A. APPLICABILITY:

This schedule applies to all connections, expansions, and upgrades to the City's Dark Fiber network (Backbone).

B. TERRITORY:

All territory within the incorporated limits of the City and land owned or leased by the City.

C. FEES:

1. ADVANCE ENGINEERING FEES:

   Advance engineering (AER) fees must be paid to start the engineering process and are non-refundable. The fees will be credited against the estimated project cost prior to the collection of the project construction fees.

   (1) Commercial/Industrial AER minimum fee ............................................... $948.00
   (2) Special conditions (requiring expert assessment) ........................................ By Estimate

2. ESTIMATED SERVICE CONNECTION AND RECONFIGURATION FEES

   All estimated service connection and reconfiguration fees must be paid prior to the scheduling of any construction or reconnections to the City's Dark Fiber network.

   (1) Service connection (Interconnection) fee ................................................. By Estimate
   (2) Reconfiguration Fees ............................................................................ By Estimate

Labor rates are subject to change as stated in the Utility Rate Schedule C-1.

D. NOTES:

1. The Customer is responsible for the installation and maintenance of all ducts and pathways from the facility to the property line in compliance with City of Palo Alto Utilities Rules and Regulations and contract agreements.

2. The City shall not be held liable for delays or interruptions in service, but will make reasonable efforts to provide timely continuous service.

3. All fees are subject to Consumer Price Index (CPI) adjustments, to be applied annually. The CPI adjustment will be based on the Consumer Price Index for All Urban Consumers (CPI-U) for the San Francisco-Oakland-San Jose MSA, published by the U.S. Department of Labor, Bureau of Labor Statistics. The adjustment is calculated by dividing the most recent calendar year December CPI by the December CPI in the year rates last changed. In the event that the change between December CPI's indicates an adjustment of less than 1% is required, a change to rate schedules may not be made for the upcoming year. Future rate changes will take the last year of change as the new base year for purposes of calculation.

{End}