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**CONSTRUCTION CHARGES****A. GENERAL****1. Definitions:****Cost**

When used in this section, means the total installed plant cost consisting of, but not limited to, the cost of labor, materials, equipment hire, rental or use of company owned equipment and/or contract services such as road crossings, road boring, trenching, engineering, overhead expenses associated with construction, fees and charges exacted by any municipality, county, state or federal government, right-of-ways, use of or roads, land or facilities.

**Company**

Refers to Delta County Tele-Comm, Inc.

**Customer/Applicant**

A person, firm, corporation, or governmental agency responsible for paying the telecommunications bills and for complying with the rules and regulations of the Company applicable to a premises subject to the Construction Charge provisions of this tariff.

**Developer/Builder/Property Owner**

The Developer/Builder or other person, partnership, association, firm, private or public corporation, trust, estate, political subdivision, governmental agency or legal entity recognized by law and requesting the placement of telecommunications facilities by the Company at a premises prior to, or in conjunction with, a request for telephone service by a Customer located at the premises.

**Group Application/Group Project**

A group application is for the provision to telephone service to several properties that are located in close proximity (generally less than one-half mile separation) of each other that all wish to establish telephone service at the same time. A group project generally has fewer than five (5) properties, each owned by different individuals.

**Land Development Agreement (LDA)**

A written agreement entered into between the Company and the Developer/Builder for the provision of telecommunications facilities within new areas of land development for permanent residential and/or business telecommunications services.

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**CONSTRUCTION CHARGES**A. **GENERAL** (Continued)1. **Definitions** (Continued)**New Construction**

When used herein, new construction is defined as the placement of those additional facilities required to extend telephone service to a Customer from the nearest existing working facility within the wire center to the premises of this previously un-served telephone Customer.

**Permanent Service**

Permanent service is defined as service provided at a premises for twelve (12) or more constructive months. Service will not be considered permanent when provided to a temporary structure (e.g., structures that do not have a permanent foundation and permanent connections to basic utilities such as water, gas and electricity) at a premises.

2. Sections A. through E. of this Tariff apply to the extension of telephone facilities for the provision of basic local exchange telephone service. Section F. of this Tariff provides for the Special Construction of facilities, construction of temporary telephone phone facilities, and construction under unusual conditions.
3. Reasonable rates and charges for the provision of local exchange services involve consideration of the costs and degree of risk associated with the provision of the services. Some situations may involve substantial extra cost or risk to the Company, such as, but not limited to: 1) the facilities may be temporary; 2) facilities are ordered in advance of actual Customer demand for service; 3) unusual costs are involved in furnishing the service; 4) the cost of providing service may involve considerable investment to extend facilities beyond existing facilities.
4. Construction costs are based on actual route construction conditions for providing service and will generally enable the Company to extend service to new Customers at a reasonable cost without adding an undue burden to the general body of Customers. Construction costs, in excess of any allowances provided in Section H. following, will be billed to Customers as a Construction Charge.

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### CONSTRUCTION CHARGES

#### A. GENERAL (Continued)

5. The locations for construction of line or facility extensions are determined by the Company and the distances (including drop wire) are measured along the Company selected route.
6. Applicants requesting service at premises that have been previously served by telephone facilities, that were left in place and continue to be functional, will not be assessed a Construction Charge to establish service unless Special Construction Charges apply pursuant to Section F. of this Tariff.
7. Construction Charges will be associated with the premises for which they were established rather than the Customer. Credit for Construction Charges may not be transferred from one premises to another.
8. Payment of Construction Charges, Land Development, Special and/or Temporary Construction Charges by the Customer requesting basic local telephone services, Developers requesting the placement of basic local exchange telephone facilities or for Customers requesting special construction and/or placement of temporary telephone exchange facilities, are in addition to regular rates and charges applicable for the exchange service provided.
9. The Company will provide an Engineering Cost Estimate, free of charge, for the first request for telephone service to an individual Customer's premises or to each individual Customer requesting service as a group of customers, and upon receipt of Customer provided information by the Company. Subsequent requests for Engineering Cost Estimates for facility extensions at the same premises or group of premises within three-years of the initial request, will be billed to the Applicant(s) using the appropriate hourly engineering charges of the Company. Engineering Cost Estimates will be provided to the Applicant(s) within 30 days of the request for the estimate and will be valid for a period of 90 days after presentation to the Applicant(s) unless the Company extends the date. The good faith written cost estimate shall inform the Customer that receipt of the Construction Charge payment by the Company is required before the customer's request will be considered an application for service. The payment of such charges, when received by the Company, shall be notice to the Company that the customer desires service and the payment date shall be considered the date of the application for service.

