

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

ICB #: IL0401310
 Rate Element: SERVICE A
 State: Illinois-G

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I. Cost and Salvage Value of Equipment

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

II. Installation Cost

		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$66.10
10. Outside Plant Engineering Labor	\$2,202.30	30.00	\$73.41
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$66.10
12. Total Engineering Labor (9)+(10)+(11)	\$2,202.30		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$49.81
14. Outside Plant Installation Labor	\$6,560.00	129.90	\$50.50
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$49.81
16. Total Installation Labor (13)+(14)+(15)	\$6,560.00		
17. Total Installed Cost (4)-(5)-(6)-(7)	\$8,762.30		

III. Non-Reusable Cost

18. Engineering/Installation Labor Cost (12)+(16)	\$8,762.30
19. Cost of Removal Net of Salvage	\$0.00
20. Total Non-Reusable Cost (18)+(19)	\$8,762.30

IV. Net Investment

21. Total Net Investment (17)-(5)-(6)-(7)	\$8,762.30	% of Total Investment
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V. Total Annual Costs

22. Circuit Equipment Depreciation	\$0.00	0.00%
23. Outside Plant Depreciation	\$8,217.07	93.78%
24. Central Office Equipment Depreciation	\$0.00	0.00%
25. Return	\$545.23	6.22%
26. Federal and State Income Tax	\$179.16	2.04%
27. Plant Specific - Maintenance/Repair	\$15.45	0.18%
28. Direct Administration	\$242.55	2.77%
29. Non-Capitalized Expenses	\$0.00	0.00%
30. GRT on Incremental Cost	\$0.00	0.00%
31. Total Incremental Cost (22)..(30)	\$9,199.46	

Indirect Administration:

32. Plant Specific - Support	\$124.86	1.42%
33. Plant Non-Specific	\$117.42	1.34%
34. Corporate Operations	\$108.56	1.24%
35. Miscellaneous Loadings	\$69.72	0.80%
36. Other Taxes	\$0.92	0.01%
37. GRT on Indirect Admin.	\$0.00	0.00%
38. Total Fully Allocated Cost (31)+(32)..(37)	\$9,620.94	

VI. Amounts to be Tariffed

39. Proposed Non-Recurring Charge	\$10,051.00
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RETURN AND INCOME TAX CALCULATIONS (11.25% RATE OF RETURN)

ICB #: IL0401310
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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	\$0.00	\$0.00
Outside Plant Engineering	\$2,202.30	\$195.70
Outside Plant Installation	\$6,560.00	\$582.94
Total Outside Plant	\$8,762.30	\$778.64
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$778.64 12
Annual Outside Plant Capital Recovery		\$9,343.71
Less:		
Annual Outside Plant Depreciation		\$8,762.30
Annual Outside Plant Return		\$581.41

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
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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 <hr/> 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		\$581.41
Central Office Equipment Return		\$0.00
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Total Return		\$581.41

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$0.00	0.0000	\$0.00
Total Outside Plant	\$8,762.30	0.0018	\$15.92
Total Central Office Equipment	\$0.00	0.0000	\$0.00
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Total Monthly Federal and State Income Tax X 12 Months			\$14.93 <hr/> 12
Total Annual Federal and State Income Tax			<hr/> <hr/> \$179.16