E014 Special Construction

PSC KY. TARIFF 2E Second Revised Page 1 Cancels First Revised Page 1 EFFECTIVE: October 30, 1992

E14. SPECIAL CONSTRUCTION

CONTENTS

E14.1 A	Application	1	
E14.1.1	General	l	
E14.2 F	legulations	1	
E14.2.1	Reserved For Future Use	1	(T)
E14.2.2	Ownership Of Facilities	1	
E14.2.3	Interval To Provide Facilities	I	
E14.2.4	Special Construction Involving Interstate And Intrastate Facilities	1	
E14.2.5	Payments For Special Construction	1	
E14.2.6	Reserved For Future Use	2	
E14.2.7	Liabilities And Charges For Special Construction	2	
E14.2.8	Deferral Of The Start Of Service	5	
E14.2.9	Definitions	5	
E14.3 A	opplication of Charges	6	
E14.3.1	General	6	
E14.3.2	Reserved For Future Use	6	(T)
E14.3.3	Reserved For Future Use	6	(T)
E14.4 R	leserved For Future Use	6	(T)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

OCT 3 0 1992

PURSUANT TO 807 KAR 5:011. SECTION 9 (1)

BY: <u>Charge telle</u> BY: _

E14. SPECIAL CONSTRUCTION

E14.1 Application

E14.1.1 General

- A. This section contains the regulations, rates, charges and liabilities applicable for special construction of intrastate facilities which are used to provide intrastate services offered under this Tariff, except for those offered in Section E12.
- **B.** When special construction of facilities is required, the provisions of this section apply in addition to all regulations, rates and charges set forth in other sections of this Tariff.

E14.2 Regulations

E14.2.1 Reserved For Future Use

E14.2.2 Ownership of Facilities

The Company, providing specially constructed facilities under the provisions of this Tariff, retains ownership of all such facilities.

E14.2.3 Interval To Provide Facilities

Based on available information and the type of service ordered, the Company will establish a completion date for the specially constructed facilities. If the scheduled completion date cannot be met due to circumstances beyond the control of the Company, a new completion date will be established and the customer will be notified.

E14.2.4 Special Construction Involving Interstate and Intrastate Facilities

When special construction involves facilities used to provide both interstate and intrastate service, charges for the portion of the construction used to provide intrastate service shall be in accordance with this Tariff. Charges for the portion of the construction used to provide interstate service shall be in accordance with the appropriate Federal Communications Commission (FCC) tariff.

E14.2.5 Payments for Special Construction

A. Payment of Charges

All bills associated with special construction charges are due in accordance with the appropriate rate regulations in the service tariff under which service is being provided.

Regulations set forth in E2.4.1 preceding apply.

B. Start/End of Billing

Billing of recurring charges for specially constructed facilities starts on the day after the facilities are made available for use. Billing accrues through and includes the day that the specially constructed facilities are discontinued.

C. Credit Allowance for Service Interruptions

In the event of a service interruption involving a specially constructed facility, the customer shall receive a recurring monthly charge credit in accordance with the credit allowance provisions in E2.4.4. of this Tariff. (DELETED)

(D)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) Clora falles BY: PUBLIC SERVICE COMMISSION MANAGER

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.6 Reserved for Future Use

E14.2.7 Liabilities and Charges for Special Construction

A. General

This section describes the various charges and liabilities that may apply when the Company provides special construction of facilities in accordance with an order for service. The customer must provide the Company with written approval of all liabilities and charges prior to the start of construction. If more than one condition requiring special construction is involved, charges for each condition apply (see B. following.)

B. Conditions Requiring Special Construction

Special construction is required when 1) facilities are not available to meet a customer's order for service, and 2) the Company constructs facilities, and 3) one or more of the following conditions exist:

- 1. The Company has no other *planned use* for the facilities requested;
- 2. The customer requests that service be furnished using a type of facility, or via a route, other than that which the Company would normally utilize in furnishing the requested service;
- 3. The customer requests the construction of more facilities than would normally be required to satisfy its order for service;
- 4. The customer requests construction be advanced, resulting in added cost to the Company.
- C. Development of Liabilities and Charges

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 contruction. In order to meet a scheduled service date when actual costs are requested, an initial special construction case may be prepared based on estimated costs. Such case will be revised when actual costs are available.

D. Types of Liabilities and Charges

Depending on the specifics associated with each individual case, one or more of the following special construction charges and/or liabilities may be applicable.

