

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

ICB #: CA0306167
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	\$9,928.44
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$9,928.44
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)	\$9,928.44

II. Installation Cost

		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
9. Circuit Equipment Engineering Labor	\$0.00	-	\$ 73.50
10. Outside Plant Engineering Labor	\$5,373.90	70.00	\$ 76.77
11. Central Office Equipment Engineering Labor	\$0.00	-	\$ 73.50
12. Total Engineering Labor (9)+(10)+(11)	\$5,373.90		
13. Circuit Equipment Installation Labor	\$0.00	-	\$ 43.44
14. Outside Plant Installation Labor	\$27,796.20	539.84	\$ 51.49
15. Central Office Equipment Installation Labor	\$0.00	-	\$ 43.44
16. Total Installation Labor (13)+(14)+(15)	\$27,796.20		
17. Total Installed Cost (4)+(12)+(16)	\$43,098.54		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$33,170.10
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$33,170.10

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$43,098.54	% of Total <u>Investment</u>
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.000%
23. Outside Plant Depreciation	\$40,583.21	94.164%
24. Central Office Equipment Depreciation	\$0.00	0.000%
25. Return	\$2,515.34	5.836%
26. Federal and State Income Tax	\$1,109.38	2.574%
27. Plant Specific - Maintenance/Repair	\$666.34	1.546%
28. Direct Administration	\$1,036.03	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)	<u>\$45,910.30</u>	

Indirect Administration:

32. Plant Specific - Support	\$671.39	1.558%
33. Plant Non-Specific	\$1,037.99	2.408%
34. Corporate Operations	\$438.98	1.019%
35. Miscellaneous Loadings	\$536.86	1.246%
36. Other Taxes	\$0.11	0.000%
37. GRT on Indirect Admin.	<u>\$0.00</u>	0.000%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$48,595.63	

VI. Amounts to be Tariffed

39. Proposed Lump Sum Charge	\$50,239.00	<u>% Unit Cost/ Price</u>
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RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

ICB #: CA0306167
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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	\$9,928.44	\$878.65
Outside Plant Engineering	\$5,373.90	\$475.58
Outside Plant Installation	\$27,796.20	\$2,459.92
Total Outside Plant	\$43,098.54	\$3,814.15
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$3,814.15 12
Annual Outside Plant Capital Recovery		\$45,769.78
Less:		
Annual Outside Plant Depreciation		\$43,098.54
Annual Outside Plant Return		\$2,671.24

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 x 12 Months		\$0.00 12
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		\$2,671.24
Central Office Equipment Return		\$0.00
Total Return		\$2,671.24

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$0.00	\$0.00	\$0.00
Total Outside Plant	\$43,098.54	\$0.00	\$98.18
Total Central Office Equipment	\$0.00	\$0.00	\$0.00
Total Monthly Federal and State Income Tax X 12 Months			\$92.45 12
Total Annual Federal and State Income Tax			\$1,109.38