

VERIZON TELEPHONE COMPANIES
INVESTMENT AND COST DATA
SUMMARY

ICB #: ICB Number
Rate Element: 2002-2255696 (IL0201254)
State: Illinois-G

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| | | | |
|---|-------------|------------------------------|-------------------|
| I. Cost and Salvage Value of Equipment | | | |
| 1. Circuit Equipment Material | \$0.00 | | |
| 2. Outside Plant Material | \$3,063.86 | | |
| 3. Central Office Equipment Material | \$0.00 | | |
| 4. Total Material Cost (1)+(2)+(3) | \$3,063.86 | | |
| 5. Circuit Equipment Net Salvage (Incl. Cost of Removal) | \$0.00 | | |
| 6. Outside Plant Net Salvage (Incl. Cost of Removal) | \$0.00 | | |
| 7. Central Office Equipment Net Salvage (Incl. Cost of Removal) | \$0.00 | | |
| 8. Net Material Cost (4)-(5)-(6)-(7) | \$3,063.86 | | |
| | | LABOR HOURS | LABOR RATE |
| II. Installation Cost | | | |
| 9. Circuit Equipment Engineering Labor | \$0.00 | 0.00 | \$64.59 |
| 10. Outside Plant Engineering Labor | \$1,314.96 | 24.00 | \$54.79 |
| 11. Central Office Equipment Engineering Labor | \$0.00 | 0.00 | \$64.59 |
| 12. Total Engineering Labor (9)+(10)+(11) | \$1,314.96 | | |
| 13. Circuit Equipment Installation Labor | \$0.00 | 0.00 | \$46.37 |
| 14. Outside Plant Installation Labor | \$11,416.86 | 238.00 | \$47.97 |
| 15. Central Office Equipment Installation Labor | \$0.00 | 0.00 | \$46.37 |
| 16. Total Installation Labor (13)+(14)+(15) | \$11,416.86 | | |
| 17. Total Installed Cost (4)+(12)+(16) | \$15,795.68 | | |
| III. Non-Reusable Cost | | | |
| 18. Engineering/Installation Labor Cost (12)+(16) | \$12,731.82 | | |
| 19. Cost of Removal Net of Salvage | \$0.00 | | |
| 20. Total Non-Reusable Cost (18)+(19) | \$12,731.82 | | |
| IV. Net Investment | | | |
| 21. Total Net Investment (17)-(5)-(6)-(7) | \$15,795.68 | | |
| | | % of Total Investment | |
| V. Total Annual Costs | | | |
| 22. Circuit Equipment Depreciation | \$0.00 | 0.00% | |
| 23. Outside Plant Depreciation | \$14,873.81 | 94.16% | |
| 24. Central Office Equipment Depreciation | \$0.00 | 0.00% | |
| 25. Return | \$921.88 | 5.84% | |
| 26. Federal and State Income Tax | \$304.32 | 1.93% | |
| 27. Plant Specific - Maintenance/Repair | \$27.96 | 0.18% | |
| 28. Direct Administration | \$439.04 | 2.78% | |
| 29. Non-Capitalized Expenses | \$0.00 | 0.00% | |
| 30. GRT on Incremental Cost | \$0.00 | 0.00% | |
| 31. Total Incremental Cost (22)..(30) | \$16,567.00 | | |
| Indirect Administration: | | | |
| 32. Plant Specific - Support | \$226.00 | 1.43% | |
| 33. Plant Non-Specific | \$212.54 | 1.35% | |
| 34. Corporate Operations | \$196.51 | 1.24% | |
| 35. Miscellaneous Loadings | \$126.20 | 0.80% | |
| 36. Other Taxes | \$1.67 | 0.01% | |
| 37. GRT on Indirect Admin. | \$0.00 | 0.00% | |
| 38. Total Fully Allocated Cost (31)+(32)..(37) | \$17,329.92 | | |
| | | % Unit Cost/ Price | |
| VI. Amounts to be Tariffed | | | |
| 39. Proposed One-Time Charge | \$17,293.00 | | |

RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

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Return

| Components | Investment | Monthly Present Value Cost |
|---|------------|----------------------------|
| Circuit Equipment Material | \$0.00 | \$0.00 |
| Circuit Equipment Engineering | \$0.00 | \$0.00 |
| Circuit Equipment Installation | \$0.00 | \$0.00 |
| Total Circuit Equipment | \$0.00 | \$0.00 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Circuit Equipment Capital Recovery x 12 Months | | \$0.00 12 |
| Annual Circuit Equipment Capital Recovery | | \$0.00 |
| Less: | | |
| Annual Circuit Equipment Depreciation | | \$0.00 |
| Annual Circuit Equipment Return | | \$0.00 |

| Components | Investment | Monthly Present Value Cost |
|---|-------------|----------------------------|
| Outside Plant Material | \$3,063.86 | \$271.15 |
| Outside Plant Engineering | \$1,314.96 | \$116.37 |
| Outside Plant Installation | \$11,416.86 | \$1,010.37 |
| Total Outside Plant | \$15,795.68 | \$1,397.89 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Outside Plant Capital Recovery x 12 Months | | \$1,397.89 12 |
| Annual Outside Plant Capital Recovery | | \$16,774.70 |
| Less: | | |
| Annual Outside Plant Depreciation | | \$15,795.68 |
| Annual Outside Plant Return | | \$979.01 |

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Return (contd.)

| Components | Investment | Monthly Present Value Cost |
|---|------------|-------------------------------|
| Central Office Equip. Material | \$0.00 | \$0.00 |
| Central Office Equip. Engineering | \$0.00 | \$0.00 |
| Central Office Equip. Installation | \$0.00 | \$0.00 |
| Total Central Office Equip. | \$0.00 | \$0.00 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Central Office Equip. Capital Recovery x 12 Months | | \$0.00 12 |
| Annual Central Office Equip. Capital Recovery | | \$0.00 |
| Less: | | |
| Annual Central Office Equip. Depreciation | | \$0.00 |
| Annual Central Office Equip. Return | | \$0.00 |
| Circuit Equipment Return | | \$0.00 |
| Outside Plant Return | | \$979.01 |
| Central Office Equipment Return | | \$0.00 |
| Total Return | | <u>\$979.01</u> |

Federal and State Income Tax

| Components | Investment | Factor | Monthly Present Value Cost |
|---|-------------|--------|-------------------------------|
| Total Circuit Equipment | \$0.00 | \$0.00 | \$0.00 |
| Total Outside Plant | \$15,795.68 | \$0.00 | \$26.93 |
| Total Central Office Equipment | \$0.00 | \$0.00 | \$0.00 |
| Total Monthly Federal and State Income Tax X 12 Months | | | \$25.36 12 |
| Total Annual Federal and State Income Tax | | | <u>\$304.32</u> |