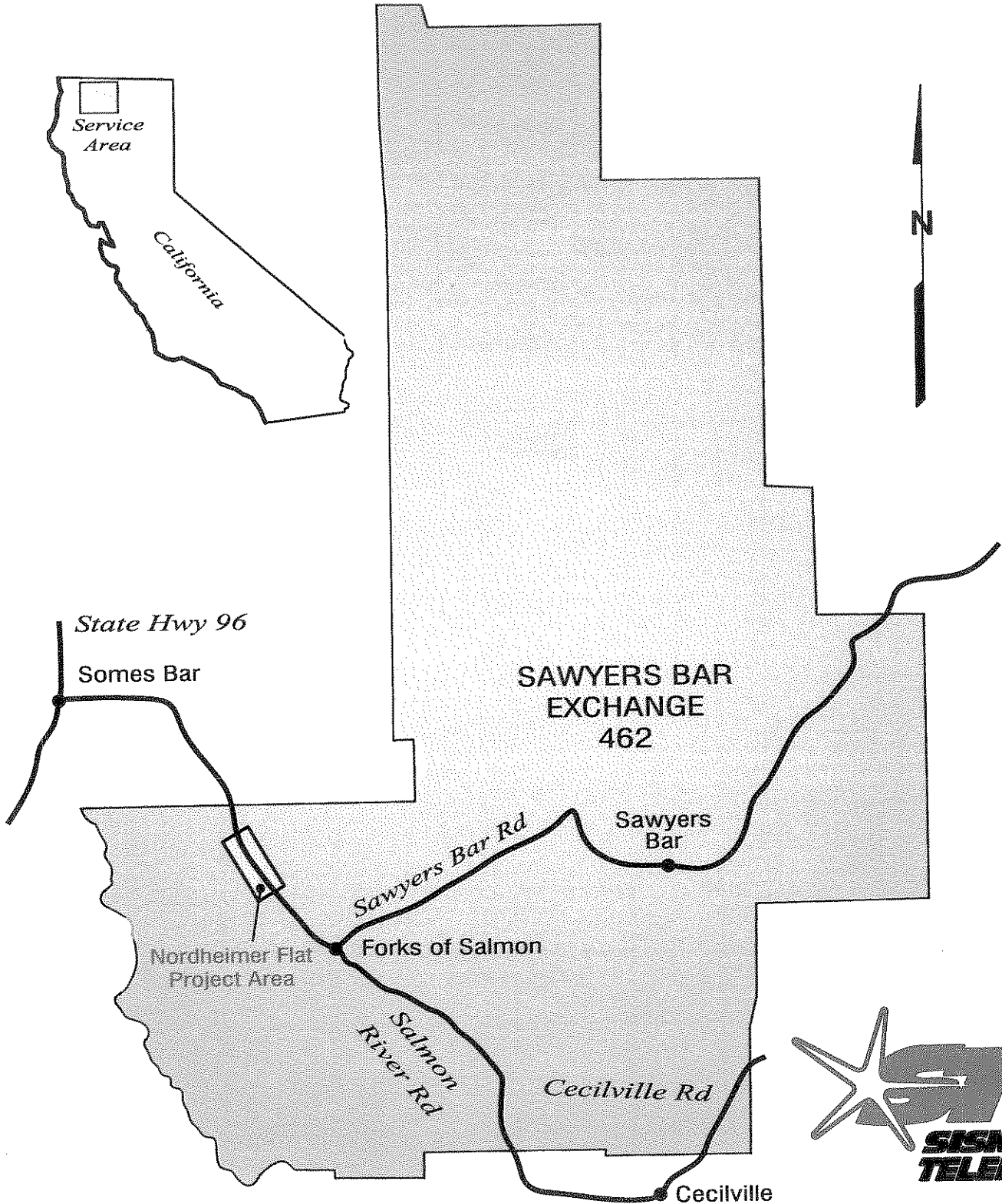


# Nordheimer Flat Rural Telecommunications Infrastructure Grant Phase 2



Sawyers Bar Exchange  
December 2007

# NORDHEIMER FLAT GRANT PROPOSAL

## PHASE 2

### Checklist for Phase 2, Feasibility Study/Construction Costs

1. Justification for the chosen technology, alternatives to the proposed technology, and why alternatives are insufficient

Conventional landline telecommunications construction (copper/fiber) was chosen for this project. The narrow canyons and high canyon walls rule out economical deployment of cellular service anywhere near this area. Satellite wireless technology was also ruled out as being prohibitively expensive from an end user point of view.

2. Schematic maps indicating the proposed network facilities

A schematic map of the Nordheimer Flat project is provided in Tab A. This map consists of a set of staking sheets which our engineering firm, Mid-State Consultants, prepared to instruct the contractor how and where to place the facilities.

3. Network compatibility statements from one or more interconnecting carriers

A network compatibility statement from Siskiyou Telephone Company, the incumbent local exchange carrier, is included in Tab B.

4. Work progress milestones and payment schedule

If grant funds will be made available by August 1, 2008, construction should commence around the first of August, 2008. Construction is scheduled to proceed without interruption until completed approximately 8 weeks later.

5. Construction cost estimates, including review of construction costs by carrier

Construction cost estimates are provided in Tab C.

6. Status of federal funding and other funding options, if any

We are not aware of any federal funding options for a project of this type. As far as we can determine the only state funding option

might be the California Emerging Technology Fund (CETF). This fund was created primarily to encourage the deployment of broadband and advanced services in California. Since this project's primary purpose is to deploy POTS service (and relatively modest DSL speeds), it is unclear whether it would qualify for CETF support. The CETF program also requires matching funds which effectively rules it out for this project.

## APPLICATION PHASE 2 - CONSTRUCTION COSTS

### A. Applicant Information

7. The name of your community and a brief description of its general location

The community that this project is designed to benefit is Nordheimer Flat. Nordheimer Flat is located approximately 5 miles northwest of Forks of Salmon along Salmon River Road.

8. The name of the designated contact person for your community and contact information for that person. If the contact person is a consultant or someone other than a resident of the community, please provide all necessary contact information for that person.

9. A copy of Phase I approval letter issued by the Commission

A copy of the Phase I approval letter issued by the Commission is included in Tab D.

### B. Statement of need

Please provide a statement of need or description of the unique impact the lack of phone service has on your community, i.e. high fire danger area, near highway with high accident rate, distance to nearest working phone and estimated emergency response time, etc.

Nordheimer Flat's unique geography makes the lack of phone service a particularly acute problem.

