

VERIZON TELEPHONE COMPANIES FCC TARIFF NO. 21
INVESTMENT AND COST DATA
SUMMARY

ICB #: VZ Wireless 01724
Rate Element: special construction
State: Hawaii-G

page 1 of 3

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$4,887.21
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$4,887.21
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)	\$4,887.21

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	-	\$	52.53
10. Outside Plant Engineering Labor	\$13,284.00	206.69	\$	64.27
11. Central Office Equipment Engineering Labor	\$0.00	-	\$	52.53
12. Total Engineering Labor (9)+(10)+(11)	\$13,284.00			
13. Circuit Equipment Installation Labor	\$0.00	-	\$	49.91
14. Outside Plant Installation Labor	\$43,433.00	816.26	\$	53.21
15. Central Office Equipment Installation Labor	\$0.00	-	\$	49.91
16. Total Installation Labor (13)+(14)+(15)	\$43,433.00			
17. Total Installed Cost (4)+(12)+(16)	\$61,604.21			

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$56,717.00
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$56,717.00

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$61,604.21	% of Total Investment
-------------------------------------------	-------------	--------------------------

V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.000%
23. Outside Plant Depreciation	\$58,008.84	94.164%
24. Central Office Equipment Depreciation	\$0.00	0.000%
25. Return	\$3,595.37	5.836%
26. Federal and State Income Tax	\$1,104.02	1.792%
27. Plant Specific - Maintenance/Repair	\$1,492.10	2.422%
28. Direct Administration	\$1,134.07	1.841%
29. Non-Capitalized Expenses	\$0.00	0.000%
30. GRT on Incremental Cost	\$4,456.13	7.233%
31. Total Incremental Cost (22)..(30)	\$69,790.54	

Indirect Administration:

32. Plant Specific - Support	\$1,062.03	1.724%
33. Plant Non-Specific	\$0.00	0.000%
34. Corporate Operations	\$0.00	0.000%
35. Miscellaneous Loadings	\$0.00	0.000%
36. Other Taxes	\$0.00	0.000%
37. GRT on Indirect Admin.	\$214.75	0.349%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$71,067.31	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed Lump Sum Charge	\$75,705.00
------------------------------	-------------

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

ICB #: VZ Wireless 01724
 Rate Element: special construction
 State: Hawaii-G

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	\$4,887.21	\$432.51
Outside Plant Engineering	\$13,284.00	\$1,175.61
Outside Plant Installation	\$43,433.00	\$3,843.75
Total Outside Plant	\$61,604.21	\$5,451.87
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$5,451.87 <u>12</u>
Annual Outside Plant Capital Recovery		\$65,422.43
Less:		
Annual Outside Plant Depreciation		\$61,604.21
Annual Outside Plant Return		\$3,818.21

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

ICB #: VZ Wireless 01724
 Rate Element: special construction
 State: Hawaii-G

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 <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		\$3,818.21
Central Office Equipment Return		<u>\$0.00</u>
Total Return		<u><u>\$3,818.21</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	\$61,604.21	\$0.00	\$97.70
Total Central Office Equipment	\$0.00	\$0.00	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$92.00 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$1,104.02</u></u>