

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

ICB #: \$0.00
Rate Element: SERVICE A
State: Pennsylvania-G

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I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$15,460.60
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$15,460.60
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)	\$15,460.60

II. Installation Cost

		LABOR HOURS	LABOR RATE
9. Circuit Equipment Engineering Labor	\$0.00	\$0.00	\$64.37
10. Outside Plant Engineering Labor	\$1,844.70	\$30.00	\$61.49
11. Central Office Equipment Engineering Labor	\$0.00	\$0.00	64.37
12. Total Engineering Labor (9)+(10)+(11)	\$1,844.70		
13. Circuit Equipment Installation Labor	\$0.00	\$0.00	46.11
14. Outside Plant Installation Labor	\$7,409.98	\$154.60	47.93
15. Central Office Equipment Installation Labor	\$0.00	\$0.00	46.11
16. Total Installation Labor (13)+(14)+(15)	\$7,409.98		
17. Total Installed Cost (4)+(12)+(16)	\$24,715.28		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$9,254.68
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$9,254.68

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$24,715.28	% of Total Investment
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	\$0.00
23. Outside Plant Depreciation	\$23,272.83	\$0.94
24. Central Office Equipment Depreciation	\$0.00	\$0.00
25. Return	\$1,442.44	\$0.06
26. Federal and State Income Tax	\$679.19	\$0.03
27. Plant Specific - Maintenance/Repair	\$169.93	\$0.01
28. Direct Administration	\$1,532.07	\$0.06
29. Non-Capitalized Expenses	\$0.00	\$0.00
30. GRT on Incremental Cost	\$1,426.13	\$0.06
31. Total Incremental Cost (22)..(30)	\$28,522.61	

Indirect Administration:

32. Plant Specific - Support	\$342.85	\$0.01
33. Plant Non-Specific	\$561.11	\$0.02
34. Corporate Operations	\$125.60	\$0.01
35. Miscellaneous Loadings	\$246.20	\$0.01
36. Other Taxes	\$108.80	\$0.00
37. GRT on Indirect Admin.	\$72.87	\$0.00
38. Total Fully Allocated Cost (31)+(32)..(37)	\$29,980.05	

VI. Amounts to be Tariffed

		% Unit Cost/ Price
39. Proposed Non-Recurring Charge	\$29,083.00	
40. Credit for NRC	\$2,573.80	
41. Incremental Monthly Cost	\$2,524.20	
42. 1 year Monthly Recurring Charge	\$0.00	#DIV/0!
43. 3 year Monthly Recurring Charge	\$0.00	#DIV/0!
44. 5 year Monthly Recurring Charge	\$0.00	#DIV/0!
45. 7 year Monthly Recurring Charge	\$0.00	#DIV/0!
46. Fully Allocated Monthly Cost	\$2,653.18	

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

ICB #: \$0.00
 Rate Element: SERVICE A
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Return

<u>Components</u>	<u>Investment</u>	<u>Monthly Present Value Cost</u>
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

<u>Components</u>	<u>Investment</u>	<u>Monthly Present Value Cost</u>
Outside Plant Material	\$15,460.60	\$1,368.24
Outside Plant Engineering	\$1,844.70	\$163.25
Outside Plant Installation	\$7,409.98	\$655.77
Total Outside Plant	\$24,715.28	\$2,187.26
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$2,187.26 12
Annual Outside Plant Capital Recovery		\$26,247.13
Less:		
Annual Outside Plant Depreciation		\$24,715.28
Annual Outside Plant Return		\$1,531.85

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 <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		\$1,531.85
Central Office Equipment Return		<u>\$0.00</u>
Total Return		<u><u>\$1,531.85</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	\$24,715.28	\$0.00	\$60.11
Total Central Office Equipment	\$0.00	\$0.00	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$56.60 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$679.19</u></u>