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### CONSTRUCTION CHARGES

#### A. GENERAL (Continued)

10. With the approval of the Company and at the option of the Company, arrangements may be made for the payment of Construction Charges (either for a single Applicant or an Applicant within a group project) in monthly installments over a reasonable period, generally, not to exceed one year. The Company may at its option include monthly Construction Charge amounts in the Customer's regular monthly service bill. Failure of a Customer to make monthly installments of Construction Charges may result in suspension or termination of telephone service. All unpaid installments become due upon termination of service.
11. With the approval of the Company and subject to the provisions of Section G. following, a Customer may furnish material, labor, and structures (e.g., trench and backfill, conduit, poles) as partial or full payment of Construction Charges in lieu of cash. The Customer must meet the following specific criteria for any work done by the Customer in public rights-of-way prior to receiving Company approval:
  - a) Signed liability agreement holding the Company harmless for any action taken as a result of said construction activities;
  - b) Company specified insurance requirements;
  - c) Bonded to cover workmanship and damage;
  - d) Public and Personal Safety Standards; and,
  - e) Approval of appropriate governing bodies.
12. The ownership of any pole line, circuit or other facilities provided wholly or in part at the expense of an Applicant under this Tariff shall at all times be vested exclusively in the Company or another company with which the Company has joint agreement.
13. Except as provided in Section A.11. preceding, the terms and conditions in this Tariff contemplate that the method of construction and the type of materials required to provide the quantity and grade of telephone service requested by the Customer will be determined by the Company. The Customer will be required to pay the added costs involved when a different type of construction or quantity of facilities, than proposed by the Company, is desired.
14. Reinforcement of existing physical plant will be provided at the Company's expense unless Special Construction Charges apply pursuant to Section G. of this Tariff.

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**CONSTRUCTION CHARGES**

A. General (Continued)

15. Where new construction is required, the Company will consult with other utilities to minimize construction costs (e.g., sharing trenches, poles, etc.).
16. Consistent with the Commission's Rules Regulating Telecommunications Providers and Telephone Utilities, a written good faith cost estimate will be provided to the Customer. A Customer is responsible for paying the full amount of the Customer's share of the estimated Construction Charge prior to the Company commencing construction unless another payment arrangement is made pursuant to Section A.10. or A. 11., preceding. A Customer's share of the estimated construction costs is the amount of the cost estimate in excess of the Construction Charge allowance specified in Section H. following. If the Customer's share of the actual cost to provide new service exceeds the Customer's estimated costs to provide new service, the Customer shall be responsible for additional Construction Charges in an amount not to exceed 10% of the Customer's estimated Construction Charges. If the Customer's share of the actual Construction Charges is less than the estimated Construction Charges, the Company will refund, or credit at the Customer's option, the excess amounts to the Customer.

B. UNDERTAKING OF THE TELEPHONE COMPANY – SINGLE APPLICANTS

1. Construction Charges will apply to each Customer premises when service is established for the first time. Construction Charges apply to all types, classes and grades of service.
2. When construction is required to serve a new Applicant, the Company will try to survey other prospective subscribers who might be served from the new construction or an extension thereof and who might benefit by being included in the project. Construction Charge allowances are made only for those prospective subscribers making a written application for service.
3. Individual Applicants may be grouped in a single project when there is not more than one-half mile of construction between Applicants. Separate projects are established whenever the construction between any two Applicants exceeds one-half mile. Two or more projects may be combined whenever this results in lower charges (or no increase in Construction Charges) for all Applicants involved.

