

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

ICB #: WI0401322
Rate Element: SERVICE A
State: Wisconsin-G

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| | | | |
|---|-------------|---------------------|-------------------|
| I. Cost and Salvage Value of Equipment | | | |
| 1. Circuit Equipment Material | \$0.00 | | |
| 2. Outside Plant Material | \$2,923.55 | | |
| 3. Central Office Equipment Material | \$0.00 | | |
| 4. Total Material Cost (1)+(2)+(3) | \$2,923.55 | | |
| 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) | \$2,923.55 | | |
| | | <u>LABOR HOURS</u> | <u>LABOR RATE</u> |
| II. Installation Cost | | | |
| 9. Circuit Equipment Engineering Labor | \$0.00 | 0.00 | \$80.87 |
| 10. Outside Plant Engineering Labor | \$1,638.72 | 24.00 | \$68.28 |
| 11. Central Office Equipment Engineering Labor | \$0.00 | 0.00 | \$80.87 |
| 12. Total Engineering Labor (9)+(10)+(11) | \$1,638.72 | | |
| 13. Circuit Equipment Installation Labor | \$0.00 | 0.00 | \$49.31 |
| 14. Outside Plant Installation Labor | \$17,006.98 | 338.65 | \$50.22 |
| 15. Central Office Equipment Installation Labor | \$0.00 | 0.00 | \$49.31 |
| 16. Total Installation Labor (13)+(14)+(15) | \$17,006.98 | | |
| 17. Total Installed Cost (4)+(12)+(16) | \$21,569.25 | | |
| III. Non-Reusable Cost | | | |
| 18. Engineering/Installation Labor Cost (12)+(16) | \$18,645.70 | | |
| 19. Cost of Removal Net of Salvage | \$0.00 | | |
| 20. Total Non-Reusable Cost (18)+(19) | \$18,645.70 | | |
| IV. Net Investment | | | |
| 21. Total Net Investment (17)-(5)-(6)-(7) | \$21,569.25 | | |
| | | <u>% of Total</u> | |
| | | Investment | |
| V. Total Annual Costs | | | |
| 22. Circuit Equipment Depreciation | \$0.00 | 0.00% | |
| 23. Outside Plant Depreciation | \$20,310.42 | 94.16% | |
| 24. Central Office Equipment Depreciation | \$0.00 | 0.00% | |
| 25. Return | \$1,258.83 | 5.84% | |
| 26. Federal and State Income Tax | \$592.50 | 2.75% | |
| 27. Plant Specific - Maintenance/Repair | \$18.34 | 0.09% | |
| 28. Direct Administration | \$272.50 | 1.26% | |
| 29. Non-Capitalized Expenses | \$1,000.00 | 4.64% | |
| 30. GRT on Incremental Cost | \$0.00 | 0.00% | |
| 31. Total Incremental Cost (22)..(30) | \$23,452.59 | | |
| Indirect Administration: | | | |
| 32. Plant Specific - Support | \$280.63 | 1.30% | |
| 33. Plant Non-Specific | \$416.53 | 1.93% | |
| 34. Corporate Operations | \$169.37 | 0.79% | |
| 35. Miscellaneous Loadings | \$204.61 | 0.95% | |
| 36. Other Taxes | \$94.95 | 0.44% | |
| 37. GRT on Indirect Admin. | \$0.00 | 0.00% | |
| 38. Total Fully Allocated Cost (31)+(32)..(37) | \$24,618.67 | | |
| | | <u>% Unit Cost/</u> | |
| | | Price | |
| VI. Amounts to be Tariffed | | | |
| 39. Proposed Non-Recurring Charge | \$24,629.00 | | |

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

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 Rate Element: SERVICE A
 State: Wisconsin-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 | | \$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 | \$2,923.55 | \$258.73 |
| Outside Plant Engineering | \$1,638.72 | \$145.02 |
| Outside Plant Installation | \$17,006.98 | \$1,505.09 |
| Total Outside Plant | \$21,569.25 | \$1,908.84 |
| Less | | |
| Net Salvage Value | \$0.00 | \$0.00 |
| Monthly Outside Plant Capital Recovery | | \$1,908.84 |
| x 12 Months | | 12 |
| Annual Outside Plant Capital Recovery | | \$22,906.11 |
| Less: | | |
| Annual Outside Plant Depreciation | | \$21,569.25 |
| Annual Outside Plant Return | | \$1,336.86 |

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 | | \$1,336.86 |
| Central Office Equipment Return | | \$0.00 |
| Total Return | | \$1,336.86 |

Federal and State Income Tax

| Components | Investment | Factor | Monthly Present Value Cost |
|---|-------------|--------|----------------------------|
| Total Circuit Equipment | \$0.00 | 0.0000 | \$0.00 |
| Total Outside Plant | \$21,569.25 | 0.0024 | \$52.43 |
| Total Central Office Equipment | \$0.00 | 0.0000 | \$0.00 |
| Total Monthly Federal and State Income Tax X 12 Months | | | \$49.37 12 |
| Total Annual Federal and State Income Tax | | | \$592.50 |