

VERIZON TELEPHONE COMPANIES FCC TARIFF NO. 17
INVESTMENT AND COST DATA
SUMMARY

ICB #: ca0306248

Rate Element: Special Construction (Qwest/Road Runner TWC)
State: California-C

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I. Cost and Salvage Value of Equipment			
1. Circuit Equipment Material	\$0.00		
2. Outside Plant Material	\$10,418.07		
3. Central Office Equipment Material	\$0.00		
4. Total Material Cost (1)+(2)+(3)	\$10,418.07		
5. Circuit Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
6. Outside Plant Net Salvage (Incl. Cost of Removal)	-\$1,250.12		
7. Central Office Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
8. Net Material Cost (4)-(5)-(6)-(7)	\$11,668.19		
		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
II. Installation Cost			
9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$71.59
10. Outside Plant Engineering Labor	\$16,774.50	150.00	\$111.83
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$71.59
12. Total Engineering Labor (9)+(10)+(11)	\$16,774.50		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$45.76
14. Outside Plant Installation Labor	\$14,478.04	262.85	\$55.08
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$45.76
16. Total Installation Labor (13)+(14)+(15)	\$14,478.04		
17. Total Installed Cost (4)+(12)+(16)	\$41,670.61		
III. Non-Reusable Cost			
18. Engineering/Installation Labor Cost (12)+(16)	\$31,252.54		
19. Cost of Removal Net of Salvage	\$1,250.12		
20. Total Non-Reusable Cost (18)+(19)	\$32,502.66		
IV. Net Investment			
21. Total Net Investment (17)-(5)-(6)-(7)	\$42,920.73		<u>% of Total Investment</u>
V. Total Annual Costs			
22. Circuit Equipment Depreciation	\$0.00	0.00%	
23. Outside Plant Depreciation	\$40,415.77	96.99%	
24. Central Office Equipment Depreciation	\$0.00	0.00%	
25. Return	\$2,372.53	5.69%	
26. Federal and State Income Tax	\$1,101.82	2.64%	
27. Plant Specific - Maintenance/Repair	\$104.98	0.25%	
28. Direct Administration	\$644.05	1.55%	
29. Non-Capitalized Expenses	\$0.00	0.00%	
30. GRT on Incremental Cost	\$0.00	0.00%	
31. Total Incremental Cost (22)..(30)	\$44,639.15		
Indirect Administration:			
32. Plant Specific - Support	\$1,057.04	2.54%	
33. Plant Non-Specific	\$0.00	0.00%	
34. Corporate Operations	\$0.00	0.00%	
35. Miscellaneous Loadings	\$0.00	0.00%	
36. Other Taxes	\$0.00	0.00%	
37. GRT on Indirect Admin.	\$0.00	0.00%	
38. Total Fully Allocated Cost (31)+(32)..(37)	\$45,696.19		
VI. Amounts to be Tariffed			
39. Proposed Non-Recurring Charge	\$51,633.00		<u>% Unit Cost/ Price</u>

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

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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		\$0.00
x 12 Months		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	\$10,418.07	\$921.98
Outside Plant Engineering	\$16,774.50	\$1,484.51
Outside Plant Installation	\$14,478.04	\$1,281.28
Total Outside Plant	\$41,670.61	\$3,687.78
Less		
Net Salvage Value	-\$1,250.12	-\$98.91
Monthly Outside Plant Capital Recovery		\$3,786.69
x 12 Months		12
Annual Outside Plant Capital Recovery		\$45,440.31
Less:		
Annual Outside Plant Depreciation		\$42,920.73
Annual Outside Plant Return		\$2,519.58

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		\$2,519.58
Central Office Equipment Return		<u>\$0.00</u>
 Total Return		 <u><u>\$2,519.58</u></u>

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$0.00	0.0000	\$0.00
Total Outside Plant	\$41,670.61	0.0023	\$97.51
Total Central Office Equipment	\$0.00	0.0000	<u>\$0.00</u>
 Total Monthly Federal and State Income Tax X 12 Months			\$91.82 <u>12</u>
 Total Annual Federal and State Income Tax			 <u><u>\$1,101.82</u></u>