The heavily wooded nature of the Nordheimer Flat area, while contributing to its beauty, poses a serious risk of fire danger during the hot, dry summer months. The lack of mobile phone coverage

throughout the Sawyers Bar exchange contributes not only to delays in reporting forest fires, but inefficiency in battling these costly fires. Fire fighters must contend with extremely rugged terrain, much of it inaccessible by road, and having landline phone service in the area would provide temporary fire camps with not only voice service, but the DSL service that the Forest Service finds almost indispensable in managing its fire fighting operations.

Salmon River Road offers unique challenges for the traveling public. There are many places along this road where a careless motorist can leave the highway and plunge hundreds of feet to a rock river bottom below. A good portion of this road is single lane (paved) with turnouts. Very few guard rails exist. During the winter months, this road is covered with ice and snow intermittently.

From Nordheimer Flat the nearest public phone is located 5 miles east in Forks of Salmon. Somes Bar and Forks of Salmon are the nearest locations where very limited emergency services are available. The nearest hospital is located in Yreka, California, a drive of approximately 2 hours. The nearest grocery store of any size is in Etna, California, a drive of over 1 hour.

C. Type of technology chosen

1. Justification of the chosen technology

Conventional wireline construction using copper and fiber was chosen for this project. In this isolated area access to the internet is even more essential than in more populated areas. A wireline system will provide all of the POTS features customers expect along with respectable DSL service.

2. Evidence that competing technologies were considered

We considered wireless service in this area when we owned controlling interest in Cal-One Cellular. We ruled it out because virtually all of the terrain in the Sawyers Bar and Somes Bar exchanges consists of very deep, narrow canyons. Wireless coverage simply can't penetrate rock, and no wireless carrier can afford to operate enough cell sites to place them every mile or two.

We also considered satellite phone service, but it is prohibitively expensive from an end-user point of view and it offers little in the way of affordable high bandwidth.

3. Evidence that competing service providers were considered and evaluated

There are no wireless service providers serving the Sawyers Bar and Somes Bar exchanges, and no wireless carrier has plans to serve these areas. Siskiyou Telephone is the incumbent local exchange carrier serving both the Sawyers Bar and Somes Bar exchanges. We are aware that Siskiyou Telephone has undertaken a multi-year effort to modernize its network and provide useful and desirable services to its entire customer base. We appreciate the fact that the Rural Telecommunications Infrastructure Grant Program has approved our Phase 1 filing and may provide the funds required to extend service to Nordheimer Flat.

4. What are the types of services that will be offered as a result of your proposal? (Some examples of services are: Dial Tone only (Plain Old Telephone Service or POTS), High Speed Broadband, Video services, High Speed Data services, etc.)

Siskiyou Telephone proposes to provide POTS service and all of the usual ancillary features associated with POTS such as voice mail, caller ID, call waiting, and dial-up internet. In addition Siskiyou Telephone will offer DSL service to the residents of Nordheimer Flat.

5. If your proposal will result in services that are in addition to Plain Old Telephone Service (POTS),

- a. What is the additional cost associated with each service.

DSL service is offered at two speeds:

Basic (up to 384kbps)	\$49.95/month
Enhanced (up to 768 kbps)	\$69.95/month

- b. Justify the necessity of the additional services.

Because of the extremely isolated location of Nordheimer Flat, respectable bandwidth is needed to access the internet efficiently for everything from clothes shopping, to telemedicine to telecommuting.

D. Project location

1. For projects located within a local service provider's territory, the company is:

- a. Obligated to respond in a timely manner (30 days) to applicants' request for service.

Siskiyou Telephone responds within 5-6 business days to applicants' request for new service.

- b. Provide feasibility studies and cost estimates for all projects in their service territories at no cost to the applicant or the program.

Siskiyou Telephone has prepared feasibility studies and cost estimates for the Nordheimer Flat project at no cost to the Nordheimer Flat community or the grant program.

- c. Apply the rates contained in tariffs on file at the CPUC.

The Nordheimer Flat project is a simple but expensive line extension project, and Siskiyou Telephone will be following the provisions of its Rule No. 16, "Line Extensions, Service Connections and Facilities on Premises of Customer Line Extensions and Service Connections." A copy of Rule No. 16 is included under Tab E.

One of the provisions of Rule No. 16 is that contributions in aid of construction include income taxes on the contributions. The formula to calculate this income tax additive is explained on Original Sheet No. 86 in Tab E.

2. For portions of projects that are outside of the local service provider's franchise:

- a. There is no applicable tariff on file with the CPUC for construction costs.

Not applicable.

- b. A local service provider or telecommunications consultant/contractor may be contracted to perform the feasibility study and the construction.

Not applicable.

c. All construction will meet the local service provider's minimum technical requirements.

Not applicable.

d. The project must have a properly negotiated interconnection agreement with a local service provider.

Not applicable.

e. The project must have an appropriate long-term maintenance agreement with either a private contractor or the provider of local service.

Not applicable.

3. For projects located partially within and partially outside of a local service provider's territory

f. Name of the closest local service provider

Not applicable.

g. Cost of preparing feasibility study

Not applicable.

h. Copy of the interconnection agreement

Not applicable.

i. Copy of a network compatibility statement from one or more interconnecting LECs.

Not applicable.

j. Long-term maintenance agreement

Not applicable.

k. Cost of implementing the long-term maintenance agreement

Not applicable.

l. Who will own the facilities?

Not applicable.

m. Who will maintain the facilities?

Not applicable.

n. Provide detailed maintenance manual

Not applicable.

o. Qualifications of contractors, if other than the local service provider.

Not applicable.

p. Qualifications of individuals or contractors, if other than the local service provider, who will maintain and operate the facilities.

Not applicable.

q. Organization chart showing the reporting relationship of individuals associated with the project.

Not applicable.

E. Project feasibility study

a. Engineering feasibility study. Project to be designed 150% of the current demand for services.

The engineering feasibility study is included in Tab F.

b. Schematic maps of the proposed network facilities. The maps should indicate routing and include information on any crossing sites requiring discretionary permits or environmental review pursuant to CEQA (include the type of permit, issuing agency and the Lead Agency if environmental review is required.)

Schematic maps of the proposed network facilities are included in Tab A. These maps are the actual engineering staking sheets that will be used by the contractor to construct



the facilities.

- c. Identification of any other special permits and cross reference with governmental agencies from which permits will be required for the project

Use Permit - Siskiyou County Planning Department  
USFS Permit - USFS land only

- d. Estimated construction costs. All construction to be per technical requirements of the closest local service provider

Tab C contains the construction cost estimates.

- e. Does your proposal involve line extensions?

Yes.

- f. Does your proposal involve construction of new facilities?

Yes.

- g. Is this a multi-year project? Can the project be broken-up into smaller individual projects? If so, explain.

No. The project will be completed in 2008.

No. The project is a simple line extension which should be treated as a single project.

