with preparing a special construction case and the associated tariff filing.</p> <p>(2) <u>Expediting Charge</u></p> <p>A nonrecurring charge may include an expediting charge when it is requested that special construction be completed on an expedited basis. The charge equals the difference in estimated cost between expedited and non-expedited construction.</p> <p>Services Offered in the GSTC Tariff:</p> <p><u>Optional Payment</u></p> <p>(1) <u>Optional Payment</u></p> <p>An optional payment charge may be included in the nonrecurring charge in association with a type of facility or route other than that which the Telephone Company would normally use in furnishing the requested service if lower recurring monthly charges are desired for the specially constructed facilities. This charge is equal to the excess installed cost or the total non-recoverable cost, whichever is less.</p> <p>This election must be made in writing before special construction starts. If this election is coupled with the actual cost option, the optional payment charge will reflect the actual cost of the specially constructed facilities..</p> <p>(A) <u>Nonrecurring Charge</u> (1) <u>Replacement Charge</u></p> <p>If any portion of specially constructed facilities</p>	<p>10. SPECIAL CONSTRUCTION (Cont'd)</p> <p>10.1 General (Cont'd)</p> <p>10.1.4 Interval to Provide FIA Based on available information and the type of FIA ordered, the Telephone Company will establish a scheduled date for the installation of necessary facilities. The date will be established on an Individual Case Basis and provided to the customer. The Telephone Company will make every reasonable effort to assure that the date is met. However, circumstances beyond the Telephone Company's control (e.g., backorder of components) may force a reschedule, and a new completion date will be established with the customer when appropriate.</p> <p>10.1.5 Special Construction Involving Interstate and Intrastate FIA When Special Construction involves facilities used to provide both interstate and intrastate FIA, charges for the portion of the construction used to provide interstate FIA shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate FIA shall be in accordance with the appropriate GTE Telephone Operating Company state tariff providing Facilities for Intrastate Access.</p> <p>10.2 Liabilities, Charges and Payments</p> <p>10.2.1 General This section describes the various charges and liabilities that apply when the Telephone Company provides Special Construction of FIA, as outlined in 10.1.1 preceding, in accordance with a customer's specific request. Once the customer is notified of all charges and liabilities, the customer must provide the Telephone Company with written approval prior to the start of construction. If more than one condition requiring Special Construction is involved, charges for each condition apply (see Conditions Requiring Special Construction, 10.1.1 preceding).</p> <p>10.2.2 Payment of Charges Payment is due upon presentation of a bill for the specially constructed facilities.</p> <p>10.2.3 Start/End of Billing Billing of recurring charges for specially constructed FIA starts on the day</p>

for which an optional payment charge has been paid requires replacement involving capital investment, a replacement charge will apply. This charge will be in the same ratio to the total replacement cost as the initial optional payment charge was to the installed cost of the original specially constructed facilities. If any portion of the facilities subject to the replacement charge fails, service will not be restored until notification is provided in writing that replacement is required and such replacement is ordered.

Rearrangement Charge

If the Telephone Company is requested to rearrange existing specially constructed facilities, a nonrecurring charge equal to the cost of any additional special construction will apply.

(5) Special Construction of Facilities for Use for less Than One Month

When the Telephone Company is requested to construct facilities to provide service for less than one month, a nonrecurring charge only applies. In addition to the case preparation charge component, this nonrecurring charge recovers all elements of cost, including engineering, shipping of equipment, equipment installation, line-up, equipment leasing, space rental, equipment removal, and any other costs associated with the construction of the facilities.

2.6.4 Types of Liabilities and Charges  
(Cont'd)

(B) Maximum Termination Liability and Termination Charge

A Maximum Termination Liability is equal to the non-recoverable costs associated with specially constructed facilities and is the maximum amount which could be applied as a Termination Charge if all specially constructed facilities were discontinued before the Maximum Termination Liability expires.

The liability period is equal to the average life of the account associated with the specially constructed facilities. The liability period is generally expressed in terms of an effective and expiration date.