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**CONSTRUCTION CHARGES****B. UNDERTAKING OF THE TELEPHONE COMPANY – SINGLE APPLICANTS**

(Continued)

4. The Company will provide the Applicant at any premises with a single Construction Charge allowance regardless of the number of services ordered at the premises.
5. Applicants ordering service at more than one premises are treated as separate Applicants at each premises for purposes of this Tariff.
6. When a Customer disconnects service, no refund or adjustment is made of the Construction Charges applicable to the Customer's premises regardless of any future reconnection of basic telephone service by the Customer or upon connection of telephone service to a new applicant at this premises. Upon disconnect, any outstanding construction charge amounts become due and payable immediately.

**C. UNDERTAKING OF THE TELEPHONE COMPANY – GROUP APPLICANTS**

1. Applicants ordering service at more than one premises are treated as separate Applicants at each premises for purposes of this Tariff.
2. For the purpose of determining the project cost for a group of Applicants, where the Applicants are reasonably close to each other or where the variance in cost between Applicants is expected to be small (such as, customer premises are within one-half mile of each other or the difference in cost between Applicants is less than 10%), an overall cumulative Construction Charge allowance is computed by taking the Construction Charge Allowance listed in Section H., following, times the number of Applicants. The cumulative allowance is subtracted from the overall project cost. The total remaining cost in excess of the cumulative allowance is divided equally among all Applicants and assessed as a Construction Charge to each Applicant.

Exception: No Applicant is required to pay a greater charge than would have resulted if a construction project were established for the Applicant alone.

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**CONSTRUCTION CHARGES****C. UNDERTAKING OF THE TELEPHONE COMPANY – GROUP APPLICANTS**  
(Continued)

3. For the purpose of determining the project cost for a group of Applicants, where the Applicants are not reasonably close to each other or where there may be a significant variance in cost between various Applicants in the group, the Company shall compute the cost for each individual Applicant except that shared facility costs will be apportioned to the Applicants utilizing the shared facility. (For example, four Applicants will share the use of a section of buried cable. Each of the four Applicants will be apportioned 1/4 of the cost of this section of buried cable). Dedicated facility (e.g., unshared) costs, including the individual Customer drop, will be assigned to each of the individual Applicants). Individual Applicant Construction Charges are developed for each Applicant which will include the sum of the dedicated facilities, and the shared facility costs, less the Construction Charge allowance listed in Section H. following.

Exception: No Applicant is required to pay a greater charge than would have resulted if a construction project were established for that Applicant alone.

4. Construction charges will not be refunded to Customers that disconnect service. Charges to remaining Customers are not affected by disconnects.
5. Construction costs in excess of the per Customer Construction Charge allowance, listed in Section H. following, will be paid by the Customer prior to actual construction of the facilities by Company unless other payment arrangement is made pursuant to Section A.10. or A.11., preceding.

**D. UNDERTAKING OF THE TELEPHONE COMPANY – SUBSEQUENT APPLICANTS**

1. When a new Applicant can be served from a completed project, within three years from the date service was initially established for such project, the charges for the entire project are recomputed to include the new Applicant if the recomputed charges do not increase the charges to those Customers served from the existing project. Otherwise, a new project will be established.

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**CONSTRUCTION CHARGES****D. UNDERTAKING OF THE TELEPHONE COMPANY – SUBSEQUENT APPLICANTS**  
(Continued)

2. When a new Applicant requests service that can be provided by an extension of facilities from a previously completed construction project pursuant to Section B. preceding of this Tariff, and the new Applicant has requested service within three years from the date service was initially established for such project, the construction cost of the entire project, including the cost of serving the new Applicant is computed. The revised construction costs shall include an additional Construction Charge allowance listed in Section H. following, for the new Applicant. If the original Construction Charge payment collected from the initial Applicant was greater than the recomputed amount based on the inclusion of the additional Applicant to the project, the initial Applicant shall be refunded the difference between the original Construction Charge and the revised Construction Charge.
3. When a new Applicant requests service that can be provided by an extension of facilities from a previously completed group project pursuant to Section C. preceding of this Tariff, and the new Applicant has requested service within three years from the date service was initially established for such group project, the Company will compute the costs of the group project as described in Section C. preceding of this Tariff, including the costs of facility extensions for the new Applicant and allowance to construction listed in Section H. following, for the new Applicant. If the recomputed construction costs results in lesser charges to the original project Applicants, the original project Applicants shall be refunded the difference between the revised costs and the original Construction Charges. The new Applicant shall be assessed their prorated share of the group project costs.
4. Computation of construction charges, for the addition of a new Applicant or Applicants to a completed project, is made with the assumption that there have been no disconnects of service by the original Applicants to the project.
5. When one or more Customers served by a construction project disconnect within the three-year term, no refund is made of the recomputed Construction Charge to the disconnected Customers. Charges to remaining Customers are not affected by disconnects.