F. Project timeline

Please provide a project schedule including timeline, milestones, budget and requested payment schedule. All payments will be made after completion of milestones and upon request for payment from the Fiscal Agent. Include milestones for:

1. Project deliverables

One cable route consisting of two conduits between the end of Siskiyou Telephone's current cable facility 2 miles southwest of Forks of Salmon

and the terminating telecommunications pedestal at Red Cap Ranch.

Access pedestals will be placed at each potential communications user location along the route.

Fifty pair copper cable placed in conduit along the entire route.

Drop conduit will be placed from each access pedestal to each user's premises along the route.

Six pair copper drop will be placed along each drop conduit along the route.

One Telecommunications Network Interface (TNI) placed on the exterior wall of each residence in Nordheimer Flat for the purpose of terminating the buried copper drop and starting the residential inside wire.

2. Payment schedules during the

a. Construction phase

Each week the contractor will present Siskiyou Telephone with invoices for the work completed the prior week. Mid-State Consultants will review these invoices, approve them for payment and forward them to the Fiscal Agent for reimbursement.

b. Project implementation phase

Grant funds will not be used to activate service to each residence in Nordheimer Flat.

c. Upon completion of the infrastructure work, records should be reviewed by an independent CPA and an Attestation Report submitted to the Telecommunications Division of the CPUC as evidence that the work was complete and paid for as represented.

The City of Fort Jones and Siskiyou Telephone will select a CPA firm acceptable to the CPUC to perform the review and attestation report. Siskiyou Telephone will provide a detailed cost accounting summary which accounts for every dollar of every invoice spent constructing this project as part of its application for payment.

3. Has your proposal been submitted to any other agency or group for funding? If yes, what was the outcome?

No.

**For CPUC use only**

Reviewed By: \_\_\_\_\_

Date: \_\_\_\_\_

Date Application Received: \_\_\_\_\_

Project Recommended for Feasibility Phase: Yes/No

Comments:











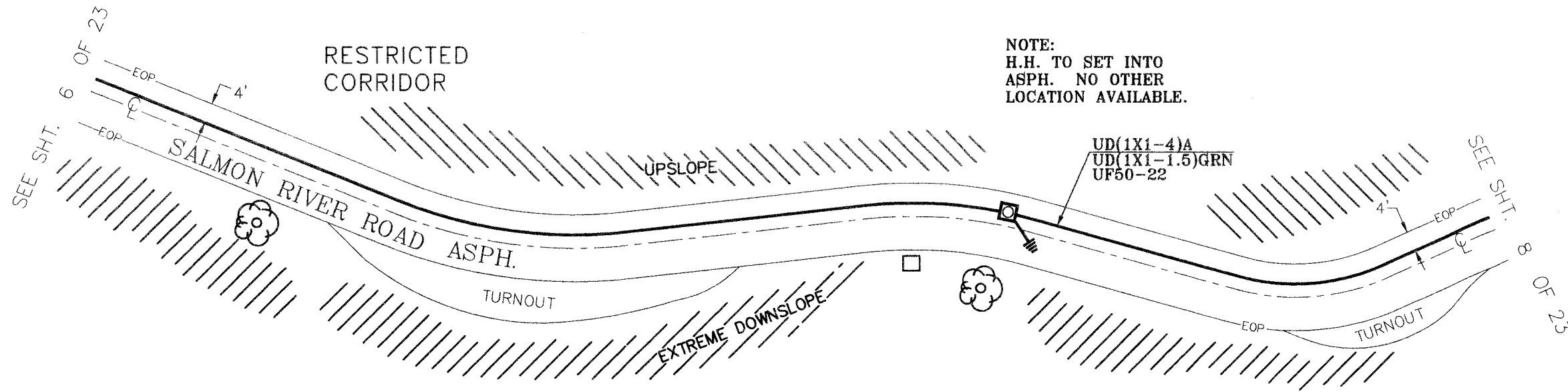




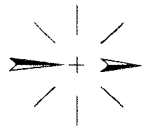
UTILITY LOCATIONS ARE APPROXIMATE.  
CONTRACTOR RESPONSIBLE FOR EXACT  
LOCATION.

CO. SISKIYOU  
TELEPHONE  
EXCH. SALMON RIVER  
ROUTE  
J.O. NO. 07SW501  
SHEET 7 OF 23  
MAP REF. 10-07E-03  
COUNTY SISKIYOU

21+70  
H.H. #03



T. 10N R. 7E SEC 3  
TAX CODES



CONTACT ENG.  
PHONE NO.

19+58  
FIR TREE

21+04  
REFLECTOR

22+52  
E/TURNOUT

PED OR POLE NUMBER	BM2(5/8)(5)	BM71	UD(1X1-4)A	UD(1X1-1.5)GRN	UF50-22	UM264					PED OR POLE NUMBER	SUB NUMBER
H.H. #03	1	1250	1480	1480	1504	1						
1	1250	1480	1480	1504	1							

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Engineer: C. EASTLICK  
Drafter: JANET  
Last Accessed: 11/05/07  
Time: 10:35 AM

SUB. INFO.