The Maximum Termination Liability is filed with the initial tariff filing in decreasing amounts at ten-year intervals over the average account life of the facilities. In the event that the average account life of the facilities is not an even multiple of ten, the last increment will reflect the appropriate number of years remaining.

Example Illustrating a 27-Year Average Account Life

Maximum Termination Liability	Effective Date	Expiration Date
\$10,000	6/1/84	6/1/94
7,000	6/1/94	6/1/04
3,000	6/1/04	6/1/11

after the FIA are provided. Billing accrues through and includes the day that the specially constructed FIA are discontinued. Monthly charges will be billed one month in advance.

10.2.4 Partial Payments

The Telephone Company will require a customer which has a proven history of late payments to the Telephone Company, or does not have established credit, to make a partial payment for the portion of the estimated cost of the Special Construction for which the customer is subject to a nonrecurring charge. Partial payments will be requested as costs are incurred and will be credited to the customer's account. Partial payments will not exceed the total nonrecurring charge to the customer for the Special Construction.

(T)  
10.1 General (Cont'd)

10.1.4 Interval to Provide FIA  
Based on available information and the type of FIA ordered, the Telephone Company will establish a scheduled date for the installation of necessary facilities. The date will be established on an Individual Case Basis and provided to the customer. The Telephone Company will make every reasonable effort to assure that the date is met. However, circumstances beyond the Telephone Company's control (e.g., backorder of components) may force a reschedule, and a new completion date will be established with the customer when appropriate.

10.1.5 Special Construction Involving Interstate and Intrastate FIA

When Special Construction involves facilities used to provide both interstate and intrastate FIA, charges for the portion of the construction used to provide interstate FIA shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate FIA shall be in accordance with the appropriate GTE Telephone Operating Company state tariff providing Facilities for Intrastate Access.

10.2 Liabilities, Charges and Payments

10.2.1 General

This section describes the various charges and liabilities that apply when the Telephone Company provides Special Construction of FIA, as outlined in 10.1.1 preceding, in accordance with a customer's specific request. Once the customer is notified of all charges and liabilities, the customer must provide the Telephone Company with written approval prior to the start of construction. If more than one condition requiring Special Construction is involved, charges for each condition apply (see Conditions Requiring Special Construction, 10.1.1 preceding).

10.2.2 Payment of Charges

Payment is due upon presentation of a bill for the specially constructed facilities.

