or between buildings on one customer’s
same premises. Intrabuilding network
 cables are used to distribute network
 access facilities to equipment rooms,
cross-connection or other distribution
 points at which connection is made
 with customer premises wiring. Sub-
sidiary record categories, as defined
 below, are to be maintained for non-
metallic intrabuilding network cable
 and metallic intrabuilding network
 cable.

(1) Nonmetallic cable. This subsidiary
 record category shall include the origi-
nal cost of optical fiber cable and other
 associated material used in con-
 structing a physical path for the trans-
 mission of telecommunications signals.

(2) Metallic cable. This subsidiary
 record category shall include the origi-
nal cost of single or paired conductor
 cable, wire and other associated mate-
 rial used in constructing a physical
 path for the transmission of tele-
 communications signals.

(b) The cost of pumping water out of
 manholes and of cleaning manholes and
 ducts in connection with construction
 work and the cost of permits and privi-
 leges for the construction of cable and
 wire facilities shall be included in the
 account chargeable with such construc-
 tion.

(c) Intrabuilding network cable does
 not include the cost of cables or wires
 which are classifiable as network ter-
 minating wire, nor the cables or wires
 from the demarcation point or stand-
 ard network interface to subscribers’
stations.

§ 32.2431 Aerial wire.

(a) This account shall include the
 original cost of bare line wire and
 other material used in the construction
 of such plant.

(b) The cost of permits and privileges
 for the construction of cable and wire
 facilities shall be included in the ac-
 count chargeable with such construc-
 tion.

(c) The cost of drop and block wires
 served by aerial wire shall be included
 in Account 2421, Aerial Cable.

§ 32.2441 Conduit systems.

(a) This account shall include the
 original cost of conduit, whether un-
derground, in tunnels or on bridges,
which is reusable in place. It shall also
 include the cost of opening trenches
 and of any repaving necessary in the
 construction of conduit plant.

(b) The cost of pumping water out of
 manholes and of cleaning manholes and
 ducts in connection with construction
 work and the cost of permits and privi-
 leges for the construction of cable and
 wire facilities shall be included in the
 account chargeable with such construc-
 tion.

(c) The cost of protective covering
 for buried cable shall be charged to Ac-
 count 2423, Buried Cable, as appro-
 priate, unless such protective covering
 is reusable in place. The amounts thus
 charged shall be included in the non-
 metallic buried cable or metallic bur-
 ried cable subsidiary record category, as
 appropriate.

(d) The cost of pipes or other protec-
tive covering for underground drop and
 block wires shall be included in Ac-
 count 2421, Aerial Cable, or Account
 2423, Buried Cable, as appropriate. The
 amounts thus charged shall be included
 in the nonmetallic or metallic sub-
 sidiary record category, as appropriate.

§ 32.2680 Amortizable tangible assets.

This account shall be used by Class B
 carriers to record amounts for property
 acquired under capital leases and the
 original cost of leasehold improve-
 ments of the type of character required
 of Class A companies in Accounts 2681
 and 2682.

§ 32.2681 Capital leases.

(a) This account shall include all
 property acquired under a capital
 lease. A lease qualifies as a capital
 lease when one or more of the following
 criteria is met:

(1) By the end of the lease term, own-
ership of the leased property is trans-
ferred to the lessee.

(2) The lease contains a bargain pur-
chase option.

(3) The lease term is substantially
 (75% or more) equal to the estimated
 useful life of the leased property. How-
ever, if the beginning of the lease term
 falls within the last 25% of the total es-
timated economic life of the leased
 property, including earlier years of use,
 this criterion shall not be used for pur-
 poses of classifying the lease.