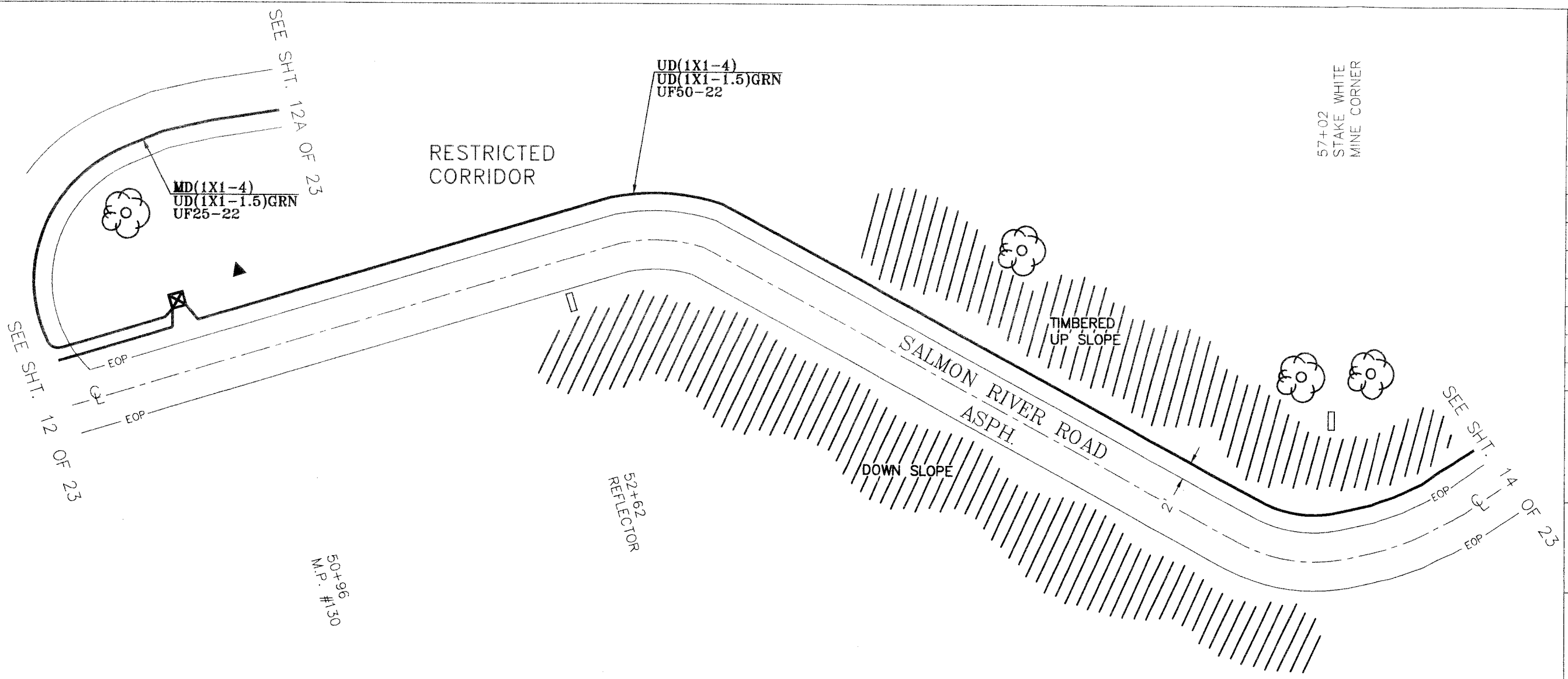










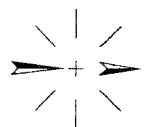


57+02  
STAKE WHITE  
MINE CORNER

SEE SHIT. 12 OF 23

SEE SHIT. 12A OF 23

CO.	SISKIYOU TELEPHONE		
EXCH.	SALMON RIVER		
ROUTE			
J.O. NO.	07SW501		
SHEET	13	OF	23
MAP REF.	10-07E-03		
COUNTY	SISKIYOU		
T.	11N	R.	7E SEC 34
TAX CODES			



UTILITY LOCATIONS ARE APPROXIMATE.  
CONTRACTOR RESPONSIBLE FOR EXACT LOCATION.

CONTACT ENG.  
PHONE NO.

PED OR POLE NUMBER																			PED OR POLE NUMBER	SUB NUMBER

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Drafter: HELEN  
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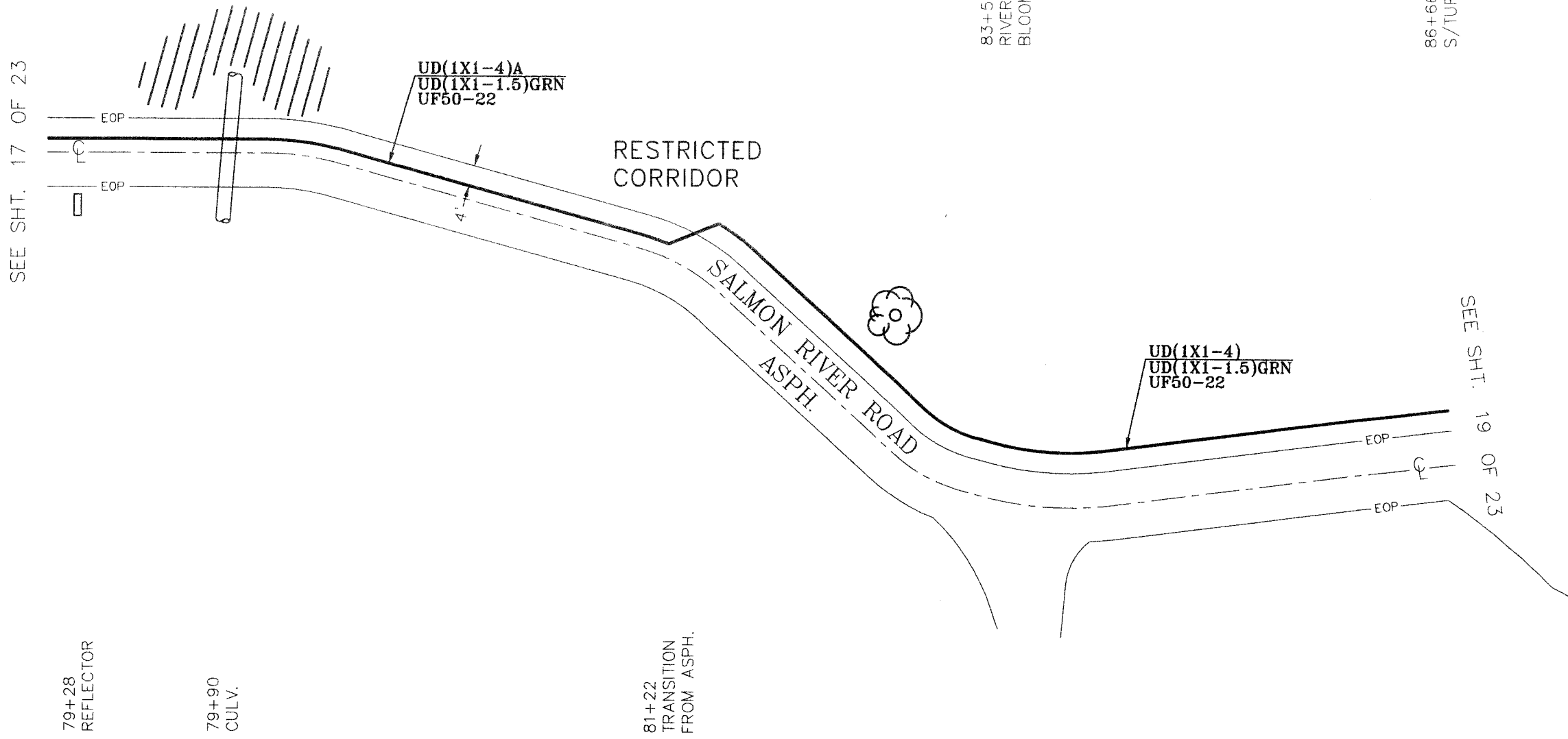


UTILITY LOCATIONS ARE APPROXIMATE.  
CONTRACTOR RESPONSIBLE FOR EXACT  
LOCATION.

