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SECTION 2 - RULES AND REGULATIONS (CONT'D.)

2.13 Cancellation by Customer (Cont'd.)

2.13.3 Cancellation of Application for Service

- A. Where the Company permits the Customer to cancel an application for Service prior to the start of Service or prior to any special construction, no charges will be imposed except for those specified below.
- B. Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the Service or in preparing to install the Service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall apply, but in no case shall this charge exceed the sum of the charge for the minimum period of Services ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had Service begun.
- C. Where the Company incurs any expense in connection with special construction, or where special arrangements of facilities or equipment have begun, before the Company receives a cancellation notice, a charge equal to the costs incurred, less net salvage, may apply. In such cases, the charge will be based on such elements as the cost of the equipment, facilities, and material, the cost of installation, engineering, labor, and supervision, general and administrative expense, other disbursements, depreciation, maintenance, taxes, provision for return on investment, and any other costs associated with the special construction or arrangements.
- D. The charges described above will be calculated and applied on a case-by-case basis.

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