10.2.3 Start/End of Billing

Billing of recurring charges for specially

	<p>Prior to the expiration of each liability period, the customer has the option to (A) terminate the special construction case and pay the appropriate charges, or (B) extend the use of the specially constructed facilities for the new liability period..</p>	<p>constructed FIA starts on the day after the FIA are provided. Billing accrues through and includes the day that the specially constructed FIA are discontinued. Monthly charges will be billed one month in advance.</p> <p>10.2.4 Partial Payments The Telephone Company will require a customer which has a proven history of late payments to the Telephone Company, or does not have established credit, to make a partial payment for the portion of the estimated cost of the Special Construction for which the customer is subject to a nonrecurring charge. Partial payments will be requested as costs are incurred and will be credited to the customer's account. Partial payments will not exceed the total nonrecurring charge to the customer for the Special Construction.</p> <p>(T)</p> <p>10.1.4 Interval to Provide FIA Based on available information and the type of FIA ordered, the Telephone Company will establish a scheduled date for the installation of necessary facilities. The date will be established on an Individual Case Basis and provided to the customer. The Telephone Company will make every reasonable effort to assure that the date is met. However, circumstances beyond the Telephone Company's control (e.g., backorder of components) may force a reschedule, and a new completion date will be established with the customer when appropriate.</p> <p>10.1.5 Special Construction Involving Interstate and Intrastate FIA When Special Construction involves facilities used to provide both interstate and intrastate FIA, charges for the portion of the construction used to provide interstate FIA shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate FIA shall be in accordance with the appropriate GTE Telephone Operating Company state tariff providing Facilities for Intrastate Access.</p> <p>10.2 Liabilities, Charges and Payments 10.2.1 General This section describes the various charges and liabilities that apply when the Telephone Company provides Special Construction of FIA, as outlined in 10.1.1 preceding, in accordance with a customer's specific request. Once the customer is notified of all charges and liabilities, the customer must provide the Telephone Company with written approval prior to the start of construction. If more than one condition requiring Special Construction is involved, charges for each condition apply (see Conditions Requiring Special Construction, 10.1.1 preceding).</p> <p>10.2.2 Payment of Charges Payment is due upon presentation of a bill for the specially constructed facilities.</p> <p>10.2.3 Start/End of Billing Billing of recurring charges for specially</p>
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	<p><u>(B) Maximum Termination Liability and Termination Charge (Cont'd)</u></p> <p>The Telephone Company will notify the customer six months in advance of the expiration date of each ten-year liability period. The customer must provide the Telephone Company with written notification at least 30 days prior to the expiration of the liability period if termination is elected. Failure to do so will result in an automatic extension of the special construction case to the next liability period at the filed Maximum Termination Liability amount.</p> <p>A Termination Charge may apply when all services using specially constructed facilities which have a tariffed Maximum Termination Liability are discontinued prior to the expiration of the liability period. The charge reflects the unamortized portion of the non-recoverable costs at the time of termination, adjusted for net salvage and possible reuse. Administrative costs associated with the specific case of special construction and any cost for restoring a location to its original condition are also included. A Termination Charge may never exceed the filed Maximum Termination Liability.</p> <p>A partial termination of specially constructed facilities will be provided, at the election of the customer. The amount of the Termination Charge associated with such partial termination is determined by multiplying the termination charge which would result if all services using the specially constructed facilities were discontinued, at the time partial termination is elected, by the percentage of specially constructed facilities to be partially terminated. A tariff filing will be made following a partial termination to list remaining Maximum Termination Liability amounts and the number of specially constructed facilities the customer will remain liable for..</p> <p>Example:</p> <p>A customer with a filed Maximum Termination Liability of \$100,000 for 3600 specially constructed facilities requests a partial</p>	<p>10.1.4 Interval to Provide FIA Based on available information and the type of FIA ordered, the Telephone Company will establish a scheduled date for the installation of necessary facilities. The date will be established on an Individual Case Basis and provided to the customer. The Telephone Company will make every reasonable effort to assure that the date is met. However, circumstances beyond the Telephone Company's control (e.g., backorder of components) may force a reschedule, and a new completion date will be established with the customer when appropriate.</p> <p>10.1.5 Special Construction Involving Interstate and Intrastate FIA When Special Construction involves facilities used to provide both interstate and intrastate FIA, charges for the portion of the construction used to provide interstate FIA shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate FIA shall be in accordance with the appropriate GTE Telephone Operating Company state tariff providing Facilities for Intrastate Access.</p> <p>10.2 Liabilities, Charges and Payments 10.2.1 General This section describes the various charges and liabilities that apply when the Telephone Company provides Special Construction of FIA, as outlined in 10.1.1 preceding, in accordance with a customer's specific request. Once the customer is notified of all charges and liabilities, the customer must provide the Telephone Company with written approval prior to the start of construction. If more than one condition requiring Special Construction is involved, charges for each condition apply (see Conditions Requiring Special Construction, 10.1.1 preceding).</p> <p>10.2.2 Payment of Charges Payment is due upon presentation of a bill for the specially constructed facilities.</p> <p>10.2.3 Start/End of Billing</p>