CO. SISKIYOU TELEPHONE  
EXCH. SALMON RIVER  
ROUTE  
J.O. NO. 07SW501  
SHEET 18 OF 23

MAP REF. 11-07E-33  
COUNTY SISKIYOU

T. 11N | R. 7E | SEC 33  
TAX CODES



SEE SHT. 17 OF 23

SEE SHT. 19 OF 23

79+28  
REFLECTOR

79+90  
CULV.

81+22  
TRANSITION  
FROM ASPH.

83+50  
RIVER ACCESS  
BLOOMER FALLS

86+66  
S/TURNOUT



CONTACT ENG.  
PHONE NO.

PED OR POLE NUMBER																								PED OR POLE NUMBER	SUB NUMBER			

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Drafter: HELEN  
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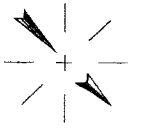
SUB. INFO.



CO. SISKIYOU  
TELEPHONE  
EXCH. SALMON RIVER  
ROUTE  
J.O. NO. 07SW501  
SHEET 19 OF 23

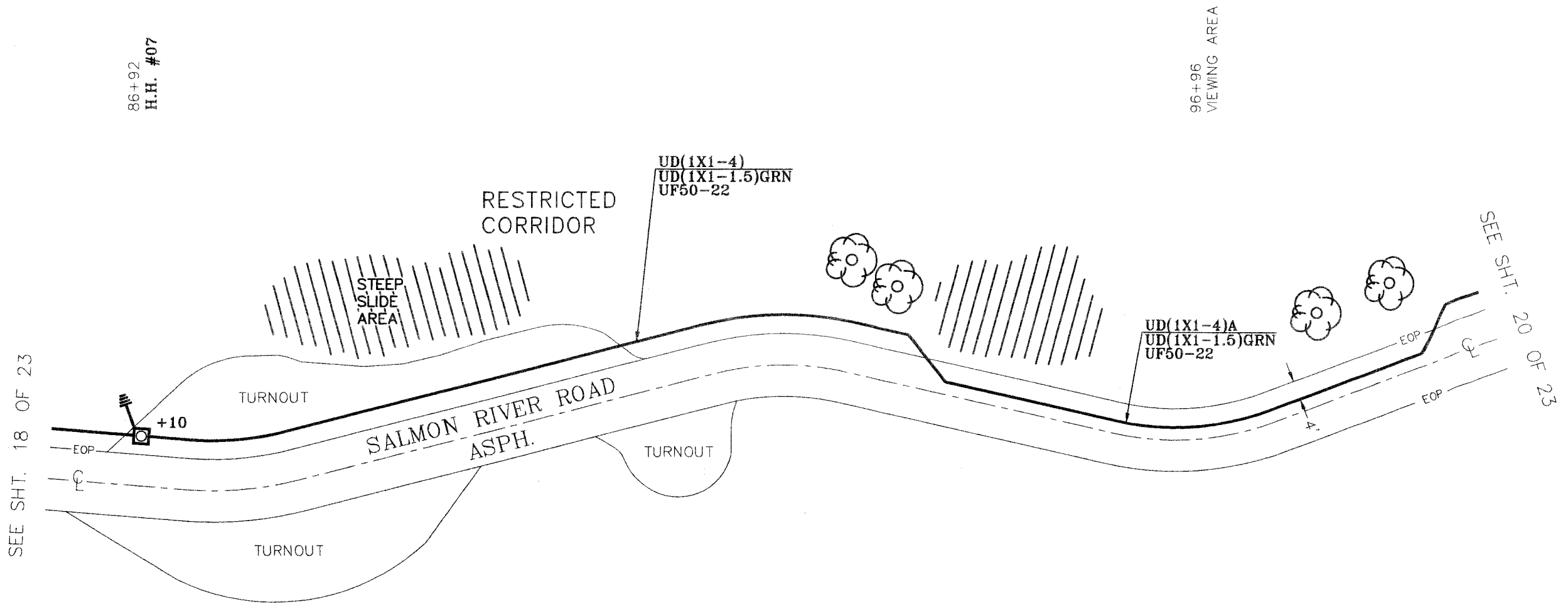
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COUNTY SISKIYOU

T. 11N | R. 7E | SEC 33  
TAX CODES



CONTACT ENG.  
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	Drafter: HELEN
	Last Accessed: 11/05/07 Time: 10:34 AM
SUB. INFO.	



UTILITY LOCATIONS ARE APPROXIMATE.  
CONTRACTOR RESPONSIBLE FOR EXACT  
LOCATION.

91+22  
S/BM71  
TRANSITION  
TO ASPH.

95+20  
TRANSITION  
OUT OF ASPH.

PED OR POLE NUMBER	BM2(5/8)(5)	BM71	UD(1X1-4)	UD(1X1-4)A	UD(1X1-1.5)GRN	UF50-22	UM264	PED OR POLE NUMBER	SUB NUMBER
H.H. #07	1	946	570	946	1516	1544	1		
1		946	570	946	1516	1544	1		











A Tradition Of Excellence Since 1896

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30 Telco Way • P.O. Box 157 • Etna, CA 96027-0157  
Phone (530) 467-6000 • Fax (530) 467-6401

## NETWORK COMPATIBILITY STATEMENT

10-19-07

To Whom It May Concern:

Siskiyou Telephone Company has instructed its contract engineering firm, Mid-State Consultants, to design the Nordheimer Flat line extension project using Rural Utilities Service (RUS) standards and specifications. The project will therefore be compatible in all respects with Siskiyou Telephone Company's telecommunications network.

Sincerely,



Jim Lowers  
President  
Siskiyou Telephone Company

Contract #07Sb...  
SALMON RIVER EXCHANGE

Week Ending

UNIT	Estimated Quantity	UNITS PLACED	Labor	Material	L&M	Contract Amount
BD5	6		\$51.50	\$67.50	\$119.00	\$714.00
BD7	1		\$121.54	\$201.50	\$323.04	\$323.04
BM2(5B)(5)	15		\$20.00	\$15.00	\$35.00	\$525.00
BM53F	22		\$30.00	\$20.00	\$50.00	\$1,100.00
BM66(4)	720		\$24.32	\$7.00	\$31.32	\$22,550.40
BM71	986		\$32.43		\$32.43	\$31,975.98
BM71(12')			\$8.11		\$8.11	\$0.00
BM71(24')			\$16.22		\$16.22	\$0.00
BM71(36')	4378		\$24.32		\$24.32	\$106,472.96
UD(1X1-1.5)GRN	13994		\$0.20	\$0.49	\$0.69	\$9,655.86
UD(1X1-4)	8896		\$8.71	\$1.34	\$10.05	\$89,404.80
UD(1X1-4)A			\$22.60		\$22.60	\$0.00
UD(1X1-4)(12")A	4378		\$13.56	\$5.14	\$18.70	\$81,868.60
UD(1X1-4)(24")A			\$16.57		\$16.57	\$0.00
UD(1X1-4)(36")A			\$19.58		\$19.58	\$0.00
UD(1X1-4)(12")			\$6.10		\$6.10	\$0.00
UD(1X1-4)(24")			\$6.97		\$6.97	\$0.00
UD(1X1-4)(36")			\$7.84		\$7.84	\$0.00
UD(1X2-1.5)ORG/BLU	13994		\$0.40	\$0.96	\$1.36	\$19,031.84
ROAD SURFACE CHIP SEAL						\$71,560.22
TRENCH PAVING						\$43,780.00
CLASS II BASE ROCK						\$23,000.00
UF50-22	12094		\$1.15	\$2.98	\$4.13	\$49,906.92
SEB6-22	350		\$1.15	\$0.60	\$1.75	\$612.50
UM264	8		\$990.00	\$1,395.00	\$2,385.00	\$19,080.00
XXBD	1		\$120.00	\$0.00	\$120.00	\$120.00