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CONSTRUCTION CHARGES

D. UNDERTAKING OF THE TELEPHONE COMPANY – SUBSEQUENT APPLICANTS  
(Continued)

6. When a Customer disconnects service or moves from a premises where service was established by a construction project and service is subsequently established for a new Customer at this same premises, any future adjustments in Construction Charges resulting in a refund is a matter for negotiation between the original Customer and the new Customer at this premises.

E. UNDERTAKING OF THE COMPANY FOR LAND DEVELOPMENTS

1. A Land Development Agreement (LDA), not to exceed a five (5) year period, is required where a Developer/Builder/Property Owner requests the Company provision telephone facilities (such as placement of additional feeder, distribution facilities and drops) within new areas of land development. The LDA will include, but is not limited to:
  - a. Description of the subdivision or development;
  - b. Disposition of Covenant requirements that affect utility placement and maintenance. If further subdivision of the area is to be allowed, methods and responsibilities for providing additional service shall be listed;
  - c. Utility easements on all sides of every parcel shall be platted and recorded.
  - d. An addressed, recorded plat in electronic, digitized or written format shall be provided to the Company;
  - e. Rights responsibilities and liabilities associated with trench and backfill work upon initial construction and subsequent maintenance; and,
  - f. Provisions for notification between the Company and Developer/Builder (such as, notification 90 days prior to the backbone trench date, 21 days notice of the completion date of a premises).

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**CONSTRUCTION CHARGES****E. UNDERTAKING OF THE COMPANY FOR LAND DEVELOPMENTS** (Continued)

2. The Company may, at its discretion, offer two options:
  - a. Option 1 – Company Engineered/Designed/Furnished/Installed facilities for new land developments. The Company will use standard Company specifications, the Company will engineer, design, secure all materials and provide the labor to extend telecommunications facilities from existing Company facilities to the development and to place telecommunications facilities within the development. Consistent with the Commission's Rules regulating telecommunications providers and telephone utilities, a written, good faith, cost estimate will be provided to the Developer/Builder. The Developer/Builder is responsible for paying the full amount of the estimated construction cost prior to the Company commencing construction. If the Company's total actual cost to provide new service exceeds the estimated costs to provide new service, the Developer/Builder shall be responsible for additional Construction Charges in an amount not to exceed 10% of the total estimated Construction Charges. If the Company's total cost of actual Construction Charges is less than the estimated Construction Charges, the Company will refund the excess amounts to the Developer/Builder.
  - b. Option 2 – Developer/Builder Engineered/Designed/Furnished/Installed facilities. The LDA must include and the Developer/Builder will provide the following:
    - 1) Using Standard Company specifications, the Developer/Builder will engineer, design, secure all material and provide labor to place the facilities within the development and extend facilities from the closest existing telecommunications facilities of the Company to the development;
    - 2) The Developer's/Builder's job prints and material list and reimbursable cost amount must be submitted to the Company for approval prior to the construction of the facilities. The Developer's/Builder's plans must include trench and backfill plans and specifications, trench and backfill schedules, and coordination of inspection schedules. All permits, rights-of-way and easements shall have been secured and recorded as necessary;
    - 3) The Developer/Builder shall allow the Company to inspect the placement of the facilities and perform conformance testing;

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**CONSTRUCTION CHARGES****E. UNDERTAKING OF THE COMPANY FOR LAND DEVELOPMENTS (Continued)**