	<p>termination of 900 facilities. The Termination Charge for all facilities, at the time of election, is \$60,000. The partial termination charge, in this example, is \$60,000 x 900/3600, or \$15,000.</p> <p><u>(C)Annual Underutilization Liability and Underutilization Charge</u></p> <p>Prior to the start of special construction, the Telephone Company and the customer will agree on (1) the quantity of facilities to be provided, and (2) the length of the planning period during which the customer expects to place the facilities in service. The planning period is hereinafter referred to as the Initial Liability Period (ILP). The ILP is listed in the tariff with an effective and expiration date.</p> <p>Underutilization occurs only if, at the expiration date of the ILP and annually thereafter, less than 70 percent of the specially constructed facilities are in service at filed tariff service rates.</p>	<p>Billing of recurring charges for specially constructed FIA starts on the day after the FIA are provided. Billing accrues through and includes the day that the specially constructed FIA are discontinued. Monthly charges will be billed one month in advance.</p> <p>10.2.4 Partial Payments</p> <p>The Telephone Company will require a customer which has a proven history of late payments to the Telephone Company, or does not have established credit, to make a partial payment for the portion of the estimated cost of the Special Construction for which the customer is subject to a nonrecurring charge. Partial payments will be requested as costs are incurred and will be credited to the customer's account. Partial payments will not exceed the total nonrecurring charge to the customer for the Special Construction.</p> <p>(T)</p>
	<p><u>(B)Maximum Termination Liability and Termination Charge (Cont'd)</u></p> <p>The Telephone Company will notify the customer six months in advance of the expiration date of each ten-year liability period. The customer must provide the Telephone Company with written notification at least 30 days prior to the expiration of the liability period if termination is elected. Failure to do so will result in an automatic extension of the special construction case to the next liability period at the filed Maximum Termination Liability amount.</p> <p>A Termination Charge may apply when all services using specially constructed facilities which have a tariffed Maximum Termination Liability are discontinued prior to the expiration of the liability period. The charge reflects the unamortized portion of the non-recoverable costs at the time of termination, adjusted for net salvage and possible reuse. Administrative costs associated with the specific case of special construction and any cost for restoring a location to its original condition are also included. A Termination Charge may never exceed the filed Maximum Termination Liability.</p> <p>A partial termination of specially constructed facilities will be provided, at the election of the customer. The amount of the Termination Charge associated with such partial termination is determined by multiplying the termination charge which would result if all services using the specially constructed facilities were discontinued, at the time partial termination is elected, by the percentage of specially constructed facilities to be partially terminated. A tariff filing will be made following a partial termination to list remaining Maximum Termination Liability amounts and the number of specially constructed facilities the customer will remain liable for..</p>	<p>10.2 Liabilities, Charges and Payments (Cont'd)</p> <p>10.2.5 Development of Liabilities and Charges</p> <p>The customer has the option of accepting the liabilities and charges based on estimated or actual costs. Estimated costs will be used unless the customer notifies the Telephone Company of the selection of the actual cost option in writing prior to the start of Special Construction. Under the estimated cost option, Special Construction liabilities and charges are developed based on estimated costs and will be filed in this tariff. Under the actual cost option, if all actual costs are not available prior to the in-service date of the FIA, estimated Special Construction charges will be filed in this tariff. As soon as the actual costs, including costs of maintaining and filing these costs, are subsequently determined, the estimated charges will be adjusted to reflect the actual costs. The filed charges will then reflect actual costs existing at the time the FIA are provided.</p> <p>10.2.6 Type of Contingent Liability</p> <p>Depending on the specifics associated with each individual case the following Maximum Termination Liability may be applicable for Special Construction.</p> <p>(A) Maximum Termination Liability (USOC - MLY)</p> <p>A MTL has two components, an amount and a specified period of time. The amount is equal to all nonrecoverable costs less the net salvage value (e.g., depreciation, return, income tax associated with the specially constructed facilities). The amount will be amortized over the average account life of the specially constructed facilities. The standard liability period is the average account</p>

