
ACCESS SERVICE

12. Specialized Service or Arrangements12.1 General

Specialized Service may be provided by the Telephone Company, at the request of a customer, on an Individual Case Basis, if such service or arrangements meet the following criteria:

- The requested service or arrangements are not offered under other sections of this tariff.
- The facilities utilized to provide the requested service or arrangements are of a type normally used by the Telephone Company in furnishing its other services.
- The requested service or arrangements are provided within concurring carrier territories.
- The requested service or arrangements are compatible with other Telephone Company services, facilities, and its engineering and maintenance practices.
- This offering is subject to the availability of the necessary Telephone Company personnel and capital resources.

12.1.1 Definitions

Certain terms used in this Section 12 are defined as follows.

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

Annual Underutilization Liability - 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.

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 interstate services.

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12. Specialized Service or Arrangements (Cont'd)12.1 General (Cont'd)12.1.1 Definitions (Cont'd)

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

Maximum Termination Liability - 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.

Maximum Termination Liability Period - 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.

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 specially constructed facilities for which the Telephone Company has no foreseeable use should the service be terminated.

Normal Construction - 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.

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.

Recoverable Cost - 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.

Termination Charge - 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.

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12. Specialized Service or Arrangements (Cont'd)12.1 General (Cont'd)12.1.2 Move Charges

When service without a maximum terminating liability charge associated with it is moved to a different building, the nonrecurring charge applies; when moved to a new location in the same building, a charge of one-half the nonrecurring charge applies.

When service with a maximum termination liability charge associated with it is moved and is reinstalled at a new location, the customer may elect:

- to pay the unexpired portion of the maximum termination liability charge for the service, if any, with the application of a nonrecurring charge and the establishment of a new maximum termination liability charge for such service at the new location, or
- to continue service subject to the unexpired portion of the maximum termination liability charge, if any, and pay the estimated costs of moving such service, provided that the customer requests these charges be quoted prior to ordering the service move. Charges for moving such service will be based on estimated costs attributable to the move.

12.2 Regulations12.2.1 Filing of Charges

Rates, charges and liabilities for specialized service to provide facilities for use for one month or more are filed in Section 12.3 following, as appropriate.

Rates, charges and liabilities for the construction of facilities for use for less than one month are filed in supplements to this tariff.

12.2.2 Ownership of Facilities

The Telephone Company providing specialized service under the provisions of this tariff retains ownership of all such facilities.

12.2.3 Interval to Provide Facilities

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

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations12.2.4 Specialized Service Involving Both Interstate and Intrastate Facilities

When specialized service involves facilities to be used to provide both interstate and intrastate services, charges for the portion of the construction used to provide interstate service shall be in accordance with this tariff. Charges for the portion of the construction used to provide intrastate service shall be in accordance with the appropriate intrastate tariff.

12.2.5 Payments for Specialized Service(A) Payment of Charges

All bills associated with specialized service charges are due in accordance with the regulations set forth in this tariff.

(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 specialized service facilities are discontinued.

(C) Credit Allowance for Service Interruptions

In the event of a service interruption involving specialized service facility, the customer shall receive a recurring monthly charge credit in accordance with the credit allowance provisions set forth in this tariff.

When an interruption continues due to the failure of the customer to authorize the replacement of facilities subject to a Replacement Charge, as specified in 12.2.6(D)(1)(d) following, the credit allowance will be terminated on the seventh calendar day after the Telephone Company has provided the customer with written notification of the need for replacement. The credit allowance will resume on the day after the Telephone Company receives written authorization for the replacement from the customer.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations12.2.6 Liabilities and Charges for Specialized Service(A) General

This section describes the various charges and liabilities that may apply when the Telephone Company provides specialized service 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.

(B) Conditions Requiring Specialized Service

Specialized service is required when 1) facilities suitable to the customer 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:

- The Telephone Company has no other requirement for the facility requested.
- It is required 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.
- More facilities are requested than would normally be required to satisfy an order.
- It is required that construction be expedited, resulting in added cost to the Telephone Company.

(C) Development of Liabilities and Charges

Specialized service 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.

In order to meet a scheduled service date when actual costs are requested, an initial specialized service filing may be made based on estimated costs. Such a filing will be revised when actual costs are available.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges

Depending on the specifics associated with each individual case, one or more of the following specialized service charges and/or liabilities may be applicable:

(1) Nonrecurring Charge

A nonrecurring charge always applies and includes one or more of the following components:

- (a) A nonrecurring charge always includes a case preparation charge component to cover the administrative expenses associated with preparing a specialized service case and the associated tariff filing.

(b) Expediting Charge

A nonrecurring charge may include an expediting charge when it is requested that specialized service be completed on an expedited basis. The charge equals the difference in estimated cost between expedited and non-expedited construction.

(c) Optional Payment

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 specialized service. This charge is equal to the excess installed cost or the total Nonrecoverable cost, whichever is less. 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 specialized service.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges (Cont'd)(1) Nonrecurring Charge (Cont'd)(d) Replacement Charge

If any portion of specialized service 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 specialized services. 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.