2. The Company may, at its discretion, offer two options: (Continued)
  - b. Option 2 (Continued)
    - 4) Once work is complete and the Company has inspected and conformance tested the facilities, the Developer/Builder will transfer ownership of all telephone facilities placed, along with their attendant easements, to the Company. Prior to the transfer, all costs for the facilities and work shall have been paid in full. The transfer will be free and clear of any and all liens and encumbrances and shall be accompanied by an indemnification holding the Company harmless from all claims arising from the purchase and placement of the telephone facilities.
    - 5) All review and inspection work provided by the Company will be charged to the Developer/Builder at the Company's rates for such work.
3. Regardless of the Option selected, the Property Owner/Developer/Builder holding title to the property will grant and convey to the Company all necessary non-exclusive easements (form to be provided by the Company). The easements will provide for the Company to construct, reconstruct, augment, operate, maintain and remove such telecommunications facilities, and appurtenances, from time to time, as the Company may require upon, over, under and across the property.

The width and length of the easement will be determined at the time of the request for facilities. In general, all easements will be a standard width of eighth feet along the front and rear lot lines and five feet wide along all side lot lines unless otherwise agreed upon. The Property Owner/Developer/Builder will pay the additional costs associated with acquiring easements.
4. In all cases, the Company retains ownership of the installed plant.
5. In areas where the Company has existing trench and backfill agreements with local power utilities, the Developer/Builder shall be responsible for the Company's portion of the trench and backfill costs.
6. Distribution facilities covered by a LDA cannot be used for subsequent developments until they are covered by a new LDA.

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**CONSTRUCTION CHARGES****E. UNDERTAKING OF THE COMPANY FOR LAND DEVELOPMENTS** (Continued)

7. Once the Company has accepted the facilities provided by the Developer/Builder or completed the construction of Company provided facilities within a land development area, the Company will reimburse the Development/Builder the lesser of the average cost per single party loop per premises for the land development project or the Construction Charge Allowance per Section H. following, for each Customer that establishes permanent service at a premises during a period of five (5) years from the date of the agreement. Only one reimbursement per premises will be made by the Company to the Developer/Builder for a premises regardless of the number of facilities ordered by the end user Customer or by subsequent end user Customers occupying the premises. In the event the development contains lots or premises after five (5) years from the agreement date for which facilities were provisioned and for which no service was ordered by an end use Customer, no reimbursement will be made by the Company to the Developer/Builder.

**F. OTHER CONSTRUCTION OR CONDITIONS**

1. Special Types of Construction
  - a. Where a special type of construction is desired by an Applicant or a specific route for extensions is requested to meet an Applicant's special requirements and where the construction or route so requested differs from the normal standards of the Company and is not legally required by ordinance, covenant, tract restriction or otherwise, the Applicant or Applicants served by such facilities or the tract Developer/Builder for land developments, shall be required to pay these additional costs in their entirety and in addition to any line extension charges required under this tariff.
  - b. Where existing aerial facilities are requested to be relocated underground in an area where the Company would not, except for such request, relocate its facilities underground, the Company may charge the cost of such relocation to the persons requesting relocation of such facilities.
  - c. Special Constructions Charges will be applicable where, at the request of the Customer, the Company constructs a greater quantity of facilities than the Company would otherwise construct or normally utilize.

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**CONSTRUCTION CHARGES****F. OTHER CONSTRUCTION OR CONDITIONS (Continued)**

