

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 to add one new case in Section 6 of the tariff.

## CASE DETAIL

Allina Health Systems

Case No. 88

(Reference No. MN0302267)

### Description:

This Special Construction case is for the installation of protected fiber for the provision of a new OC48 Node at the customer's location at 8100 W. 78<sup>th</sup> St., Edina, MN., to the Qwest central office primary service wire center in Eden Prairie, MN. A total charge of \$46,174.87 is due and payable in a one time up-front payment.

## COST SUPPORT AND WORKPAPERS

### Construction Costs

This case meets the conditions for Special Construction as specified in Qwest's Special Construction Tariff. The costs are for the engineering and placement of facilities and a loading to recover overhead costs.

In order to calculate specific amounts, the actual costs associated with the special construction project are reported by the engineering department. These are costs directly associated with the project such as engineering the job, the equipment, the labor to install the equipment, placement of the fiber or cable, and shipping of the material.

Once these actual costs have been calculated, an “Overhead Loading for Special Construction” is then applied to come up with an overhead loading. The overhead loading factor is .42 and includes the following type of expenses: administrative expenses, product management expenses, sales expenses, common overhead expenses, and business fees.

Workpaper A-1 displays the total direct costs and the overhead loading.

#### Case Preparation Cost

The case preparation charge, as displayed on Workpaper A-1 covers the one-time preparation costs and filing fees associated with this special construction case. The charge consists of labor to prepare cost documentation; to write the tariff; and to prepare the Description and Justification (D&J), the Transmittal Letter and coordinate the filing. These fees are based on average 2002 case preparation times.

After the work functions were identified, the time required for case preparation was calculated (an average of 2 hours per case). The task time identified was then multiplied by the appropriate labor rate ( $2 \times \$38.11 = \$76.22$ ).

The prorated cost of the filing fees was calculated by taking the number of special construction cases filed in 2002 divided by the number of special construction tariff filings to produce and average number of special access cases per filing (4.29). The FCC's \$695 filing fee was then divided by this factor to come up with a prorated filing fee of \$162 per special construction case.

The sum of the labor calculations plus the prorated cost of the filing fee produces the case preparation charge.

## COST SUPPORT

Customer: Allina Health Systems  
Case Number: 88  
Reference Number: MN0302267

## CONSTRUCTION COSTS

Direct Costs	\$	32,350.00
Overhead	\$	<u>13,586.65</u>
Total	\$	45,936.65

## CASE PREPARATION CHARGE

Case Preparation	\$	76.22
Prorated FCC Filing Fee	\$	<u>162.00</u>
Total Case Preparation Charge	\$	238.22
Total Charge	\$	46,174.87