

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

ICB #: \$0.00

Rate Element: SERVICE A

State: Virginia-G

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I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$7,917.52
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$7,917.52
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)	\$7,917.52

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$94.94
10. Outside Plant Engineering Labor	\$1,936.56	24.00	\$80.69
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$94.94
12. Total Engineering Labor (9)+(10)+(11)	\$1,936.56		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$57.79
14. Outside Plant Installation Labor	\$28,176.39	477.00	\$59.07
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$57.79
16. Total Installation Labor (13)+(14)+(15)	\$28,176.39		
17. Total Installed Cost (4)+(12)+(16)	\$38,030.47		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$30,112.95
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$30,112.95

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$38,030.47	% of Total <u>Investment</u>
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.00%
23. Outside Plant Depreciation	\$35,810.92	94.16%
24. Central Office Equipment Depreciation	\$0.00	0.00%
25. Return	\$2,219.55	5.84%
26. Federal and State Income Tax	\$739.57	1.94%
27. Plant Specific - Maintenance/Repair	\$1,503.84	3.95%
28. Direct Administration	\$832.21	2.19%
29. Non-Capitalized Expenses	\$0.00	0.00%
30. GRT on Incremental Cost	\$0.00	0.00%
31. Total Incremental Cost (22)..(30)	<u>\$41,106.09</u>	

Indirect Administration:

32. Plant Specific - Support	\$620.96	1.63%
33. Plant Non-Specific	\$992.82	2.61%
34. Corporate Operations	\$1,253.10	3.29%
35. Miscellaneous Loadings	\$209.96	0.55%
36. Other Taxes	\$3.12	0.01%
37. GRT on Indirect Admin.	\$0.00	0.00%
38. Total Fully Allocated Cost (31)+(32)..(37)	<u>\$44,186.04</u>	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed One-Time Charge	\$45,018.00
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RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

ICB #: \$0.00
 Rate Element: SERVICE A
 State: Virginia-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 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	\$7,917.52	\$700.69
Outside Plant Engineering	\$1,936.56	\$171.38
Outside Plant Installation	\$28,176.39	\$2,493.56
Total Outside Plant	\$38,030.47	\$3,365.63
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$3,365.63 12
Annual Outside Plant Capital Recovery		\$40,387.59
Less:		
Annual Outside Plant Depreciation		\$38,030.47
Annual Outside Plant Return		\$2,357.12

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

ICB #: \$0.00
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 State: Virginia-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		\$2,357.12
Central Office Equipment Return		<u>\$0.00</u>
Total Return		<u><u>\$2,357.12</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	\$38,030.47	0.0017	\$65.45
Total Central Office Equipment	\$0.00	0.0000	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$61.63 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$739.57</u></u>