SUBTOTAL

\$571,682.12

FIT/CCFT = (A x [(1/(1-F)) / (1-c)]) - A

Federal Income Tax/CA Corporate Tax Component

\$378,498.91  
\$950,181.03

GRANT TOTAL

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



October 17, 2007

RE: Rural Telecommunications Infrastructure Grant Program

The Communications Division staff has reviewed the Nordheimer Flat Phase I Application for the Rural Telecommunications Infrastructure Grant Program and found that your application complies with all necessary requirements.

You are officially qualified, and now eligible, to submit a Phase 2 Application; the feasibility study detailing the engineering and construction cost aspects of your project. A complete description of Phase 2 requirements can be found at the AB 140 homepage at the Commission's website <http://www.cpuc.ca.gov> then search for AB 140.

Funding is provided on a first-come, first-served basis; thus your Phase 2 Application submission should reflect that.

Please direct your questions or comments to our staff representative Michael Coen at (415) 703-2628 or [mwc@cpuc.ca.gov](mailto:mwc@cpuc.ca.gov).

Thank you for your participation in this first-ever program and again, congratulations on your successful submittal.

Sincerely,

A handwritten signature in cursive script that reads "Jack Leutza".

Jack Leutza  
Director  
Communications Division

cc: Jim Lowers, President, Siskiyou Telephone



RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS

A. General

1. Except as otherwise provided in these Rules, the Utility will, at its expense, construct, own and maintain all facilities (up to and including the local loop demarcation point) necessary to serve applicants in accordance with its rates, rules and current construction standards, provided dedicated streets are available or acceptable easements can be obtained without charge or condemnation.
2. Where an applicant requests a route or type of construction which is feasible but differs from that determined by the Utility, he will be required to pay the estimated additional cost involved.
3. In lieu of all or part of the payment in Section A.2. above, the applicant may furnish such materials or perform such work as may be mutually agreed between the Utility and the applicant. Upon acceptance by the Utility, ownership of any materials so furnished shall vest in the Utility except that portion of underground supporting structures located on private property.
4. Charges for line extensions and service connections in suburban areas are set forth in Schedule No. B-3, LINE EXTENSION AND SERVICE CONNECTION CHARGES IN EXCHANGE AREAS.
5. Line extension and service connection provisions for temporary or speculative service are set forth in Rule No. 13, TEMPORARY SERVICE.
6. Where its own operating conditions warrant, the Utility will extend and maintain its facilities underground at its expense.

(Continued)

Advice Letter No. 218  
Decision No.

Issued by  
James G. Hendricks  
President

Date Filed: May 05, 1995  
Effective: Aug. 11, 1995  
Resolution No. T-15750

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

A. General - (Continued)

7. Only underground line extensions and service connections will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1) or new real estate developments; i.e. projects which do not satisfy the density requirement for a subdivision: (See Sections 8. and 9. below for exemptions to this requirement).

a. Five or more lots for single-family and/or multifamily dwellings; unless:

(1) The lots within the residential subdivision or real estate development existed as legally described parcels prior to May 5, 1970, and an agreement has been entered into prior to May 5, 1972, with the electric utility for aerial service; or

(2) The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority, is 3 acres and the applicant for the extension shows that all of the following conditions exist:

(a) Local ordinances do not require underground construction.

(b) Local ordinances or land use policies do not permit further division of the parcels so that parcel sizes less than 3 acres can be formed.

(c) Local ordinances or deed restrictions do not allow more than one single-family dwelling or accommodation on each parcel or any portion of a parcel of less than 2 acres.

(Continued)

Issued by

Advice Letter No. 218  
Decision No.

James G. Hendricks  
President

Date Filed: May 05, 1995  
Effective: Aug. 11, 1995  
Resolution No. T-15750

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

A. General - (Continued)

7. Only underground line extensions and service connections will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1) or new real estate developments; i.e. projects which do not satisfy the density requirement for a subdivision: (See Sections 8. and 9. below for exemptions to this requirement). - (Continued)

a. Five or more lots for single-family and/or multifamily dwellings; unless: - (Continued)

(2) The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority, is 3 acres and the applicant for the extension shows that all of the following conditions exist: - (Continued)

(d) New aerial line extensions and service connections constructed to or within a residential subdivision or real estate development would not be in proximity to [1], and visible from [2], a designated scenic highway, state or national park, or other area determined by a governmental agency to be of unusual scenic interest to the general public.

[1]"In proximity to" shall mean within 1,000 feet from each edge of the right-of-way of designated state scenic highways and from the boundaries of designated parks and scenic areas.

[2]"Visible from" shall mean that overhead distribution facilities could be seen by motorists or pedestrians traveling along scenic highways or visiting parks or scenic areas.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

A. General - (Continued)

7. Only underground line extensions and service connections will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1) or new real estate developments; i.e. projects which do not satisfy the density requirement for a subdivision: (See Sections 8. and 9. below for exemptions to this requirement). - (Continued)

a. Five or more lots for single-family and/or multifamily dwellings; unless: - (Continued)

(2) The minimum parcel size within the new residential subdivision or real estate development, identifiable by a map filed with the local governmental authority, is 3 acres and the applicant for the extension shows that all of the following conditions exist: - (Continued)

(e) Exceptional circumstances do not exist which in the Utility's opinion warrant the installation of underground line extension and service connection facilities. Whenever the Utility invokes this provision, the circumstances shall be described promptly in a letter to the Public Utilities Commission, with a copy to the applicant for the extension.

