

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

ICB #: OR0401405

Rate Element: Spec Const DS1 High Voltage

State: Oregon-G

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I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$4,048.58
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$4,048.58
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)	\$4,048.58

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$74.86
10. Outside Plant Engineering Labor	\$8,340.88	74.22	\$112.38
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$74.86
12. Total Engineering Labor (9)+(10)+(11)	\$8,340.88		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$54.62
14. Outside Plant Installation Labor	\$6,589.31	117.44	\$56.11
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$54.62
16. Total Installation Labor (13)+(14)+(15)	\$6,589.31		
17. Total Installed Cost (4)+(12)+(16)	\$18,978.77		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$14,930.19
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$14,930.19

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$18,978.77	<u>% of Total Investment</u>
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.00%
23. Outside Plant Depreciation	\$17,871.12	94.16%
24. Central Office Equipment Depreciation	\$0.00	0.00%
25. Return	\$1,107.65	5.84%
26. Federal and State Income Tax	\$362.00	1.91%
27. Plant Specific - Maintenance/Repair	\$247.46	1.30%
28. Direct Administration	\$517.67	2.73%
29. Non-Capitalized Expenses	\$0.00	0.00%
30. GRT on Incremental Cost	<u>\$0.00</u>	0.00%
31. Total Incremental Cost (22)..(30)	\$20,105.90	

Indirect Administration:

32. Plant Specific - Support	\$312.58	1.65%
33. Plant Non-Specific	\$456.29	2.40%
34. Corporate Operations	\$233.47	1.23%
35. Miscellaneous Loadings	\$135.28	0.71%
36. Other Taxes	\$0.91	0.00%
37. GRT on Indirect Admin.	<u>\$0.00</u>	0.00%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$21,244.43	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed Non-Recurring Charge	\$21,212.00
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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 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	\$4,048.58	\$358.29
Outside Plant Engineering	\$8,340.88	\$738.15
Outside Plant Installation	\$6,589.31	\$583.14
Total Outside Plant	\$18,978.77	\$1,679.59
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$1,679.59 12
Annual Outside Plant Capital Recovery		\$20,155.07
Less:		
Annual Outside Plant Depreciation		\$18,978.77
Annual Outside Plant Return		\$1,176.30

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		\$1,176.30
Central Office Equipment Return		\$0.00
Total Return		<u>\$1,176.30</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	\$18,978.77	0.0017	\$32.04
Total Central Office Equipment	\$0.00	0.0000	\$0.00
Total Monthly Federal and State Income Tax X 12 Months			\$30.17 12
Total Annual Federal and State Income Tax			<u>\$362.00</u>