2. Temporary Construction, Seasonal Service or Unusual Conditions
  - a. Where construction is necessary to provide temporary service, such as to an Applicant's temporary premises within an exchange, the Applicant will be required to pay a Construction Charge equal to the estimated cost of installing and removing the temporary facilities, less estimated salvage at the time of removal. In the event the facilities are reusable for providing permanent service without rearrangement or modification, at the time the temporary service is disconnected, a portion of the Construction Charge assessed may be refunded, depending upon the circumstances in each case. Removal of facilities will be at the option of the Company, if installation of the temporary facilities was made to permanent standards and permanent easements were granted.
  - b. In no event shall service be classified as temporary or seasonal where full service has been provided continuously for twelve (12) or more consecutive months at a premises.
  - c. Where construction is required to provide service on a seasonal basis, or meet other unusual demands, additional construction charges may be assessed on a case-by-case basis.
  - d. Where construction of facilities is required to meet unusual conditions such as to provide service in hazardous and/or inaccessible locations, Construction Charges will be assessed.
3. Buried and/or Underground Telecommunications Facilities Service Cluster and Mobile Homes.
  - a. A Cluster/Mobile Home Developer will be required to sign a LDA pursuant to Section E. preceding of this Tariff.
  - b. The provision of buried or underground telecommunications facilities to serve cluster or mobile home complexes (single or multi-dwelling units which share in the ownership or use of common property) shall be dependent on a legally sufficient easement being made available to the Company to accommodate the placing and maintaining of the common communications serving facilities (i.e., feeder and distribution cable, plus terminal pedestal or like device and access point cabinets). The surface of the easement area must be brought to final grade prior to the installation of buried or underground telecommunications facilities.

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**CONSTRUCTION CHARGES****F. OTHER CONSTRUCTION OR CONDITIONS (Continued)**

3. Buried and/or Underground Telecommunications Facilities Service Cluster and Mobile Homes. (Continued)
  - c. For the protection of Company property, the mobile home developer is required to provide a trailer stake (a T shaped stake) at the back side, between every two mobile home parking lots for the purpose of attaching the network interface device (NID) or protector, on the outside of the mobile home unless the Company approves some other arrangement. In no case will the Company provide service when the protector/NID is attached to the mobile home.
  - d. The Company will not provide a Construction Charge allowance pursuant to Section H., following, to owners of mobile homes unless such mobile homes are located on a permanent pad or foundation. When the mobile home is not mounted on a permanent pad or foundation, such service is considered temporary.

**G. LIMITATIONS ON CUSTOMER/DEVELOPER/BUILDER PROVIDED CONSTRUCTION AND/OR MATERIAL IN LIEU OF CASH PAYMENTS FOR CONSTRUCTION CHARGES**

1. The Company and the Applicant (end user/Developer/Builder) will enter into a written agreement for the provision of the requested facilities. The agreement will delineate the Company's responsibilities, the Applicant's responsibilities, the associated construction costs, allowances and Construction Charges.
2. The ownership of any facilities provided wholly or in part at the expense of the Applicant under this tariff shall at all time be vested exclusively in the Company.
3. In order to protect the Company's network and other end users, the Company will not connect to Applicant installed facilities unless the Applicant has complied with the following:
  - a. Applicant must inform the Company at least seven working days prior to the construction of facilities by the Applicant so that the Company can schedule its representative to inspect the plans, material and construction;

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**CONSTRUCTION CHARGES****G. LIMITATIONS ON CUSTOMER/DEVELOPER/BUILDER PROVIDED CONSTRUCTION AND/OR MATERIAL IN LIEU OF CASH PAYMENTS FOR CONSTRUCTION CHARGES** (Continued)

3. In order to protect the Company's network and other end users, the Company will not connect to Applicant installed facilities unless the Applicant has complied with the following: (Continued)
  - b. The Applicant shall construct its facilities only during normal Company business hours unless another arrangement has been agreed to by the Applicant and the Company;
  - c. The materials and methods used for the construction shall be of the same quality and quantity utilized by the Company unless the Company has provided written authorization to the Applicant, approving other materials and/or construction;
  - d. Inspections performed by the Company's Engineering Services and Inspection Services will be paid for by the Applicant prior to the connection of Applicant's facilities to those provided by the Company. Company inspection personnel must be on site when cable is being plowed or if cable is placed in a trench, the trench must be left open until Company inspectors have inspected and approved the installation.
  - e. In all cases of construction of facilities by and end user, the materials furnished and method of construction are subject to the approval of the Company and an appropriate hourly engineering charge will be applied for the Company's supervision of the project.

**H. RATE REGULATIONS**

1. For extensions of facilities beyond the existing exchange facilities of the Company or in areas of new land development and in compliance with this Tariff, the Company will provide the Applicant a Construction Charge Allowance in an amount of \$2,100.00 per Applicant per premises. If this allowance equals or exceeds the cost of construction, no Construction Charge will be levied.