

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

ICB #: VA0301362

Rate Element: SERVICE A

State: Virginia-G

page 1 of 3

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00
2. Outside Plant Material	\$3,228.48
3. Central Office Equipment Material	\$0.00
4. Total Material Cost (1)+(2)+(3)	\$3,228.48
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)	\$3,228.48

LABOR HOURS LABOR RATE

II. Installation Cost

9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$94.94
10. Outside Plant Engineering Labor	\$346.20	4.29	\$80.69
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$94.94
12. Total Engineering Labor (9)+(10)+(11)	\$346.20		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$57.79
14. Outside Plant Installation Labor	\$861.68	14.59	\$59.07
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$57.79
16. Total Installation Labor (13)+(14)+(15)	\$861.68		
17. Total Installed Cost (4)+(12)+(16)	\$4,436.36		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$1,207.88
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$1,207.88

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$4,436.36	% of Total Investment
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.00%
23. Outside Plant Depreciation	\$4,177.44	94.16%
24. Central Office Equipment Depreciation	\$0.00	0.00%
25. Return	\$258.92	5.84%
26. Federal and State Income Tax	\$86.27	1.94%
27. Plant Specific - Maintenance/Repair	\$175.43	3.95%
28. Direct Administration	\$97.08	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)	\$4,795.14	

Indirect Administration:

32. Plant Specific - Support	\$72.44	1.63%
33. Plant Non-Specific	\$115.82	2.61%
34. Corporate Operations	\$146.18	3.29%
35. Miscellaneous Loadings	\$24.49	0.55%
36. Other Taxes	\$0.36	0.01%
37. GRT on Indirect Admin.	\$0.00	0.00%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$5,154.42	

% Unit Cost/
Price

VI. Amounts to be Tariffed

39. Proposed One Time Charge	\$5,321.00
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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		\$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	\$3,228.48	\$285.71
Outside Plant Engineering	\$346.20	\$30.64
Outside Plant Installation	\$861.68	\$76.26
Total Outside Plant	\$4,436.36	\$392.61
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery		\$392.61
x 12 Months		12
Annual Outside Plant Capital Recovery		\$4,711.32
Less:		
Annual Outside Plant Depreciation		\$4,436.36
Annual Outside Plant Return		\$274.96

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			\$274.96
Central Office Equipment Return			<u>\$0.00</u>
Total Return			<u><u>\$274.96</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	\$4,436.36	0.0017	\$7.63
Total Central Office Equipment	\$0.00	0.0000	<u>\$0.00</u>
Total Monthly Federal and State Income Tax X 12 Months			\$7.19 <u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$86.27</u></u>