

Verizon
Infospeed DSL
Overhead Cost Analysis

Non-Premium Infospeed DSL

L1	Total Annual Cost (Transmittal No. 311, Worksheet 1, Line 11)	\$250.50
L2	Less: Other Expense (Transmittal No. 311, Worksheet 1, Line 10) (1)	\$95.04
L3	Total Annual "Direct" Cost (L1 - L2)	\$155.46
L4	Total Monthly "Direct" Cost (L3 / 12)	\$12.96
L5	Monthly Rate (Transmittal No. 311, Worksheet 1, Line 13)	\$26.95
L6	Ratio of Total Monthly "Direct" Cost to Monthly Rate (L4 / L5)	48.1%

Premium Infospeed DSL

L7	Total Annual Cost (Transmittal No. 333, Workpaper 1, Line 15, Col A)	
L8	Less: Common Cost (Transmittal No. 333, Workpaper 1, Line 11, Col A) (2)	
L9	Less: Other Support Costs (Transmittal No. 333, Workpaper 1, Line 10, Col A) (3)	
L10	Less: Marketing (Transmittal No. 333, Workpaper 1, Line 9, Col A)	
L11	Total Annual "Direct" Cost (L7 - L8 - L9 - L10)	
L12	Total Monthly "Direct" Cost (L11 / 12)	
L13	Monthly Rate (Transmittal No. 333, Workpaper 1, Line 17, Col A)	\$85.00
L14	Ratio of Total Monthly "Direct" Cost to Monthly Rate (L12 / L13)	

(1) Other Expense relates to the support functions performed by Network and Marketing, Research and Development, Procurement, and Information Systems.

(2) Common Cost includes cost for executive, legal, human resources, finance, accounting etc...

(3) Other Support Cost includes cost for land & building, information systems, office equipment, etc...