**Section 712.335 Projected Regulated/Nonregulated Shared Usage**

a) The costs of network investment which is shared by both regulated and nonregulated services are normally recovered on the basis of tariff rates. Any shared investment which is not utilized at tariff rates is apportioned on the basis of peak projected nonregulated usage.

b) The forecasting process is completed annually for each cost pool and uses a three year forecasting period. During each forecast, the highest level of forecast nonregulated usage is determined and used to apportion the costs of investment. When the tracking process identifies a variance between forecast and actual usage, a reconciliation shall be required. If actual nonregulated usage has been greater than the cumulative forecast, additional investment is to be transferred from the regulated activities.

c) The forecasting of usage is the basis for the apportionment of the Shared Cost Pools in the following accounts.

Account 2210 Central Office Switching

Account 2220 Operator Systems

Account 2230 Central Office Transmission

Account 2410 Cable and Wire Facilities