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(c) The portion reflecting allowance for funds used during construction is apportioned on the basis of the cost of Telecommunications Plant Under Construction—Account 2003. The portion reflecting costs for social and community welfare contributions and fees is apportioned on the basis of the apportionment of corporate operations expenses.

[52 FR 17229, May 6, 1987, as amended at 60 FR 12138, Mar. 6, 1995]

§ 36.223 Interest and related items—Account 7500.

(a) Only interest paid relating to capital leases is considered in this account for separations purposes. Subsidiary Record Categories should be maintained for this account that include details relating to interest expense on capital leases. Such interest expense is apportioned on a basis consistent with the associated capital leases in Account 2680.

§ 36.224 Extraordinary items—Account 7600.

(a) Amounts in this account of an operating nature are apportioned on a basis consistent with the nature of these items.

§ 36.225 Income effect of jurisdictional ratemaking differences—Account 7910.

(a) Amounts in this account are directly assigned to the appropriate jurisdiction.

Subpart D—Operating Expenses and Taxes

GENERAL

§ 36.301 Section arrangement.

(a) This subpart is arranged in sections as follows:

General ..... 36.301 and 36.302.
Plant Specific Operations Expenses:
General ..... 36.310.
Network Support/General Support Expenses—Accounts 6110 and 6120 (Class B Telephone Companies); Accounts 6112, 6113, 6114, 6121, 6122, 6123, and 6124 (Class A Telephone Companies). 36.311.
Central Office Expenses—Accounts 6210, 6220, 6230 (Class B Telephone Companies); Accounts 6211, 6212, 6220, 6231, and 6232 (Class A Telephone Companies). 36.321
Information Origination/Termination Expenses—Account 6310 (Class B Telephone Companies); Accounts 6311, 6341, 6351, and 6362 (Class A Telephone Companies). 36.331.
Cable and Wire Facilities Expenses—Account 6410 (Class B Telephone Companies); Accounts 6411, 6421, 6422, 6423, 6424, 6426, 6431, and 6441 (Class A Telephone Companies). 36.341.
Plant Nonspecific Operations Expenses:
General ..... 36.351.
Other Property Plant and Equipment Expenses—Account 6510 (Class B Telephone Companies); Accounts 6511 and 6512 (Class A Telephone Companies). 36.352.
Network Operations Expenses—Account 6530 (Class B Telephone Companies); Accounts 6531, 6532, 6533, 6534, and 6535 (Class A Telephone Companies). 36.353.
Access Expenses—Account 6540 36.354.
Depreciation and Amortization Expenses—Account 6560. 36.361.
Customer Operations Expenses:
General ..... 36.371.
Marketing—Account 6610 (Class B Telephone Companies); Accounts 6611 and 6613 (Class A Telephone Companies). 36.372.
Services—Account 6620 ..... 36.373.
Telephone Operator Services .... 36.374.
Published Directory Listing ..... 36.375.
All Other ..... 36.376.
Category 1—Local Bus. Office Expense. 36.377.
Category 2—Customer Services (Revenue Accounting). 36.378.
Message Processing Expense ..... 36.379.
Other Billing and Collecting Expense. 36.380.
Carrier Access Charge Billing and Collecting Expense. 36.381.
Category 3—All other Customer Service Expense. 36.382.
Corporate Operations Expenses:
General ..... 36.391.
General and Administrative Expenses—Account 6720. 36.392.
Operating Taxes—Account 7200 (Class B Telephone Companies); Accounts 7210, 7220, 7230, 7240, and 7250 (Class A Telephone Companies). 36.411 and 36.412.
Equal Access Expenses ..... 36.421.

[69 FR 12551, Mar. 17, 2004]

§ 36.302 General.

(a) This section sets forth procedures for the apportionment among the operations of operating expenses and operating taxes.

(b) As covered in § 36.2 (c) and (d), the treatment of expenses relating to plant furnished to and obtained from others under rental arrangements is consistent with the treatment of such plant.

(c) In accordance with requirements in part 32 § 32.5999 (f) expenses recorded in the expense accounts are segregated in the accounting process among the following subsidiary record categories as appropriate to each account:

Salaries and Wages
Benefits
Rents
Other Expenses
Clearances

(1) Subsidiary Record Categories (SRC) for Salaries and Wages, Benefits and Other Expenses are applicable to all of the expense accounts except for:

Access Expense contained in Account 6540
Depreciation and Amortization Expenses—Account 6560

(i) SRC for access expenses are maintained to identify interstate and state access expense and billing and collection expense for carrier's carrier.

(ii) Depreciation and Amortization Expense SRCs identify the character of the items contained in the account.

(2) SRCs for Rents and Clearance are only applicable to the Plant Specific Operating Expense accounts 6110 thru 6410.

PLANT SPECIFIC OPERATIONS EXPENSES

§ 36.310 General.

(a) Plant specific operations expenses include the following accounts:

Network Support Expenses.	Account 6110 (Class B Telephone Companies); Accounts 6112, 6113, and 6114 (Class A Telephone Companies)
General Support Expenses.	Account 6120 (Class B Telephone Companies); Accounts 6121, 6122, 6123, and 6124 (Class A Telephone Companies).
Central Office Switching Expenses.	Account 6210 (Class B Telephone Companies); Accounts 6211 and 6212 (Class A Telephone Companies)
Operator System Expenses.	Account 6220
Central Office Transmission Expenses.	Account 6230 (Class B Telephone Companies); Accounts 6231 and 6232 (Class A Telephone Companies).
Information Origination/Termination Expenses.	Account 6310 (Class B Telephone Companies); Accounts 6311, 6341, 6351, and 6362 (Class A Telephone Companies).
Cable and Wire Facilities Expenses.	Account 6410 (Class B Telephone Companies); Accounts 6411, 6421, 6422, 6423, 6424, 6426, 6431, and 6441 (Class A Telephone Companies).

(b) These accounts are used to record costs related to specific kinds of telecommunications plant and predominantly mirror the telecommunications plant in service detail accounts. Accordingly, these expense accounts will generally be apportioned in the same manner as the related plant accounts.

(c) Except where property obtained from or furnished to other companies is treated as owned property by the company making the separation, and the related operating rents are excluded from the separation studies as set forth in § 36.2 (c) and (d), amounts are apportioned among the operations on bases generally consistent with the treatment prescribed for similar plant costs and consistent with the relative magnitude of the items involved.

[52 FR 17229, May 6, 1987, as amended at 53 FR 33012, Aug. 29, 1988; 69 FR 12551, Mar. 17, 2004]

NETWORK SUPPORT/GENERAL SUPPORT EXPENSES

§ 36.311 Network Support/General Support Expenses—Accounts 6110 and 6120 (Class B Telephone Companies); Accounts 6112, 6113, 6114, 6121, 6122, 6123, and 6124 (Class A Telephone Companies).

(a) Network Support Expenses are expenses associated with motor vehicles,