	<p>Example:</p> <p>A customer with a filed Maximum Termination Liability of \$100,000 for 3600 specially constructed facilities requests a partial termination of 900 facilities. The Termination Charge for all facilities, at the time of election, is \$60,000. The partial termination charge, in this example, is \$60,000 x 900/3600, or \$15,000.</p> <p><u>(C)Annual Underutilization Liability and Underutilization Charge</u></p> <p>Prior to the start of special construction, the Telephone Company and the customer will agree on (1) the quantity of facilities to be provided, and (2) the length of the planning period during which the customer expects to place the facilities in service. The planning period is hereinafter referred to as the Initial Liability Period (ILP). The ILP is listed in the tariff with an effective and expiration date.</p> <p>Underutilization occurs only if, at the expiration date of the ILP and annually thereafter, less than 70 percent of the specially constructed facilities are in service at filed tariff service rates.</p>	<p>life of the Specially Constructed facilities expressed in years. At the customer's option, an optional liability period shorter than the average account life may be established. If the customer chooses an optional liability period, the MTL amortization schedule will not change. The remaining MTL amount for the period between the expiration of the optional liability period and the expiration of the amortization schedule will be due as a lump sum payment (LS) at the time the optional liability period expires unless the case of Special Construction is extended.</p> <p>(T)</p> <p>10.2 Liabilities, Charges and Payments (Cont'd)</p> <p>10.2.5 Development of Liabilities and Charges</p> <p>The customer has the option of accepting the liabilities and charges based on estimated or actual costs. Estimated costs will be used unless the customer notifies the Telephone Company of the selection of the actual cost option in writing prior to the start of Special Construction. Under the estimated cost option, Special Construction liabilities and charges are developed based on estimated costs and will be filed in this tariff. Under the actual cost option, if all actual costs are not available prior to the in-service date of the FIA, estimated Special Construction charges will be filed in this tariff. As soon as the actual costs, including costs of maintaining and filing these costs, are subsequently determined, the estimated charges will be adjusted to reflect the actual costs. The filed charges will then reflect actual costs existing at the time the FIA are provided.</p> <p>10.2.6 Type of Contingent Liability</p> <p>Depending on the specifics associated with each individual case the following Maximum Termination Liability may be applicable for Special Construction.</p> <p>(A) Maximum Termination Liability (USOC - MLY)</p> <p>A MTL has two components, an amount and a specified period of time. The amount is equal to all nonrecoverable costs less the net salvage value (e.g., depreciation, return, income tax associated with the specially constructed facilities). The amount will be amortized over the average account life of the specially constructed facilities. The standard liability period is the average account life of the Specially Constructed facilities expressed in years. At the customer's option, an optional liability period shorter than the average account life may be established. If the customer chooses an optional liability period, the MTL amortization schedule will not change. The remaining MTL amount for the period between the expiration of the optional liability period and the expiration</p>
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		<p>of the amortization schedule will be due as a lump sum payment (LS) at the time the optional liability period expires unless the case of Special Construction is extended. (T)</p>
	<p>An annual underutilization liability amount is filed on a per unit basis (e.g., per cable pair) for each case of special construction. This amount is equal to the annual per unit cost and includes depreciation, maintenance, administration, return, taxes and any other costs identified in the supporting documentation provided at the time the special construction case is filed.</p> <p>Upon the expiration of the ILP, the number of underutilized facilities, if any, are multiplied by the annual underutilization liability amount. This product is then multiplied by the number of years (including any fraction thereof) in the ILP to determine the underutilization charge.</p> <p>Annually thereafter, the number of underutilized facilities, if any, existing on the anniversary of the ILP expiration date will be multiplied by the annual underutilization liability amount to determine the underutilization charge for the preceding 12 month period.</p> <p>Example:</p> <p>A customer orders 100 services and the special construction of a 600 pair building riser cable is agreed to, based on the customer's 5 year facility requirements. The ILP, in this example, would be filed at 5 years. The annual underutilization liability is filed at \$2.00 per pair. If 400 pairs were in service at the end of the ILP, there would be an underutilization of 20 pairs, i.e., 420 (70% of 600) - 400 = 20. The total underutilization charge for the first 5 years would be \$200.00, or \$2.00 per pair x 20 pairs x 5 years.</p> <p>If 420 pairs are in service at the end of the 6th year, there is no underutilization, i.e., 420 - 420 = 0.</p> <p>(D) <u>Recurring Monthly Charges</u></p> <p>(1)<u>Charge for Route or Type other than Normal</u></p> <p>When special construction is requested using a route or type of facility other than that which the Telephone Company would normally use, a recurring monthly charge, in addition to the monthly rates for service, is applicable. The charge is equal to the difference between the recurring costs of the specially constructed facilities and the recurring costs of the facilities the Telephone Company would have normally used.</p> <p>(a) When an Optional Payment Charge as set forth in 2.6.4(A)(3) preceding has been elected, the recurring monthly charge will be reduced to include specially constructed facility operating</p>	<p>10.2 Liabilities, Charges and Payments (Cont'd)</p> <p>10.2.7 Types of Charges</p> <p>Two categories of charges may be applicable for Special Construction. These charges are nonrecurring charges and recurring charges. These categories are described below.</p> <p>(A) Nonrecurring Charges</p> <p>One or more of the following nonrecurring charges may apply for each case of Special Construction: case preparation, termination, cancellation, expediting the construction, or optional payment charges.</p> <p>(1) (Reserved for Future Use)</p> <p>(2) Case Preparation Charge (USOC - QPA)</p> <p>The charge for case preparation includes the administrative expense associated with preparing and listing the charges in the tariff. This expense includes such items as: (a) tariff preparation and processing and (b) gross receipts and surcharge taxes.</p> <p>(3) Termination Charge (USOC - MLY)</p> <p>A Termination Charge applies when, at the customer's request, FIA provided on specially constructed facilities which have a tariffed Maximum Termination Liability are discontinued prior to the expiration of the liability period. The charge reflects the unamortized portion of the nonrecoverable cost at the time of termination of the specially constructed FIA adjusted for tax effects, for net salvage and for possible reuse. Administrative costs associated with the specific case of Special Construction and any cost for restoring a location to its original condition are also included. Termination Charges will never exceed the MTL.</p> <p>(4) Cancellation Charge</p> <p>If the customer cancels an ASR with which Special Construction is associated prior to the in-service date of the FIA, a Cancellation Charge will apply. The charge will include all nonrecoverable costs less the net salvage value incurred by the Telephone Company up to and including the time of cancellation.</p> <p>(5) Expediting Charge</p> <p>An Expediting Charge applies when a customer requests that Special Construction be completed on an expedited basis. The charge is equal to the difference in the estimated cost of construction on an expedited basis and construction without</p>

