

TRANSMITTAL NO. 146  
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 one new case in Section 6 of the tariff. The new Special Construction case is for the installation of 5,800 feet of fiber, 5,300 feet of trenching, 5,600 feet of conduit and innerduct, 300 feet of bore and 2 FDP's for the provisioning of 1 DS3 from the Qwest central office located at 116 SW 2nd Street, Braham, MN to the customer's location at 412 N. Main Street, Braham, MN.

The case being added is for facilities constructed to meet the customer's requirements and are subject to Special Construction and liabilities as described in this documentation.

The rate contained in this filing is designed to recover the costs of the additional equipment needed to provide the specialized arrangement that is not recovered in the standard rate element structures and is 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 case, cost support and Workpaper.

## CASE DETAIL

Customer: East Central Energy

Case No. 82

(Reference No. MN0204841)

### Description:

Special Construction for the installation of 5,800 feet of fiber, 5,300 feet of trenching, 5,600 feet of conduit and innerduct, 300 feet of bore and 2 FDP's for the provisioning of 1 DS3 from the Qwest central office located at 116 SW 2nd Street, Braham, MN to the customer's location at 412 N. Main Street, Braham, MN. The total charge of \$52,848 (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 this case. 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.

Workpaper A displays the nonreusable total up-front capital cost associated with the investment.

#### Nonrecurring Case Preparation Cost

This nonrecurring charge, as displayed on Workpaper A, 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: East Central Energy  
Case Number: 82  
Reference Number: MN0204841

Nonreusable Total Up-front Capital Cost \$52,265.00

NONRECURRING CASE PREPARATION CHARGE

Customer: East Central Energy  
Case Number: 82  
Reference Number: MN0204841

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