(f) The Utility does not elect to install the extension underground for its own operating convenience. Whenever the Utility elects to install the extension underground for its own operating convenience, the extra cost compared with overhead shall be borne by the Utility.

b. Five or more dwelling units in two or more buildings located on a single parcel of land;

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

A. General - (Continued)

7. Only underground line extensions and service connections will be constructed to and within the following types of new subdivisions (as defined in Rule No. 1) or new real estate developments; i.e. projects which do not satisfy the density requirement for a subdivision: (See Sections 8. and 9. below for exemptions to this requirement). - (Continued)

c. Two or more enterprises on a single parcel or on two or more contiguous parcels of land where each enterprise is to be engaged in trade, the furnishing of services, or a process which creates a product or changes materials into another form or product (e.g., shopping center; sales, commercial or industrial enterprises; business or professional offices; educational or government complexes; shop, and factories).

8. If an applicant elects to be served by aerial electrical facilities which are not in violation of a legal prohibition imposed by a municipality, the Public Utilities Commission, or other governmental agency having jurisdiction, the Utility is not obligated to construct underground.

9. In exceptional circumstances, when the application of these rules appears impractical or unjust, the Utility or the applicant may refer the matter to the Public Utilities Commission for special ruling or for approval of mutually agreed upon special conditions prior to commencing construction.

B. Aerial Line Extensions

Aerial line extensions will be constructed at the Utility's expense subject to the general provisions in Section A. above.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

C. Underground Line Extensions

1. Within new subdivisions in their entirety where all requirements will be for residential service or where buried cable is to be used for line extensions:
  - a. The Utility will construct underground line extensions at its expense. Trenches will be occupied jointly, where economy dictates, upon payment by the Utility of its pro rata cost thereof.
  - b. The applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final subgrade, all in time to give the Utility a reasonable construction period.
2. Within new subdivisions in their entirety where all or a portion of the requirement will be for business service and the Utility determines an underground supporting structure is needed:
  - a. The Utility will provide the conduit material, and metallic manhole covers where specified, or, where mutually agreeable, the applicant may provide the conduit material to the Utility's specifications and the Utility will reimburse the applicant at the Utility's current cost for that type of conduit.
  - b. If the specifications (in Section d. below) include transiting conduit to serve parcels outside the subdivision, the Utility will provide all conduit material and reimburse the applicant his incremental cost attributable to transiting conduits over and above a total of four local and transiting conduits in any section of the underground supporting structure. The applicant and the Utility shall agree upon the amount of such reimbursement before construction begins.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

C. Underground Line Extensions - (Continued)

2. Within new subdivisions in their entirety where all or a portion of the requirement will be for business service and the Utility determines an underground supporting structure is needed: -  
(Continued)
  - c. The applicant shall be responsible for loss, unreasonable breakage and any liability in connection with the conduit material or manhole covers provided to the applicant by the Utility.
  - d. The applicant will construct to the Utility's specifications and deed to the Utility the complete underground supporting structure.
  - e. The Utility will complete the line extension at its expense, subject to the provisions of Section A. above where buried cable is to be used.
3. From new subdivisions to the Utility's existing distribution facilities:
  - a. Responsibilities for the cost of construction of that portion of an extension which is 200 feet or less in length and is adjacent to the boundary of a new subdivision will be the same as those within a subdivision as determined by Section C.1. or C.2. above for the type of construction employed.
  - b. For the remainder of an extension outside the boundary of a new subdivision, the applicant will pay in advance a nonrefundable amount equal to three-fourths of the estimated difference in cost between underground and aerial facilities.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

C. Underground Line Extensions - (Continued)

4. Line extensions to and within new real estate developments in their entirety which do not satisfy the density requirement for a subdivision will be constructed in the manner determined in Sections C.1. through C.3. above provided:
  - a. The customer will pay in advance the estimated total cost of the Utility's construction. Any difference between the amount advanced and the actual cost shall be advanced or refunded, as the case may be, within 60 days after completion of the Utility's construction. This adjusted advance, excluding any payments required by Section C.3.b. above, is refundable as provided in Section C.4.b. below.
  - b. When, within the first three-year period after completion of construction, the subdivision density requirement has been met, the Utility will refund the refundable advance in Section C.4.a. above. If, at the end of the three-year period the subdivision density requirement has not been met, the Utility will refund that portion of the refundable advance proportional to the ratio of the then permanent main telephone and PBX trunk line termination density to the subdivision density requirement. No interest will be paid on such advances.
5. In cases other than those included in Sections C.1. through C.4. above, if the customer requests or is required to have underground line extensions he will pay nonrefundably in advance three-fourths of the estimated difference in cost between underground and equivalent aerial facilities.

(Continued)



RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

D. Aerial Service Connections

1. Aerial service connections from aerial distribution facilities are furnished at the Utility's expense.
2. Aerial service connections from underground distribution facilities are not provided unless an applicant specifically requests such an arrangement. Such an arrangement must be feasible and permissible, in which case applicant will pay in advance a nonrefundable amount equal to the estimated total cost of arranging the distribution facilities to accommodate an aerial service connection.
3. The customer will provide and maintain a suitable point of attachment on the building housing the premises served to give clearance between the service connection wire or cable and ground and other objects as required by applicable laws, ordinances, rules or regulations of public authorities.

E. Underground Service Connections

When the customer requests or is required to have underground facilities, the Utility will furnish them under the following conditions.

1. To property to be served.
  - a. The Utility will construct underground service connections without charge from underground distribution facilities except as provided in Sections E.1.b. and E.1.c. below.
  - b. If an underground line extension is being constructed to and/or within a new real estate development as provided in Section C.4. above, the Utility's cost of underground service connections to the properties to be served are also subject to the advance and refund provisions of Section C.4.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

E. Underground Service Connections - (Continued)

1. To property to be served. - (Continued)

- c. Trenches will be occupied jointly, where economy dictates, upon payment by the Utility of its pro rata cost thereof. If, however, soil conditions or topography will cause trenching cost to materially exceed the Utility's average trenching costs, the applicant will pay nonrefundably such excess costs.
- d. The Utility will construct underground service connections from aerial distribution facilities upon payment in advance by the applicant of a nonrefundable amount equal to three-fourths of the estimated difference in the cost of constructing underground and equivalent aerial facilities.

2. On property to be served.

For the purpose of this rule: A service connection (or a branch thereof) intended to serve all or a portion of one building is denoted as being "separate." Where a single service connection is intended to serve two or more buildings on one continuous property, the section extending from the property line and excluding the "separate" branches to individual buildings is denoted as the "common portion."