(e) Rearrangement Charge

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

(f) Specialized Services 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 an other costs associated with the construction of the facilities.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges (Cont'd)(2) Maximum Termination Liability and Termination Charge

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

The liability period is equal to the initial period of time over which the customer has agreed to lease the specialized service. 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 and decreases in monthly increments over the course of the liability period. In the event that a customer discontinues use of all specialized service prior to the expiration of the liability period, the Maximum Termination Liability charge shall be computed as follows:

The ratio of the number of months remaining in the liability period multiplied by the Maximum Termination Liability.

At the expiration of the liability period for the specialized service, the customer may elect to extend the use of the specially constructed facilities. A customer shall not be subject to a Maximum Termination Liability charge for use of such facilities beyond the liability period, but shall pay such recurring and nonrecurring charges as may be applicable.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges (Cont'd)(2) Maximum Termination Liability and Termination Charge (Cont'd)

A Termination Charge will 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 nonrecoverable costs at the time of termination, adjusted for net salvage and possible reuse. Administrative costs associated with the specific case of specialized service 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.

A partial termination of specialized service 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 specialized services were discontinued, at the time partial termination is elected, by the percentage of specialized services 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 specialized services the customer will remain liable for.

Example

A customer with a filed Maximum Termination Liability of \$100,000 for 3600 specialized services 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 $\$60,000 \times 900/3600$, or \$15,000.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges (Cont'd)(3) Annual Underutilization Liability and Underutilization Charge

Annual Underutilization Liability is a per unit amount which is based on the per unit cost of the specialized service. The liability remains in effect until the expiration of the Maximum Termination Liability or until the special construction case is discontinued and all termination liabilities associated with the case are discharged.

An underutilization charge may be applicable after the expiration of the minimum period, as set forth in the appropriate service tariff, depending on the quantity of specialized service in service.

No underutilization charges are computed or billed until one year after the minimum period expires. At that time, an underutilization charge applies to the difference, if any, between 70% of the original number of specially constructed facilities and the number of specially constructed facilities in service at filed tariff rates. The underutilization charge applies from the date the minimum period expires and annually thereafter. For purposes of determining an underutilization charge, any facilities subject to minimum period monthly charges are considered to be in service at filed tariff rates.

Example 1

In response to a customer order for access service, a 100 pair cable is specially constructed. The annual underutilization liability, in this example, is determined to be, and is filed at, \$10.00 per pair. After 13 months (the minimum service period plus one year), 60 pairs are in service, which results in an underutilization of 10 pairs, i.e., $(70\% \text{ of } 100) - 60 = 10$. The underutilization Charge is \$100.00, or $\$10.00 \times 10$ pairs.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.6 Liabilities and Charges for Specialized Service (Cont'd)(D) Types of Liabilities and Charges (Cont'd)(3) Annual Underutilization Liability and Underutilization Charge
(Cont'd)Example 2

A customer orders 200 services. The Telephone Company and the customer agree to specially construct a 600 pair building cable to satisfy the current order, as well as future requirements.

The annual underutilization liability is \$2.00 per pair. If 400 pairs are in service at the end of 13 months (the minimum service period plus one year), then there is an underutilization of 20 pairs, i.e., $(70\% \text{ of } 600) - 400 = 20$. The Underutilization Charge is \$40.00, or $\$2.00 \times 20$ pairs.

(4) Lease Charge

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.

(5) 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 Telephone Company in association with the special construction up to and including the time of cancellation.

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12. Specialized Service or Arrangements (Cont'd)12.2 Regulations (Cont'd)12.2.7 Deferral of Start of Service

The Telephone Company may be requested to defer the start of service which will use constructed facilities subject to the provisions set forth in the service tariff under which service is being provided. Requests for specialized service deferral must be in writing and are subject to the following regulations:

(A) Construction Has Not Begun

If the Telephone Company has not incurred any installation costs before receiving a request for deferral, no charge applies.

(B) Construction Has Begun

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

(1) All Services Are Deferred

When all services which will be 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. 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 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 Telephone Company receives a request for deferral, all special construction charges will apply.

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12. Specialized Service or Arrangements (Cont'd)12.3 Rates and Charges

Rates and charges and additional regulations, if applicable, for specialized service arrangements will be provided on an Individual Case Basis.

<u>Customer Name</u>	<u>Location</u>	<u>Description</u>
Nextel West Corp.	12626 US 12 Brooklyn, Michigan	8 DS1 Circuits 1 DS3 Circuit 1 DS3 Circuit, diverse route
	Recurring Charges	Standard Tariffed Rates
	Non-Recurring Charges	Standard Tariffed Rates
	<u>Maximum Termination Liability</u>	
	8 DS1 Circuits	\$107,157.60
	DS3 Circuit, Standard Routing	\$84,825.00
	DS3 Circuit, Diverse Routing	\$87,075.00
	<u>Effective</u>	<u>Expiration</u>
	June 1, 2004	May 31, 2009