1. Nonrecurring Charge for Special Construction of Facilities for Use for More Than One Month

When special construction of a facility is requested for use for more than one month, a nonrecurring (N) charge will apply. This charge will be composed of several components as described below based on the criteria listed in B. preceding.

a. Case Preparation Charge Component

This component will always apply and covers the cost of admininistrative expenses associated with (T) preparing a special construction case, and the associated tariff filing.

b. Expediting Charge Component

This component may apply when a customer requests completion of the special construction on an expedited basis. The charge is equal to the difference in the estimated cost between expedited and nonexpedited construction.

c. (DELETED)

(D)

(T)

(T)

(C)

(T)

(T)

(T)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY: PUBLIC SERVICE COMMISSION MANAGER

E14. SPECIAL CONSTRUCTION

ACCESS SERVICES TARIFF

E14.2 Regulations (Cont'd)

E14.2.7 Liabilities and Charges for Special Construction (Cont'd)

D. Types of Liabilities and Charges (Cont'd)

1.	Nonrecurring Charge for Special Construction of Facilities for Use for More Than One Month (Cont'd)			(C)
	d.	Nonrecoverable Cost Component	•	(C)
		This component may apply to specially constructed facilities for use for more than one month, and is equal to the present worth of the capital costs of the nonrecoverable facilities installed to provide service and will be calculated based on the average life of the facility.		(C)
	e.	Advancement Charge Component		(C)
		This component may apply when the customer requests that planned construction be started and completed earlier than scheduled. The charge equals the difference in estimated cost between advanced and planned construction.		(C)
	f.	Lease Charge Component		(C)
	. •	This component may apply when the Company leases equipment in order to meet service requirements. The amount is equal to the net added cost to the Company caused by the lease.		(C)
		An Optional Payment arrangement may apply as specified in E. following for specially constructed facilities placed for use for more than one month.		(N)
2.	(D	ELETED)		(D)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY: <u>Harriston Faller</u> PUBLIC SERVICE COMMISSION MANAGEP

PSC KY. TARIFF 2E First Revised Page 2.2 Cancels Original Page 2.2 EFFECTIVE: April 8, 1994

(D)

(D)

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.7 Liabilities and Charges for Special Construction (Cont'd)

D. Types of Liabilities and Charges (Cont'd)

- 2. (DELETED)
 - 3. (DELETED)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) BY: <u>Hover delle</u>

PUBLIC SERVICE COMMISSION MANAGEP

PSC KY. TARIFF 2E Second Revised Page 2.3 Cancels First Revised Page 2.3 EFFECTIVE: April 8, 1994

(D)

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.7 Liabilities and Charges for Special Construction (Cont'd)

- D. Types of Liabilities and Charges (Cont'd)
 - 3. (DELETED)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

(D)

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.7 Liabilities and Charges for Special Construction (Cont'd)

- D. Types of Liabilities and Charges (Cont'd)
 - 3. (DELETED)
 - 4. Nonrecurring Charge for Special Construction of Facilities for Use for Less Than One Month

In addition to the nonrecurring charge components listed in D.1. preceding, all non-capital types of costs (N) incurred to install the specially constructed facility will apply, i.e., circuit engineering, shipping of equipment, equipment installation, line up, space rental, equipment removal, etc.

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.7 Liabilities and Charges for Special Construction (Cont'd)

- D. Types of Liabilities and Charges (Cont'd)
 - Nonrecurring Monthly Charge for Special Construction of Facilities for Use for Less Than One Month 4. (C) (Cont'd) (D)
 - (DELETED)

An Optional Payment Arrangement described following will not apply for specially constructed facilities (C) placed for use for less than one month.

(DELETED) 5.

(D)

(N)

6. Cancellation Charge

If a service order with which special construction is associated is cancelled prior to the start of service, a cancellation charge will apply. The charge will include all nonrecoverable costs incurred by the Company in association with the special construction up to and including the time of cancellation.

E. Optional Payment Arrangement

1. Optional Payment Arrangement for Nonrecurring Charge

As an alternative to a lump sum payment of the entire nonrecurring charge as specified in D.1. preceding, an optional payment arrangement may be elected by the customer. This arrangement provides for amortizing all or a portion of the nonrecurring charge over a payment period, to be specified by the customer, not to exceed ten years, with any portion of the nonrecurring charge which is not amortized due and payable in an up-front lump sum amount. If the customer discontinues use of the specially constructed facilities prior to the end of the chosen payment period, the unpaid principle shall become due and payable in a lump sum.

The Company may reasonably require that the customer provide security for payment of the amount (N) amortized as a precondition to the customer's use of the Optional Payment Arrangement.

