

VERIZON TELEPHONE COMPANIES FCC TARIFF NO. 14
INVESTMENT AND COST DATA
SUMMARY

ICB #: FL0303231 MCI/FAA
Rate Element: Spec Const
State: Florida-G

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| | | | |
|---|-------------|--------------------|-------------------|
| I. Cost and Salvage Value of Equipment | | | |
| 1. Circuit Equipment Material | \$11,526.62 | | |
| 2. Outside Plant Material | \$6,715.82 | | |
| 3. Central Office Equipment Material | \$0.00 | | |
| 4. Total Material Cost (1)+(2)+(3) | \$18,242.44 | | |
| 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) | \$18,242.44 | | |
| | | <u>LABOR HOURS</u> | <u>LABOR RATE</u> |
| II. Installation Cost | | | |
| 9. Circuit Equipment Engineering Labor | \$3,554.40 | 48.00 | \$74.05 |
| 10. Outside Plant Engineering Labor | \$7,594.95 | 55.00 | \$138.09 |
| 11. Central Office Equipment Engineering Labor | \$0.00 | 0.00 | \$74.05 |
| 12. Total Engineering Labor (9)+(10)+(11) | \$11,149.35 | | |
| 13. Circuit Equipment Installation Labor | \$6,702.40 | 160.00 | \$41.89 |
| 14. Outside Plant Installation Labor | \$11,150.64 | 204.00 | \$54.66 |
| 15. Central Office Equipment Installation Labor | \$0.00 | 0.00 | \$41.89 |
| 16. Total Installation Labor (13)+(14)+(15) | \$17,853.04 | | |
| 17. Total Installed Cost (4)+(12)+(16) | \$47,244.83 | | |
| III. Non-Reusable Cost | | | |
| 18. Engineering/Installation Labor Cost (12)+(16) | \$29,002.39 | | |
| 19. Cost of Removal Net of Salvage | \$0.00 | | |
| 20. Total Non-Reusable Cost (18)+(19) | \$29,002.39 | | |
| IV. Net Investment | | | |
| 21. Total Net Investment (17)-(5)-(6)-(7) | \$47,244.83 | | |
| | | <u>% of Total</u> | |
| | | Investment | |
| V. Total Annual Costs | | | |
| 22. Circuit Equipment Depreciation | \$20,512.09 | 94.16% | |
| 23. Outside Plant Depreciation | \$23,975.42 | 94.16% | |
| 24. Central Office Equipment Depreciation | \$0.00 | 0.00% | |
| 25. Return | \$2,757.33 | 5.84% | |
| 26. Federal and State Income Tax | \$1,018.35 | 2.16% | |
| 27. Plant Specific - Maintenance/Repair | \$309.01 | 0.65% | |
| 28. Direct Administration | \$1,336.63 | 2.83% | |
| 29. Non-Capitalized Expenses | \$0.00 | 0.00% | |
| 30. GRT on Incremental Cost | \$1,279.71 | 2.71% | |
| 31. Total Incremental Cost (22)..(30) | \$51,188.53 | | |
| Indirect Administration: | | | |
| 32. Plant Specific - Support | \$708.65 | 1.50% | |
| 33. Plant Non-Specific | \$1,098.17 | 2.32% | |
| 34. Corporate Operations | \$604.18 | 1.28% | |
| 35. Miscellaneous Loadings | \$699.21 | 1.48% | |
| 36. Other Taxes | \$34.79 | 0.07% | |
| 37. GRT on Indirect Admin. | \$80.64 | 0.17% | |
| 38. Total Fully Allocated Cost (31)+(32)..(37) | \$54,414.18 | | |
| VI. Amounts to be Tariffed | | | |
| 39. Proposed Non-Recurring Charge | \$54,733.00 | | |

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

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Return

| Components | Investment | Monthly Present Value Cost |
|--|-------------|----------------------------|
| Circuit Equipment Material | \$11,526.62 | \$1,020.09 |
| Circuit Equipment Engineering | \$3,554.40 | \$314.56 |
| Circuit Equipment Installation | \$6,702.40 | \$593.15 |
| Total Circuit Equipment | \$21,783.42 | \$1,927.80 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Circuit Equipment Capital Recovery | | \$1,927.80 |
| x 12 Months | | <u>12</u> |
| Annual Circuit Equipment Capital Recovery | | \$23,133.55 |
| Less: | | |
| Annual Circuit Equipment Depreciation | | \$21,783.42 |
| Annual Circuit Equipment Return | | \$1,350.13 |

| Components | Investment | Monthly Present Value Cost |
|--|-------------|----------------------------|
| Outside Plant Material | \$6,715.82 | \$594.34 |
| Outside Plant Engineering | \$7,594.95 | \$672.14 |
| Outside Plant Installation | \$11,150.64 | \$986.81 |
| Total Outside Plant | \$25,461.41 | \$2,253.29 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Outside Plant Capital Recovery | | \$2,253.29 |
| x 12 Months | | <u>12</u> |
| Annual Outside Plant Capital Recovery | | \$27,039.50 |
| Less: | | |
| Annual Outside Plant Depreciation | | \$25,461.41 |
| Annual Outside Plant Return | | \$1,578.09 |

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 | | \$0.00 |
| x 12 Months | | <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 | | \$1,350.13 |
| Outside Plant Return | | \$1,578.09 |
| Central Office Equipment Return | | <u>\$0.00</u> |
| | | |
| Total Return | | <u><u>\$2,928.22</u></u> |

Federal and State Income Tax

| Components | Investment | Factor | Monthly Present Value Cost |
|--|-------------|--------|----------------------------|
| Total Circuit Equipment | \$21,783.42 | 0.0017 | \$37.31 |
| Total Outside Plant | \$25,461.41 | 0.0021 | \$52.81 |
| Total Central Office Equipment | \$0.00 | 0.0000 | <u>\$0.00</u> |
| | | | |
| Total Monthly Federal and State Income Tax | | | \$84.86 |
| X 12 Months | | | <u>12</u> |
| | | | |
| Total Annual Federal and State Income Tax | | | <u><u>\$1,018.35</u></u> |