

QWEST CORPORATION
ACCESS SERVICE
TARIFF F.C.C. NO. 2
DESCRIPTION AND JUSTIFICATION
SPECIAL CONSTRUCTION

INTRODUCTION AND DESCRIPTION

This filing is being made by Qwest Corporation (Qwest) in its Tariff F.C.C. No. 2, Special Construction. This filing adds two new cases in Section 6 of the tariff. These new Special Construction cases are: 1) the installation of 600 feet of fiber and innerduct, 850 feet of boring and conduit, 250 feet of copper cable and 1 CP550 for the provision of 2 DS1s from the Qwest central office located at 931 14th Street, Denver, CO to the customer's location at 1501 Zuni, Denver, CO and; 2) the installation of 325 feet of conduit and innerduct, 1,250 feet of 24 fiber, 250 feet of entrance fiber and 1 hand hole for the provision of 1 DS3 from the Qwest central office located at 2821 E. 57th Ave., Spokane, WA to the customer's location at 4103 S. Regal Street, Spokane, WA.

These cases being added are for facilities constructed to meet the customers' requirements and are subject to Special Construction and liabilities as described in this documentation.

The rates contained in this filing are designed to recover the costs of the additional equipment needed to provide the specialized arrangements that are not recovered in the standard rate element structures and are in addition to standard rate elements charged for services provisioned for Qwest's Tariff F.C.C. No. 1.

This document provides the detail for the new cases, cost support and Workpapers.

CASE DETAIL

Verizon Wireless

Case No. 53

(Reference No. CO0211677)

Description:

Special construction for the installation of 600 feet of fiber and innerduct, 850 feet of boring and conduit, 250 feet of copper cable and 1 CP550 for the provision of 2 DS1s from the Qwest central office located at 931 14th Street, Denver, CO to the customer's location at 1501 Zuni, Denver, CO. A total charge of \$56,723.00 (which includes a \$583.00 Case Preparation Charge) is due and payable in a one time up-front payment.

CASE DETAIL

Sprint

Case No. 33

(Reference No. WA0205544)

Description:

Special construction for the installation of 325 feet of conduit and innerduct, 1,250 feet of 24 fiber, 250 feet of entrance fiber and 1 hand hole for the provision of 1 DS3 from the Qwest central office located at 2821 E. 57th Ave., Spokane, WA to the customer's location at 4103 S. Regal Street, Spokane, WA. A total charge of \$25,434.77 (which includes a \$583.00 Case Preparation Charge) is due and payable in a one time up-front payment.

COST SUPPORT AND WORKPAPERS

Up-Front Unit Costs

The Up-front unit cost consists of the nonreusable investment associated with these cases. This cost was based on the engineering and installation investment to place the facilities and miscellaneous minor material loadings.

Factors were applied to this figure to recover the appropriate annual capital costs associated with the nonreusable investment. Capital costs are covered through factors which when applied to investment, produce the annual costs associated with depreciation, income tax and cost of money.

Depreciation is applied by account code, reflecting the different account lives of the various types of equipment and plant used to provide services. Income tax is the expense associated with taxes that will be incurred on the income earned from this service. The earnings or "cost of money" factor represents the return that Qwest must pay to its investors for the use of their capital.

Workpapers A-1 and A-2 display the nonreusable total up-front capital cost associated with the investment.

Nonrecurring Case Preparation Cost

This nonrecurring charge, as displayed on Workpapers A-1 and A-2, covers the one-time labor intensive costs and filing fees associated with this special construction case. The charge consists of labor to perform the following work

functions: 1) to prepare Workpapers and explain cost documentation; 2) to develop tariff language and prepare tariff pages; and 3) to coordinate the filing and develop the Description and Justification (D&J).

After the work functions were determined, the work groups and time required for each function were identified. The task time identified was then multiplied by the appropriate labor rate. A sum of these calculations plus the cost of the filing fee produces the nonrecurring case preparation charge.

COST SUPPORT AND WORKPAPERS

Total Up-front Costs

Customer: Verizon Wireless
Case Number: 53
Reference Number: CO0211677

Total Up-front Capital Cost \$ 56,140.00

NONRECURRING CASE PREPARATION CHARGE

Customer: Verizon Wireless
Case Number: 53
Reference Number: CO0211677

Cost Documentation	\$	23.50
Production	\$	90.50
Tariff Assembly	\$	141.00
FCC Filing Fee	\$	<u>328.00</u>

Total Nonrecurring Case Preparation Charge \$ 583.00

COST SUPPORT AND WORKPAPERS

Total Up-front Costs

Customer: Sprint
Case Number: 33
Reference Number: WA0205544

Total Up-front Capital Cost \$ 24,851.77

NONRECURRING CASE PREPARATION CHARGE

Customer: Sprint
Case Number: 33
Reference Number: WA0205544

Cost Documentation	\$	23.50
Production	\$	90.50
Tariff Assembly	\$	141.00
FCC Filing Fee	\$	<u>328.00</u>

Total Nonrecurring Case Preparation Charge \$ 583.00