

(ii) Multiply the average lag days for interstate expenses paid in advance by the percentage of interstate expenses paid in advance. (Note: an expense lead should be shown as a negative lag.)

(iii) Add the results of paragraphs (e)(2) (i) and (ii) of this section to determine the weighted average expense lag days.

(3) Compute the weighted net lag days by deducting the weighted average expense lag days from the weighted average revenue lag days.

(4) Compute the percentage of a year represented by the weighted net lag days by dividing the days computed in paragraph (e)(3) of this section by 365 days.

(5) Compute the cash working capital allowance by multiplying the interstate cash operating expenses (*i.e.*, operating expenses minus depreciation and amortization) plus interest by the percentage computed in paragraph (e)(4) of this section.

[54 FR 9048, Mar. 3, 1989, as amended at 60 FR 12139, Mar. 6, 1995; 67 FR 5703, Feb. 6, 2002; 67 FR 13229, Mar. 21, 2002]

#### § 65.830 Deducted items.

(a) The following items shall be deducted from the interstate rate base.

(1) The interstate portion of deferred taxes (Accounts 4100 and 4340).

(2) The interstate portion of customer deposits (Account 4040).

(3) The interstate portion of other long-term liabilities in (Account 4300 Other long-term liabilities and deferred credits) that were derived from the expenses specified in Sec. 65.450(a).

(4) The interstate portion of other deferred credits in (Account 4300 Other long-term liabilities and deferred credits) to the extent they arise from the provision of regulated telecommunications services. This shall include deferred gains related to sale-leaseback arrangements.

(b) The interstate portion of deferred taxes, customer deposits and other deferred credits shall be determined as prescribed by 47 CFR part 36.

(c) The interstate portion of other long-term liabilities included in (Account 4300 Other long-term liabilities and deferred credits) shall bear the same proportionate relationships as

the interstate/intrastate expenses which gave rise to the liability.

[54 FR 9049, Mar. 3, 1989, as amended at 62 FR 15118, Mar. 31, 1997; 67 FR 5703, Feb. 6, 2002]

## PART 68—CONNECTION OF TERMINAL EQUIPMENT TO THE TELEPHONE NETWORK

### Subpart A—General

Sec.

68.1 Purpose.

68.2 Scope.

68.3 Definitions.

68.4 Hearing aid-compatible telephones.

68.5 Waivers.

68.6 Telephones with volume control.

68.7 Technical criteria for terminal equipment.

### Subpart B—Conditions on Use of Terminal Equipment

68.100 General.

68.102 Terminal equipment approval requirement.

68.105 Minimum point of entry (MPOE) and demarcation point.

68.106 Notification to provider of wireline telecommunications.

68.108 Incidence of harm.

68.110 Compatibility of the public switched telephone network and terminal equipment.

68.112 Hearing aid-compatibility.

68.160 Designation of Telecommunication Certification Bodies (TCBs).

68.162 Requirements for Telecommunication Certification Bodies.

### Subpart C—Terminal Equipment Approval Procedures

68.201 Connection to the public switched telephone network.

68.211 Terminal equipment approval revocation procedures.

68.213 Installation of other than “fully protected” non-system simple customer premises wiring.

68.214 Changes in other than “fully protected” premises wiring that serves fewer than four subscriber access lines.

68.215 Installation of other than “fully-protected” system premises wiring that serves more than four subscriber access lines.

68.218 Responsibility of the party acquiring equipment authorization.

68.224 Notice of non-hearing aid compatibility.

**Subpart D—Conditions for Terminal Equipment Approval**

- 68.300 Labeling requirements.
- 68.316 Hearing aid compatibility: Technical requirements.
- 68.317 Hearing aid compatibility volume control: technical standards.
- 68.318 Additional limitations.
- 68.320 Supplier's Declaration of Conformity.
- 68.321 Location of responsible party.
- 68.322 Changes in name, address, ownership or control of responsible party.
- 68.324 Supplier's Declaration of Conformity requirements.
- 68.326 Retention of records.
- 68.346 Description of testing facilities.
- 68.348 Changes in equipment and circuitry subject to a Supplier's Declaration of Conformity.
- 68.350 Revocation of Supplier's Declaration of Conformity.
- 68.354 Numbering and labeling requirements for terminal equipment.

**Subpart E—Complaint Procedures**

- 68.400–68.412 [Reserved]
- 68.414 Hearing aid-compatibility: Enforcement.
- 68.415 Hearing aid-compatibility and volume control informal complaints.
- 68.417 Informal complaints; form and content.
- 68.418 Procedure; designation of agents for service.
- 68.419 Answers to informal complaints.
- 68.420 Review and disposition of informal complaints.
- 68.423 Actions by the Commission on its own motion.

**Subpart F [Reserved]**

**Subpart G—Administrative Council for Terminal Attachments**

- 68.602 Sponsor of the Administrative Council for Terminal Attachments.
- 68.604 Requirements for submitting technical criteria.
- 68.608 Publication of technical criteria.
- 68.610 Database of terminal equipment.
- 68.612 Labels on terminal equipment.
- 68.614 Oppositions and appeals.

AUTHORITY: 47 U.S.C. 154, 303.

**Subpart A—General**

AUTHORITY: Secs. 4, 5, 303, 48 Stat., as amended, 1066, 1068, 1082; (47 U.S.C. 154, 155, 303).

SOURCE: 45 FR 20841, Mar. 31, 1980, unless otherwise noted.

**§ 68.1 Purpose.**

The purpose of the rules and regulations in this part is to provide for uniform standards for the protection of the telephone network from harms caused by the connection of terminal equipment and associated wiring thereto, and for the compatibility of hearing aids and telephones so as to ensure that persons with hearing aids have reasonable access to the telephone network.

(47 U.S.C. 151, 154(i), 154(j), 201–205, 218, 220, 313, 403, 412, and 5 U.S.C. 553)

[49 FR 21733, May 23, 1984]

**§ 68.2 Scope.**

(a) Except as provided in paragraphs (b) and (c) of this section, the rules and regulations apply to direct connection of all terminal equipment to the public switched telephone network for use in conjunction with all services other than party line services.

(b) *National defense and security.* Where the Secretary of Defense or authorized agent or the head of any other governmental department, agency, or administration (approved in writing by the Commission to act pursuant to this rule) or authorized representative, certifies in writing to the appropriate common carrier that compliance with the provisions of part 68 could result in the disclosure of communications equipment or security devices, locations, uses, personnel, or activity which would adversely affect the national defense and security, such equipment or security devices may be connected to the telephone company provided communications network without compliance with this part, provided that each written certification states that:

(1) The connection is required in the interest of national defense and security;

(2) The equipment or device to be connected either complies with the technical criteria pertaining thereto or will not cause harm to the nationwide telephone network or to employees of any provider of wireline telecommunications; and

(3) The installation is performed by well-trained, qualified employees under the responsible supervision and control