	<p>expenses only.  (b) If the actual cost option as set forth in 2.6.3 preceding has been elected, the recurring charge will be adjusted to reflect the actual cost of the new construction when the costs have been determined. This adjusted recurring charge is applicable from the start of service.</p>	<p>expediting.  (x) Issued under authority of Special Permission No. 90-1220 of the FCC to further defer the effective date from December 3, 1990 to December 17, 1990.  (S)(x)</p> <p>10.2 Liabilities, Charges and Payments (Cont'd)  10.2.7 Types of Charges (Cont'd)  (B) Recurring Charges (Cont'd)  (3) Charge for Route or Type Other Than Normal (Cont'd)  (b) If the customer has elected the actual cost option, the recurring charge will be adjusted to reflect the actual cost of the new construction when the cost is determined. This adjusted recurring charge is applicable from the start of FIA.  (4) Lease Charge  A Lease Charge applies when the Telephone Company leases equipment (e.g., portable microwave equipment) in order to provide FIA to meet the customer's requirements. The amount of the charge is the net added cost to the Telephone Company caused by the lease.  10.2.8 Application of Charges  The charges for Special Construction are those charges which are in effect for the period that the Special Construction is furnished. If the charges for a period covered by a bill change after the bill has been rendered, the bill will be adjusted to reflect the new charges. Charges are based on Special Construction of (A) permanent FIA or (B) temporary FIA.  (A) Special Construction of Permanent FIA  (1) Special Construction When Not Available and There is No Other Requirement for Them  When permanent FIA are not available and the Telephone Company constructs them and there is no other Telephone Company need for the specially constructed FIA, a nonrecurring charge, and a Maximum Termination Liability may be applicable.  (2) Special Construction Using a Route or Type of FIA Other Than Normal  When the specially constructed FIA involve a route or type of FIA other than that which the Telephone Company would ordinarily use, charges are based on the difference between the estimated costs of the specially constructed FIA and those the Telephone Company would ordinarily use. A nonrecurring charge, a recurring charge, and a Maximum Termination Liability may be applicable.  (T)</p>
	(E) <u>Lease Charge</u>	10.2.8 Application of Charges (Cont'd)

