

VERIZON TELEPHONE COMPANIES
INVESTMENT AND COST DATA
SUMMARY

ICB #: FL231214

Rate Element: Noikia - Special Construction

State: Florida-G

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I. Cost and Salvage Value of Equipment

| | |
|---|-------------|
| 1. Circuit Equipment Material | \$0.00 |
| 2. Outside Plant Material | \$16,406.13 |
| 3. Central Office Equipment Material | \$0.00 |
| 4. Total Material Cost (1)+(2)+(3) | \$16,406.13 |
| 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) | \$16,406.13 |

LABOR HOURS LABOR RATE

II. Installation Cost

| | | | |
|---|-------------|----|----------|
| 9. Circuit Equipment Engineering Labor | \$0.00 | - | \$77.18 |
| 10. Outside Plant Engineering Labor | \$3,290.64 | 24 | \$137.11 |
| 11. Central Office Equipment Engineering Labor | \$0.00 | - | 77.18 |
| 12. Total Engineering Labor (9)+(10)+(11) | \$3,290.64 | | |
| 13. Circuit Equipment Installation Labor | \$0.00 | - | 37.04 |
| 14. Outside Plant Installation Labor | \$2,554.17 | 57 | 44.81 |
| 15. Central Office Equipment Installation Labor | \$0.00 | - | 37.04 |
| 16. Total Installation Labor (13)+(14)+(15) | \$2,554.17 | | |
| 17. Total Installed Cost (4)+(12)+(16) | \$22,250.94 | | |

III. Non-Reusable Cost

| | |
|---|------------|
| 18. Engineering/Installation Labor Cost (12)+(16) | \$5,844.81 |
| 19. Cost of Removal Net of Salvage | \$0.00 |
| 20. Total Non-Reusable Cost (18)+(19) | \$5,844.81 |

IV. Net Investment

| | | |
|---|-------------|---------------------------------|
| 21. Total Net Investment (17)-(5)-(6)-(7) | \$22,250.94 | % of Total <u>Investment</u> |
|---|-------------|---------------------------------|

V. Total Annual Costs

| | | |
|---|--------------------|--------|
| 22. Circuit Equipment Depreciation | \$0.00 | 0.00% |
| 23. Outside Plant Depreciation | \$20,316.98 | 91.31% |
| 24. Central Office Equipment Depreciation | \$0.00 | 0.00% |
| 25. Return | \$3,715.17 | 16.70% |
| 26. Federal and State Income Tax | \$1,422.59 | 6.39% |
| 27. Plant Specific - Maintenance/Repair | \$420.12 | 1.89% |
| 28. Direct Administration | \$1,831.27 | 8.23% |
| 29. Non-Capitalized Expenses | \$0.00 | 0.00% |
| 30. GRT on Incremental Cost | \$710.41 | 3.19% |
| 31. Total Incremental Cost (22)..(30) | <u>\$28,416.55</u> | |

Indirect Administration:

| | | |
|--|--------------------|-------|
| 32. Plant Specific - Support | \$970.78 | 4.36% |
| 33. Plant Non-Specific | \$1,504.57 | 6.76% |
| 34. Corporate Operations | \$827.77 | 3.72% |
| 35. Miscellaneous Loadings | \$957.97 | 4.31% |
| 36. Other Taxes | \$47.66 | 0.21% |
| 37. GRT on Indirect Admin. | \$110.48 | 0.50% |
| 38. Total Fully Allocated Cost (31)+(32)..(37) | <u>\$32,835.79</u> | |

VI. Amounts to be Tariffed

| | |
|-------------------------------------|------------|
| 39. Proposed Non-Recurring Charge | \$6,568.00 |
| 40. Credit for NRC | \$199.81 |
| 41. Incremental Monthly Cost | \$864.49 |
| 42. 3 year Monthly Recurring Charge | \$799.00 |
| 43. Fully Allocated Monthly Cost | \$998.93 |

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 <u>12</u> |
| 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 | \$16,406.13 | \$539.06 |
| Outside Plant Engineering | \$3,290.64 | \$108.12 |
| Outside Plant Installation | \$2,554.17 | \$83.92 |
| Total Outside Plant | \$22,250.94 | \$731.10 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Outside Plant Capital Recovery x 12 Months | | \$731.10 <u>12</u> |
| Annual Outside Plant Capital Recovery | | \$8,773.25 |
| Less: | | |
| Annual Outside Plant Depreciation | | \$7,416.98 |
| Annual Outside Plant Return | | \$1,356.27 |

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

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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 | | \$1,356.27 |
| Central Office Equipment Return | | \$0.00 |
| Total Return | | \$1,356.27 |

Federal and State Income Tax

| Components | Investment | Factor | Monthly Present Value Cost |
|---|-------------|--------|----------------------------|
| Total Circuit Equipment | \$0.00 | \$0.00 | \$0.00 |
| Total Outside Plant | \$22,250.94 | \$0.00 | \$43.28 |
| Total Central Office Equipment | \$0.00 | \$0.00 | \$0.00 |
| Total Monthly Federal and State Income Tax X 12 Months | | | \$118.55 12 |
| Total Annual Federal and State Income Tax | | | \$1,422.59 |