

CenturyLink Operating Companies

Tariff F.C.C. No. 9

Transmittal No. 4

Description and Justification

The CenturyLink operating companies (CLOC) hereby submit the following information in support of the accompanying tariff filing, as required by Sections 61.38 and 61.41 through 61.49 of the Federal Communications Commission's Rules and Regulations.

This filing is being made on 15 days' notice under the Federal Communications Commission's streamlined filing procedures, and proposes special construction nonrecurring charges for the installation of fiber optic cable in order to satisfy the requirements of customers in the states of Minnesota, Missouri and Texas (CLOC Tariff F.C.C. No. 9).

Special Construction Individual Case Basis Filings

CenturyLink proposes to add nonrecurring charges for the special construction of DS1 and DS3 fiber optic facilities designed to satisfy the specific requirements of customers in the states of Minnesota, Missouri and Texas. The proposed rates and charges recover the cost of materials, engineering and installation incurred by the Telephone Company, which is in addition to the investment costs included in the monthly recurring rates associated with the special access services requested. Rate development worksheets detailing the calculation of the proposed rates and charges for each special construction case are included as Exhibits 1-1 through 1-4.

Conclusion

The CenturyLink operating companies are submitting the accompanying tariff revisions in accordance with the Commission's Rules governing the provision of interstate access services and pricing flexibility. The rates and charges proposed in this filing are demonstrated to be fully cost-based and reasonable, and are supported, where required, by exhibits detailing cost and rate development.

Interstate Access Rate Development

Company: CenturyLink Operating Companies - Embarq Minnesota, Inc.

Rate Element: Special Construction - Fiber Optic Cable and Taxes and Maintenance
Qwest

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment	\$	0
2. Outside Plant Investment	\$	15,404
3. Total Investment Cost (Line 1 + Line 2)		15,404
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)	\$	15,404

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 5,135	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	1,196	7.77%
10. Federal and State Tax	1,667	10.82%
11. Total Annual Cost (Line 6 thru Line 10)	\$ 7,998	51.92%
12. Total Monthly Cost (Line 11 / 12)	\$ 667	

C. Non-Recurring Cost

13. Non-Recurring Cost	\$ 17,116
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D. Pricing

14. Proposed Nonrecurring Charge	\$ 18,485.00
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Interstate Access Rate Development

Company: CenturyLink Operating Companies - Embarq Missouri, Inc.

Rate Element: Special Construction - Fiber Optic Cable and Taxes and Maintenance
US Cellular

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment	\$	-
2. Outside Plant Investment	\$	5,294
3. Total Investment Cost (Line 1 + Line 2)		5,294
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)	\$	5,294

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 1,765	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	411	7.77%
10. Federal and State Tax	525	9.92%
11. Total Annual Cost (Line 6 thru Line 10)	\$ 2,701	51.02%
12. Total Monthly Cost (Line 11 / 12)	\$ 225	

C. Non-Recurring Cost

13. Non-Recurring Cost	\$ 5,883
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D. Pricing

14. Proposed Nonrecurring Charge	\$ 6,647.00
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Interstate Access Rate Development

Company: CenturyLink Operating Companies - United Telephone Company of Texas, Inc.

Rate Element: Special Construction - Fiber Optic Cable and Taxes and Maintenance
AT&T Mobility

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment	\$	0
2. Outside Plant Investment	\$	30,790
3. Total Investment Cost (Line 1 + Line 2)		30,790
4. Net Salvage Value - Material	\$	(0)
5. Net Installed Cost (Line 3 - Line 4)	\$	30,790

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 10,263	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	2,391	7.77%
10. Federal and State Tax	2,924	9.50%
11. Total Annual Cost (Line 6 thru Line 10)	\$ 15,579	50.60%
12. Total Monthly Cost (Line 11 / 12)	\$ 1,298	

C. Non-Recurring Cost

13. Non-Recurring Cost	\$ 34,212
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D. Pricing

14. Proposed Nonrecurring Charge	\$ 38,659.06
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Interstate Access Rate Development

Company: CenturyLink Operating Companies - Central Telephone Company of Texas

Rate Element: Special Construction - Fiber Optic Cable and Taxes and Maintenance
AT&T

A. Investment (Equipment & Labor)

1. Circuit Equipment Investment	\$	-
2. Outside Plant Investment	\$	13,570
3. Total Investment Cost (Line 1 + Line 2)		13,570
4. Net Salvage Value - Material	\$	-
5. Net Installed Cost (Line 3 - Line 4)	\$	13,570

B. Annual & Monthly Cost

		% Total Investment
6. Depreciation	\$ 4,523	33.33%
7. Ad Valorem Taxes	-	0.00%
8. Maintenance & Other Expenses	-	0.00%
9. Return	1,054	7.77%
10. Federal and State Tax	1,289	9.50%
11. Total Annual Cost (Line 6 thru Line 10)	\$ 6,866	50.60%
12. Total Monthly Cost (Line 11 / 12)	\$ 572	

C. Non-Recurring Cost

13. Non-Recurring Cost	\$ 15,077
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D. Pricing

14. Proposed Nonrecurring Charge	\$ 17,038.00
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