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

E. Underground Service Connections - (Continued)

2. On property to be served. - (Continued)

a. The trench or underground support structure for a "separate" service connection, and for any "common portion" for which an easement acceptable to the Utility (see Section b. below) is not obtainable without charge or condemnation, will be provided as follows:

- (1) Where the Utility determines that buried wire or cable is to be used for the service connection, the customer will provide the trench or pay the trenching costs. Such trench will be to the Utility's plans and specifications between designated points on the building served and the boundary of the "common portion" easement, Utility easement or dedicated street, as required.
- (2) Where the Utility determines that conduit is to be used for the service connection, the applicant or customer will construct, own and maintain at his expense the underground supporting structure. Such underground supporting structure will be to the Utility's plans and specifications between designated points on the building served and the boundary of the "common portion" easement, Utility easement or dedicated street, as required.

(Continued)

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RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

E. Underground Service Connections - (Continued)

2. On property to be served. - (Continued)

b. Where feasible, a single service connection will be constructed to serve two or more buildings on one continuous property. The trench or underground supporting structure for the "common portion" and those segments of "separate" portions lying within the boundary of the easement of such an arrangement will be constructed as follows, provided an easement acceptable to the Utility for such "common portion" has been obtained without charge or condemnation. Unless otherwise agreed between the applicant and the Utility, the width of such easement shall not exceed five feet.

- (1) Where the easement of the "common portion" is adjacent to or within the paved area of a private street giving access to two or more buildings, such easement shall be broadened, where required, to include those portions of "separate" service connections that will be constructed beneath the street pavement.
- (2) Where all requirements will be for residential service the Utility will provide the trench or underground supporting structure at its expense, and the applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final grade, all in time to give the Utility a reasonable construction period.
- (3) Where all or a portion of the requirement will be for business service and the Utility determines that buried wire or cable is to be used, the Utility will provide the trench at its expense, and the applicant will perform or pay for any pavement cutting and repaving, and for clearing the route and grading it to within six inches of final grade, all in time to give the Utility a reasonable construction period.

(Continued)

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LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

E. Underground Service Connections - (Continued)

2. On property to be served. - (Continued)

b. Where feasible, a single service connection will be constructed to serve two or more buildings on one continuous property. The trench or underground supporting structure for the "common portion" and those segments of "separate" portions lying within the boundary of the easement of such an arrangement will be constructed as follows, provided an easement acceptable to the Utility for such "common portion" has been obtained without charge or condemnation. Unless otherwise agreed between the applicant and the Utility, the width of such easement shall not exceed five feet. - (Continued)

(4) Where all or a portion of the requirement will be for business service and the Utility determines that an underground supporting structure is required, the Utility will provide the conduit material, and metallic manhole covers where specified, or where mutually agreeable, the applicant may provide the conduit material to the Utility's specifications and the Utility will reimburse the customer at the Utility's current cost for that type of conduit. The customer will construct to the Utility's specifications and deed to the Utility the complete underground supporting structure. The customer shall be responsible for loss, unreasonable breakage and any liability in connection with the conduit material or manhole covers provided to the customer by the Utility.

c. In either Section a. or b. above the Utility will at its expense furnish, install and maintain the service connection wire or cable.

F. Existing service connections will be reinforced as required to accommodate added service requests under the conditions set forth above.

(Continued)

RULES

Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

LINE EXTENSIONS AND SERVICE CONNECTIONS - (Continued)

G. Facilities Beyond Local Loop Demarcation Point.

It is the customer's responsibility to furnish, install and maintain all telecommunications facilities beyond the local loop demarcation point.

OWNERSHIP AND USE OF FACILITIES ON CUSTOMER'S PREMISES

- A. The Utility shall furnish, own and maintain a Standard Network Interface/Telephone Network Interface (SNI/TNI) including protective apparatus at the local loop demarcation point (minimum point of entry).
- B. The owner or customer is responsible for all installation and repair of inside wiring (including jacks) beyond the Utility's Intrabuilding Network Cable (INC) demarcation point (if INC is present) or beyond the local loop demarcation point (if no INC is present).
- C. The customer will be held responsible for loss or damage to any equipment or apparatus furnished by the Utility on his premises, unless such loss or damage is due to cause beyond his control.
- D. No facilities not provided or authorized by the Utility shall be attached to the Utility side of the local loop demarcation point. The Utility shall have the right to disconnect the service during the continuance of such attachment or connection.

(Continued)

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Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

INCOME TAX COMPONENT OF CONTRIBUTIONS AND ADVANCES PROVISION

A. Contributions in Aid of Construction and Advances for Construction shall include, but are not limited to, cash, services, facilities, labor, property, and income taxes thereon provided by a person or agency to The Siskiyou Telephone Company. The value of all contributions and advances shall be based on The Siskiyou Telephone Company's estimates. Contributions and advances shall consist of three components for the purpose of recording transactions as follows:

1. Federal Income Tax component (FIT),
2. Calif. Corporate Franchise Tax (CCFT) component,
3. The balance of the contribution or advance.

B. The FIT/CCFT shall be calculated by multiplying the balance of the contribution or advance by the current tax factor. The formula used to calculate the FIT/CCFT is as follows:

$$\text{FIT/CCFT} = \{A \times [(1/(1-F))/(1-C)]\} - A$$

where A = advance or contribution

C = current Calif. corporate franchise tax rate

F = current federal corporate tax rate

C. The tax factor is established by using Method 2 set forth in D.87-09-026 in I.86-11-019.

D. The CCFT portion shall be collected subject to refund with interest should the Franchise Tax Board reverse its position. Interest will be calculated at the average three month commercial paper rate as published in the Federal Reserve Bulletin.

(Continued)

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Rule No. 16

LINE EXTENSIONS, SERVICE CONNECTIONS AND FACILITIES ON PREMISES OF CUSTOMER

RIGHT OF ACCESS

- A. The Utility's authorized employees may enter a customer's premises at all reasonable hours for any purpose reasonably pertinent to the furnishing of telephone service and the exercise of any and all rights secured to it by law or by the tariff schedules. Each authorized employee is issued an identification card in a distinctive format having a photograph of the employee. The employee is required to present the card upon requesting entry into any building or structure on the premises of an applicant or Customer. (N)
- B. The Utility may remove any or all of its property located on the customer's premises at the termination of service as provided by the tariff schedules. (N)



## F. Nordheimer Flat Feasibility Study

This project has been designed to provide service to the immediate applicants in the Nordheimer Flat area, including those who did not participate in the grant survey. With many available parcels of private property in this area, it has been designed to allow growth as needed. Based on present design practices used by Siskiyou Telephone, we install copper cable in 25 pair increments based on a 20-25 year life of the cable. With this in mind we plan to build a minimum 50 pair cable to allow for any future growth to cover this length of time. Our construction practices now place conduit underground, with cables pulled into the conduits, with above-ground pedestals at key locations along the route for cable access. Should the need arise for more capacity in the future, new construction will be limited to placing new cables in the conduits without further ground disturbance.