

CONSTRUCTION CHARGES

1. GENERAL

In the interest of the general body of subscribers and in providing just and reasonable rates and charges it may become necessary to impose additional charges to establish service in certain instances, e.g. (1) exchange service is ordered in an area where no facilities are available; (2) the facilities required will be temporary; (3) unusual costs are involved in furnishing the service or facilities.

The provision of service may require the payment of a construction charge by the applicant ordering the service or requesting the facilities. This charge is in addition to the regular rates and charges applicable for the exchange service provided.

With the approval of the Company, the applicant, if he so elects, may furnish material, transportation, or labor, in accordance with the normal construction standards of the Company. In all instances the ownership of facilities shall be entirely vested in the Company. The locations of line extensions are determined by the Company.

When an applicant is so located that it is necessary to use private and/or public right-of-way to furnish service, and the Company is unable to obtain the required right-of-way without cost, the applicant may be required to pay the costs incurred in securing the right-of-way in addition to other charges.

Line extension charges to applicants will be based on Rural Utilities Service (RUS) Rules and Regulations, when applicable. In case of disagreement or dispute regarding the application of any provisions of this rule, or in circumstances where the application of this rule appears impracticable or unjust to either party, the utility, applicant or applicants may refer the matter to the Public Service Commission of Utah for ruling.

CONSTRUCTION CHARGES (Cont'd)

2. LINE EXTENSIONS

RATES

A. Line Extensions and Upgrades:

1. If the line extension is less than 1000 feet of distribution cable No Charge
2. If the line extension is 1000 feet or greater of distribution cable First 1000 feet is free. Each additional foot is \$1.50/ft.
3. The Telephone Company may require the applicant(s) to sign a minimum revenue guarantee for the cost of construction or three years local service revenue, whichever is less, in addition to the Line Extension Contract, if any.

B. Rights-of-Way or Easements

Rights-of-way and easements to the premises, satisfactory to the company, must be furnished without costs by the applicant on public lands and private property.

CONSTRUCTION CHARGES (Cont'd)

CHARGES TO SUBSEQUENT APPLICANTS

When a new applicant applies for service within three (3) years from the date of the initial established service upon which line extension charges were assessed, the line extension charges applicable to the new applicant will be based upon the distance from the original connection to the distribution cable at the same charges stated above.

CONSTRUCTION CHARGES (Cont'd)

DISCONNECTS AND REUSE OF FACILITIES

When one or more subscribers on a project disconnect within the three-year term, no refund is made of the line extension charge to the disconnected subscribers. Charges to remaining subscribers are not affected by disconnects.

When a subscriber disconnects service or moves off the project and service is established for a new applicant at the same location, any adjustment in charges is a matter for negotiation between the original subscriber and the new applicant. The original subscriber is responsible for any unpaid line extension charges.

Where a subscriber is disconnected for any reason and subsequently re-applies for service from the same premises or another premises on the same project, the subscriber will not be required to pay any additional line extension charges in addition to his total original obligation.

REAL ESTATE SUBDIVISIONS

- A. The Company will make the line extensions and/or additions into real estate subdivisions.
- B. The Company retains ownership to all facilities so placed.
- C. Charges associated with line extensions into real estate subdivision shall be as follows:
 - 1. If the cable is placed by the Company in a developer-prepared trench dug to the Company's specifications, the amount to be paid by the developer will be a minimum of \$100.00 per lot or dwelling or actual cost, whichever is more, based on engineering specifications prepared by the Company

CONSTRUCTION CHARGES (Cont'd)

REAL ESTATE SUBDIVISIONS (Cont'd)

C. Cont'd)

2. If the Company digs the trench and places the cable, the amount to be paid by the developer will be actual costs incurred by the Company.
3. If a developer provides an electronic plat map of the subdivision to the Company, the developer will be provided a one-time \$100.00 credit toward the construction charge.

CONSTRUCTION CHARGES (Cont'd)

RIGHTS-OF-WAY AND EASEMENTS

1. Within the applicant's subdivision, the Company will construct, own, operate, and maintain facilities only along public streets, roads, and highways which the Company has the legal right to occupy, and on public lands and private property across which rights-of-way and easements satisfactory to the Company may be obtained without cost or need for condemnation by the Company.
2. Rights-of-way and easements, within the subdivision, satisfactory to the Company, must be furnished by the applicant in reasonable time to meet construction and service requirements before the Company shall be required to commence its installation. Such rights-of-way and easements must be cleared of trees, tree stumps and other obstructions and graded to within six inches of final grade, by applicant, at no charge to the Company. Such clearance and grading must be maintained by the applicant during construction by the Company.

4. TEMPORARY OR SPECULATIVE SERVICE

Line extensions and/or additions to provide service to an applicant engaged in temporary or speculative business will be made on the condition that applicant pays to the Company the total cost of the construction and removal of the line necessary in furnishing the service.

If a subscriber maintains for thirty-six consecutive months a service installation which was originally established on a temporary or speculative basis, and if his business or operation at the end of that time has proven its permanency to the satisfaction of the Company, there will be refunded to the subscriber an amount equal to the difference between the payment made and the normal line extension charge which would have been applicable at the time the subscriber's service was installed.

In no event shall service installation be classed as temporary or speculative for more than three years. Refund provisions apply at the end of not more than three years.

5. SAVING CLAUSE

Arrangements may be made, other than as provided for above in this schedule, in the following cases:

Where the applicant requests a particular type of construction or a specific route for extensions to meet the applicant's special requirements and where the construction or route so requested differs from the normal standards of the Company and is not required by law.

CONSTRUCTION CHARGES (Cont'd)

5. SAVING CLAUSE (Cont'd)

Line extensions involving underground crossings of railroads, highway or power lines, submarine cable, or along river crossings.

Where construction is required to provide service on a seasonal basis, or to provide Foreign Exchange Service, or to meet other unusual conditions.

Any other line extension and/or additions involving unusual or disproportionately large construction expenditures as compared to the usual line extension.