

VERIZON TELEPHONE COMPANIES
INVESTMENT AND COST DATA
SUMMARY

ICB #: IL02-01264 RR Donnelly
Rate Element: Spec Const DS3
State: Illinois-G

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I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$11,473.04
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$11,473.04
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)	\$11,473.04

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	0	\$64.59
10. Outside Plant Engineering Labor	\$1,643.70	30	\$54.79
11. Central Office Equipment Engineering Labor	\$0.00	0	64.59
12. Total Engineering Labor (9)+(10)+(11)	\$1,643.70		
13. Circuit Equipment Installation Labor	\$0.00	0	46.37
14. Outside Plant Installation Labor	\$14,295.81	298	47.97
15. Central Office Equipment Installation Labor	\$0.00	0	46.37
16. Total Installation Labor (13)+(14)+(15)	\$14,295.81		
17. Total Installed Cost (4)+(12)+(16)	\$27,412.55		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$15,939.51
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$15,939.51

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$27,412.55	% of Total Investment
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0%
23. Outside Plant Depreciation	\$25,812.68	94%
24. Central Office Equipment Depreciation	\$0.00	0%
25. Return	\$1,599.86	6%
26. Federal and State Income Tax	\$530.92	2%
27. Plant Specific - Maintenance/Repair	\$48.52	0%
28. Direct Administration	\$761.93	3%
29. Non-Capitalized Expenses	\$0.00	0%
30. GRT on Incremental Cost	\$0.00	0%
31. Total Incremental Cost (22)..(30)	\$28,753.91	

Indirect Administration:

32. Plant Specific - Support	\$392.21	1%
33. Plant Non-Specific	\$368.85	1%
34. Corporate Operations	\$341.03	1%
35. Miscellaneous Loadings	\$219.02	1%
36. Other Taxes	\$2.90	0%
37. GRT on Indirect Admin.	\$0.00	0%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$30,077.93	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed Non-Recurring Charge	\$30,275.00
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RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

ICB #: IL02-01264 RR Donnelly
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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	\$11,473.04	\$1,015.34
Outside Plant Engineering	\$1,643.70	\$145.46
Outside Plant Installation	\$14,295.81	\$1,265.16
Total Outside Plant	\$27,412.55	\$2,425.96
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$2,425.96 <u>12</u>
Annual Outside Plant Capital Recovery		\$29,111.57
Less:		
Annual Outside Plant Depreciation		\$27,412.55
Annual Outside Plant Return		\$1,699.02

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			\$1,699.02
Central Office Equipment Return			<u>\$0.00</u>
Total Return			<u><u>\$1,699.02</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	\$27,412.55	\$0.00	\$46.99
Total Central Office Equipment	\$0.00	\$0.00	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$44.24 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$530.92</u></u>