	<p>This charge applies when the Telephone Company leases equipment in order to meet service requirements. The amount of the charge is equal to the net added cost to the Telephone Company caused by the lease.</p> <p>(F) <u>Cancellation Charge</u></p> <p>If a service order with which special construction is associated is canceled prior to the start of service, a cancellation charge will apply. The charge will include all nonrecoverable costs incurred by the Telephone Company in association with the special construction up to and including the time of cancellation.</p> <p><u>2.7 Deferral of Start of Service</u></p> <p>The Telephone Company may be requested to defer the start of service which will use specially constructed facilities subject to the provisions set forth in the service tariff under which service is being provided. Requests for special construction deferral must be in writing and are subject to the following regulations:</p> <p><u>2.7.1 Construction Has Not Begun</u></p> <p>If the Telephone Company has not incurred any installation costs before receiving a request for deferral, no charge applies.</p> <p><u>2.7.2 Construction Has Begun</u></p> <p>If the construction of facilities has begun before the Telephone Company receives a request for deferral, charges will vary as follows:</p> <p>(A) <u>All Services Are Deferred</u></p> <p>When all services which will use specially constructed facilities are deferred, a charge based on the costs incurred by the Telephone Company during each month of the deferral will apply. Those costs include the recurring costs for that portion of the facilities already completed and any other costs associated with the deferral.</p> <p>The cost of any components of the nonrecurring charge which have been completed at the time of deferral will also apply.</p> <p>(B) <u>Some Services Are Deferred</u></p> <p>When some services which will use the specially constructed facilities are deferred, the construction case will be completed and all special construction charges will apply.</p> <p><u>2.7.3 Construction Complete</u></p> <p>If the construction of facilities has been completed before the Telephone Company receives a request for</p>	<p>(A) Special Construction of Permanent FIA (Cont'd)</p> <p>(3) Special Construction of a Greater Quantity of FIA Than Necessary to Satisfy the Customer's Order for Service When the Telephone Company constructs more FIA than is required to satisfy the customer's ASR, additional charges will apply. These charges may include a nonrecurring charge, a recurring charge, and a Maximum Termination Liability.</p> <p>(4) Special Construction Expedited at Greater Cost Than Would Otherwise be Incurred When construction is expedited resulting in added costs, a nonrecurring Expediting Charge applies.</p> <p>(B) Special Construction of Temporary FIA Order When permanent FIA are not available and temporary FIA are constructed pending the construction of permanent FIA, a nonrecurring charge, and a Maximum Termination Liability may be applicable.</p> <p>10.3 Deferral of the In-Service Date of FIA</p> <p>10.3.1 General The customer may request the Telephone Company to defer the in-service date of FIA on specially constructed FIA subject to the provisions as set forth in 3.2.2(A) preceding. If the deferral is not in compliance with the provisions as set forth in 3.2.2(A), the Special Construction case is considered to be cancelled and cancellation charges apply. Requests for deferral must be in writing and are subject to the following regulations.</p> <p>10.3.2 Construction Has Not Started If the Telephone Company has not incurred any costs (e.g., engineering and/or installation) before receiving the customer's request for deferral, no charge applies other than the Case Preparation Charge. However, the original quotation is subject to Telephone Company review at the time of reinstatement to determine if the original charges are still valid. Any change in liabilities and charges requires the concurrence of the customer in writing. Additional Case Preparation Charges will also apply.</p> <p>(T)</p> <p>(T)</p> <p>(T)</p> <p>(T)</p> <p>10.3 Deferral of the In-Service of FIA (Cont'd)</p> <p>10.3.3 Construction Has Started But Is Not Complete If the construction of FIA has started, but has not been completed, before the Telephone Company receives the customer's request for deferral, charges apply. The charges vary depending on whether all or some of the FIA ordered are deferred.</p> <p>(A) All FIA Are Deferred When all FIA involving Special Construction are deferred, a charge equal to the costs incurred during each month of the deferral applies. Those costs include the recurring costs for that</p>
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	<p>deferral, all special construction charges will apply.</p>	<p>portion of the FIA already completed and any other costs associated with the deferral. The Case Preparation Charge also applies. Some But Not All FIA Are Deferred When some, but not all, FIA utilizing the specially constructed FIA are deferred, the Special Construction case will be completed. Maximum Termination Liability wily apply in addition to Case Preparation Charges and any recurring charges associated with the Special Construction.</p> <p>10.3.4 Construction Complete If the construction of FIA has been completed before the Telephone Company receives the customer's request for deferral, the case Preparation Charge as (T) originally determined, will apply and any recurring charges associated with the Special Construction. The maximum termination liability period wilt begin (T) when the customer accepts the service. (T)</p> <p>10.4 Charges for Customers Choosing the Optional Liability Period to Provide Permanent FIA 10.4.1 (Reserved for Future Use)</p>
	<p><u>2.8 Definitions</u></p> <p><u>Actual Cost</u> - The term "Actual Cost" denotes all costs charged against a specific case of special construction, including any appropriate taxes.</p> <p><u>Annual Underutilization Liability</u> - The term "Annual Underutilization Liability" denotes a per unit amount which may be billed annually if fewer services are in use utilizing specially constructed facilities at filed tariff rates than were originally specially constructed.</p> <p><u>Estimated Cost</u> - The term "Estimated Cost" denotes all estimated costs that will be incurred in providing a specific case of special construction, including any appropriate taxes.</p> <p><u>Facilities</u> - The term "Facilities" denotes any cable, poles, conduit, microwave or carrier equipment, wire center distribution frames, central office switching equipment, etc., utilized to provide interstate services.</p> <p><u>Initial Liability Period</u> - The term "Initial Liability Period" denotes the initial planning period during which the customer expects to place specially constructed facilities in service.</p> <p><u>Installed Cost</u> - The term "Installed Cost" denotes the total investment (estimated or actual) required by the Telephone Company to provide specially constructed facilities.</p> <p><u>Maximum Termination Liability</u> - The term "Maximum Termination Liability" denotes the maximum amount which may be billed if all services using specially constructed facilities are terminated prior to the expiration of the Maximum Termination Liability Period.</p>	

