

COMPETITIVE LOCAL CARRIER

8. SPECIAL ARRANGEMENTS AND CONSTRUCTION

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Special arrangements will be developed on a case-by-case basis in response to a bona fide special request from the Customer or prospective Customer to develop a competitive bid for a service not generally available under this Tariff. Rates and charges for special arrangements or special construction will be offered to the Customer in writing and on a non-discriminatory basis. Special arrangements and construction shall be subject to the provisions of General Order 96-A.

Where the Company furnishes a facility or service under a special arrangement or special construction, charges will be based on the costs incurred by the Company and may include: (1) non-recurring type charges; (2) recurring type charges; (3) termination liabilities; or (4) combinations thereof.

8.1 BASIS FOR COST COMPUTATION

Costs for special construction may include one or more of the following items to the extent they are applicable:

- 8.1.1 Cost of installed facilities to be provided including estimated costs for the rearrangements of existing facilities. Cost may include: installation of equipment and materials provided or used; engineering, labor and supervision during construction; transportation of materials; and rights-of-way required for transmission facilities;
- 8.1.2 Cost of maintenance;
- 8.1.3 Depreciation on the estimated cost installed of any facilities provided, based on the anticipated useful service life of the facilities with an appropriate allowance for the estimated net salvage;
- 8.1.4 Administration, taxes and uncollectible revenue on the basis of reasonable average costs for these items;
- 8.1.5 License preparation, processing and related fees;
- 8.1.6 Tariff preparation, processing and other related regulatory fees;
- 8.1.7 Any other identifiable costs related to the facilities provided; and
- 8.1.8 An amount for return and contingencies.

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8. SPECIAL ARRANGEMENTS AND CONSTRUCTION – (Cont'd)

(N)

8.2 TERMINATION LIABILITY

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the Customer.

The termination liability period is the estimated service life of the facilities provided.

The amount of the maximum termination liability is equal to the estimated cost for installation and operation of the service during its service life. Costs include those items previously listed in Section 8.1.

The applicable termination liability will be calculated based on the following:

- 8.2.1 Multiplying the sum of the amounts determined as set forth in Section 8.1 above by a factor related to the unexpired period of liability and the discount rate for return and contingencies.
- 8.2.2 The amount determined in Section 8.1.1 above shall be adjusted to reflect the predetermined estimate net salvage, if any, including any reuse of the facilities provided.
- 8.2.3 The final termination liability is then adjusted to reflect applicable taxes on regulatory fees.

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8.3 NON-ROUTINE INSTALLATION AND/OR MAINTENANCE

At the Customer's request, installation and/or maintenance may be performed outside the Company's regular business hours, or (in the Company's sole discretion and subject to any conditions it may impose) in hazardous locations. In such cases, charges based on the cost of labor, material, and other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customer's request, extends beyond regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

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