> PUBLIC SERVICE COMMISSION OF KENTUCKY CFFECTIVE

> > 8 1994 APR

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) EY:

PUBLIC SERVICE COMMISSION MANAGEP

PSC KY. TARIFF 2E Second Revised Page 4 Cancels First Revised Page 4 EFFECTIVE: Octoher 30, 1992

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

(T)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

OCT 3 0 1992

PURSUANT TO 807 KAR 5:011, SECTION 9 (1) llou 1200 BY: PUBLIC SERVICE COMMISSION MANAC

(T)

(T)

E14. SPECIAL CONSTRUCTION

ACCESS SERVICES TARIFF

E14.2 Regulations (Cont'd)

E14.2.8 Deferral of the Start of Service

The 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:

A. Construction Has Not Begun

If the Company has not incurred any installation costs before receiving the customer's request for deferral, no charge applies.

B. Construction Has Begun

If the construction of facilities has begun before the Company receives the customer's request for deferral, charges will vary as follows:

1. All Services Are Deferred

When all services which will use specially constructed facilities are deferred, a charge equal to the costs incurred by the Company during each month of the deferral applies. Those costs include the recurring costs for that portion of the facilities already completed and any other costs associated with the deferral. The cost of any components of the nonrecurring charge which have been completed at the time of deferral will also apply.

2. Some Services Are Deferred

When some services which will use the specially constructed facilities are deferred, the special construction case will be completed and all special construction charges will apply.

C. Construction Complete

If the construction of facilities has been completed before the Company receives the customer's request for deferral, all special construction charges will apply.

E14.2.9 Definitions

ACTUAL COST

The term "Actual Cost" denotes all costs charged against a specific case of special construction, including any appropriate taxes.

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011, SECTION 9 (1)

<u>Alora</u> BY: PUBLIC SERVICE COMMISSION MANAGE?

jan i

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.9 Definitions (Cont'd)

(DELETED)

(D)

AVERAGE ACCOUNT LIFE

The term "Average Account Life" denotes the depreciation life prescribed by the Public Service Commission for each class of telephone plant.

ESTIMATED COST

The term "Estimated Cost" denotes all estimated costs that will be incurred in providing a specific case of special construction, including any appropriate taxes.

FACILITIES

The term "Facilities" denotes any cable, poles, conduit, microwave or carrier equipment, wire center distribution frames, central office switching equipment, etc., utilized to provide intrastate services offered under the tariffs referenced by this Tariff.

INITIAL LIABILITY PERIOD

The term "Initial Liability Period" denotes the initial planning period during which the customer expects to place specially constructed facilities in service.

INSTALLED COST

The term "Installed Cost" denotes the total investment (estimated or actual) required by the Company to provide specially constructed facilities.

(DELETED) (DELETED)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) BY: Hore felle BY:

E14. SPECIAL CONSTRUCTION

E14.2 Regulations (Cont'd)

E14.2.9 Definitions (Cont'd)

NET SALVAGE

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.

NONRECOVERABLE COST

The term "Nonrecoverable Cost" denotes the cost of *facilities* specially constructed for *an individual customer* for which the Company has no *other planned* use should the service be terminated.

NORMAL CONSTRUCTION

The term "Normal Construction" denotes all facilities the Company would normally use to provide service in the absence of a requirement for special construction.

NORMAL COST

The term "Normal Cost" denotes the estimated cost to provide services using normal construction.

PERMANENT FACILITIES

The term "Permanent Facilities" denotes facilities providing service for one month or more.

(DELETED) (DELETED) (D)

(D)

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE

APR 8 1994

SOUTH CENTRAL BELL TELEPHONE COMPANY KENTUCKY ISSUED: September 30, 1992

PSC KY. TARIFF 2E Second Revised Page 6 Cancels First Revised Page 6 EFFECTIVE: October 30, 1992

BY: M. H. Greene, President - KY Louisville, Kentucky

E14. SPECIAL CONSTRUCTION

E14.3 Application of Charges

E14.3.1 General

...

This section contains special construction charges to provide facilities constructed in accordance with this Tariff as required. Charges are developed on an individual case basis. facilities, or temporary facilities.

E14.3.2 Reserved For Future Use	(T)
E14.3.3 Reserved For Future Use	(T)
E14.4 Reserved For Future Use	(N)

PUBLIC SERVICE COMMISSION OF KENTUCKY **EFFECTIVE**

OCT 3 0 1992

PURSUANT TO 807 KAR 5:011. SECTION 9 (1) Class BY: PUBLIC SERVICE COMMISSION MAHA