	<p><u>Maximum Termination Liability Period</u> - The term "Maximum Termination Liability Period" denotes the length of time for which a termination charge may apply if all services using specially constructed facilities are terminated..</p> <p><u>Net Salvage</u> - The term "Net Salvage" denotes the estimated scrap, sale, or trade-in value, less the estimated cost of removal. Cost of removal includes the costs of demolishing, tearing down, or otherwise disposing of the material and any other applicable costs. Since the cost of removal may exceed salvage value, net salvage may be negative.</p> <p><u>Nonrecoverable Cost</u> - The term "Nonrecoverable Cost" denotes the cost of specially constructed facilities for which the Telephone Company has no foreseeable use should the service be terminated.</p> <p><u>Normal Construction</u> - The term "Normal Construction" denotes all facilities the Telephone Company would normally use to provide service in the absence of a requirement for special construction.</p> <p><u>Normal Cost</u> - The term "Normal Cost" denotes the estimated cost to provide services using normal construction.</p> <p><u>Permanent Facilities</u> - The term "Permanent Facilities" denotes facilities providing service for one month or more.</p> <p><u>Recoverable Cost</u> - The term "Recoverable Cost" denotes the cost of the specially constructed facilities for which the Telephone Company has a foreseeable reuse, either in place or elsewhere, should the service be terminated.</p> <p><u>Termination Charge</u> - The term "Termination Charge" denotes the portion of the Maximum Termination Liability that is applied as a nonrecurring charge when all services are discontinued prior to the expiration of the specified liability period.</p>	
<p>Section 3</p> <p><u>Reserved for Future Use</u></p> <p>Same as GSTC</p>	<p>Section 3</p> <p><u>Reserved for Future Use</u></p>	
<p>Section 4</p> <p><u>Reserved for Future Use</u></p> <p>This section not in Valor Tariff</p>	<p>Section 4</p> <p><u>Reserved for Future Use</u></p>	