

Addendum to ReConnect Program Construction Procedures

Depreciation Rates

| Code | Group | Letter | Type | Rate (%) |
|------|-------------------------------|--------|-----------------------------|----------|
| 1000 | 1. Network & Access Equipment | a. | Switching Equipment | 9.37 |
| 1001 | 1. Network & Access Equipment | b. | Routing Equipment | 9.37 |
| 1002 | 1. Network & Access Equipment | c. | Transport Equipment | 9.37 |
| 1003 | 1. Network & Access Equipment | d. | Access Equipment | 9.37 |
| 1004 | 1. Network & Access Equipment | e. | Video Equipment | 10.00 |
| 1005 | 1. Network & Access Equipment | f. | Power Equipment | 10.00 |
| 1006 | 1. Network & Access Equipment | g. | Satellite Equipment | 10.00 |
| 1007 | 1. Network & Access Equipment | h. | Other (specify) | |
| | | | | |
| 2000 | 2. Outside Plant | a. | Copper Cable - Aerial | 6.00 |
| 2001 | 2. Outside Plant | b. | Copper Cable - Buried | 5.15 |
| 2002 | 2. Outside Plant | c. | Copper Cable - Underground | 5.00 |
| 2003 | 2. Outside Plant | d. | Coaxial Cable - Aerial | 6.00 |
| 2004 | 2. Outside Plant | e. | Coaxial Cable - Buried | 5.15 |
| 2005 | 2. Outside Plant | f. | Coaxial Cable - Underground | 5.00 |
| 2006 | 2. Outside Plant | g. | Fiber Cable - Aerial | 5.10 |
| 2007 | 2. Outside Plant | h. | Fiber - Buried | 5.00 |
| 2008 | 2. Outside Plant | i. | Fiber - Underground Cable | 5.00 |
| 2009 | 2. Outside Plant | j. | Fiber - Submarine Cable | 5.00 |
| 2010 | 2. Outside Plant | k. | Conduit Systems | 4.00 |
| 2011 | 2. Outside Plant | l. | Ducts (Vacant) | 5.00 |
| 2012 | 2. Outside Plant | m. | Drops | 5.00 |
| 2013 | 2. Outside Plant | n. | Cabinets/underground vaults | 5.00 |
| 2014 | 2. Outside Plant | o. | Poles | 5.00 |
| 2015 | 2. Outside Plant | p. | Make-ready | 5.00 |
| 2016 | 2. Outside Plant | q. | Other (specify) | |
| | | | | |
| 3000 | 3. Buildings | a. | New Construction | 3.30 |
| 3001 | 3. Buildings | b. | Pre-Fab Huts | 5.00 |
| 3002 | 3. Buildings | c. | Improvements | 6.67 |
| 3003 | 3. Buildings | d. | Other (specify) | |
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| Code | Group | Letter | Type | Rate (%) |
|-------------|--------------------------------|---------------|--------------------------------|-----------------|
| 4001 | 4. Towers | a. | Guyed Towers | 5.00 |
| 4002 | 4. Towers | b. | Lattice Towers | 5.00 |
| 4003 | 4. Towers | c. | Monopole/Self-Supporting Tower | 5.00 |
| 4004 | 4. Towers | d. | Wood poles | 5.00 |
| 4005 | 4. Towers | e. | Improvements | 5.00 |
| 4006 | 4. Towers | f. | Other (specify) | |
| | | | | |
| 5000 | 5. Customer Premises Equipment | a. | Video Set Top Boxes | 20.00 |
| 5001 | 5. Customer Premises Equipment | b. | Modems and Routers | 20.00 |
| 5002 | 5. Customer Premises Equipment | c. | Inside Wiring | 10.00 |
| 5003 | 5. Customer Premises Equipment | d. | Multi-Terminal Adapter (VoIP) | 20.00 |
| 5004 | 5. Customer Premises Equipment | e. | Smart Meters | 20.00 |
| 5005 | 5. Customer Premises Equipment | f. | Other (specify) | |
| | | | | |
| 6000 | 6. Support Assets | a. | Construction Vehicles | 12.00 |
| 6001 | 6. Support Assets | b. | Construction Equipment | 12.00 |
| 6002 | 6. Support Assets | c. | Motor Vehicles | 16.50 |
| 6003 | 6. Support Assets | d. | Special Purpose Vehicles | 12.00 |
| 6004 | 6. Support Assets | e. | Office Equipment | 10.00 |
| 6005 | 6. Support Assets | f. | Office Furniture | 10.00 |
| 6006 | 6. Support Assets | g. | Billing System | 10.00 |
| 6007 | 6. Support Assets | h. | Test Equipment | 10.00 |
| 6008 | 6. Support Assets | i. | Portable Generators | 10.00 |
| 6009 | 6. Support Assets | j. | Tools | 10.00 |
| 6010 | 6. Support Assets | k. | Other (specify) | |