

VERIZON TELEPHONE COMPANIES
INVESTMENT AND COST DATA
SUMMARY

ICB #: Pac Bell Svcs
Rate Element: special construction
State: California-G

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I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$4,115.66
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$4,115.66
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)	\$4,115.66

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	-	\$	73.50
10. Outside Plant Engineering Labor	\$2,470.80	32.18	\$	76.77
11. Central Office Equipment Engineering Labor	\$0.00	-	\$	73.50
12. Total Engineering Labor (9)+(10)+(11)	\$2,470.80			
13. Circuit Equipment Installation Labor	\$0.00	-	\$	43.44
14. Outside Plant Installation Labor	\$10,272.90	199.51	\$	51.49
15. Central Office Equipment Installation Labor	\$0.00	-	\$	43.44
16. Total Installation Labor (13)+(14)+(15)	\$10,272.90			
17. Total Installed Cost (4)+(12)+(16)	\$16,859.36			

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$12,743.70
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$12,743.70

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$16,859.36	% of Total Investment
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.000%
23. Outside Plant Depreciation	\$15,875.40	94.164%
24. Central Office Equipment Depreciation	\$0.00	0.000%
25. Return	\$983.95	5.836%
26. Federal and State Income Tax	\$352.62	2.092%
27. Plant Specific - Maintenance/Repair	\$260.66	1.546%
28. Direct Administration	\$405.27	2.404%
29. Non-Capitalized Expenses	\$0.00	0.000%
30. GRT on Incremental Cost	\$0.00	0.000%
31. Total Incremental Cost (22)..(30)	\$17,877.92	

Indirect Administration:

32. Plant Specific - Support	\$262.64	1.558%
33. Plant Non-Specific	\$406.04	2.408%
34. Corporate Operations	\$171.72	1.019%
35. Miscellaneous Loadings	\$210.01	1.246%
36. Other Taxes	\$0.04	0.000%
37. GRT on Indirect Admin.	\$0.00	0.000%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$18,928.37	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed Lump Sum Charge	\$20,357.00
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RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

ICB #: Pac Bell Svcs
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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	\$4,115.66	\$364.23
Outside Plant Engineering	\$2,470.80	\$218.66
Outside Plant Installation	\$10,272.90	\$909.13
Total Outside Plant	\$16,859.36	\$1,492.02
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$1,492.02 12
Annual Outside Plant Capital Recovery		\$17,904.30
Less:		
Annual Outside Plant Depreciation		\$16,859.36
Annual Outside Plant Return		\$1,044.94

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

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Return (contd.)

Components	Investment	Factor	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 <u>12</u>
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			\$1,044.94
Central Office Equipment Return			<u>\$0.00</u>
Total Return			<u><u>\$1,044.94</u></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	\$16,859.36	\$0.00	\$31.21
Total Central Office Equipment	\$0.00	\$0.00	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$29.39 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$352.62</u></u>