

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

ICB #: OH0401288
Rate Element: SERVICE A
State: Ohio-G

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I. Cost and Salvage Value of Equipment			
1. Circuit Equipment Material	\$0.00		
2. Outside Plant Material	\$14,043.36		
3. Central Office Equipment Material	\$0.00		
4. Total Material Cost (1)+(2)+(3)	\$14,043.36		
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)	\$14,043.36		
		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
II. Installation Cost			
9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$81.11
10. Outside Plant Engineering Labor	\$2,917.97	41.00	\$71.17
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$81.11
12. Total Engineering Labor (9)+(10)+(11)	\$2,917.97		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$50.40
14. Outside Plant Installation Labor	\$17,795.83	367.00	\$48.49
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$50.40
16. Total Installation Labor (13)+(14)+(15)	\$17,795.83		
17. Total Installed Cost (4)+(12)+(16)	\$34,757.16		
III. Non-Reusable Cost			
18. Engineering/Installation Labor Cost (12)+(16)	\$20,713.80		
19. Cost of Removal Net of Salvage	\$0.00		
20. Total Non-Reusable Cost (18)+(19)	\$20,713.80		
IV. Net Investment			
21. Total Net Investment (17)-(5)-(6)-(7)	\$34,757.16		
		<u>% of Total</u>	
		Investment	
V. Total Annual Costs			
22. Circuit Equipment Depreciation	\$0.00	0.00%	
23. Outside Plant Depreciation	\$32,728.64	94.16%	
24. Central Office Equipment Depreciation	\$0.00	0.00%	
25. Return	\$2,028.51	5.84%	
26. Federal and State Income Tax	\$633.89	1.82%	
27. Plant Specific - Maintenance/Repair	\$65.26	0.19%	
28. Direct Administration	\$1,043.59	3.00%	
29. Non-Capitalized Expenses	\$0.00	0.00%	
30. GRT on Incremental Cost	\$1,820.20	5.24%	
31. Total Incremental Cost (22)..(30)	\$38,320.10		
Indirect Administration:			
32. Plant Specific - Support	\$495.97	1.43%	
33. Plant Non-Specific	\$596.18	1.72%	
34. Corporate Operations	\$446.55	1.28%	
35. Miscellaneous Loadings	\$425.44	1.22%	
36. Other Taxes	\$153.01	0.44%	
37. GRT on Indirect Admin.	\$105.58	0.30%	
38. Total Fully Allocated Cost (31)+(32)..(37)	\$40,542.83		
		<u>% Unit Cost/</u>	
		Price	
VI. Amounts to be Tariffed			
39. Proposed One Time Charge	\$40,842.00		

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

ICB #: OH0401288
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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 <u>12</u>
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	\$14,043.36	\$1,242.81
Outside Plant Engineering	\$2,917.97	\$258.24
Outside Plant Installation	\$17,795.83	\$1,574.90
Total Outside Plant	\$34,757.16	\$3,075.95
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$3,075.95 <u>12</u>
Annual Outside Plant Capital Recovery		\$36,911.40
Less:		
Annual Outside Plant Depreciation		\$34,757.16
Annual Outside Plant Return		\$2,154.24

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		\$2,154.24
Central Office Equipment Return		\$0.00
Total Return		\$2,154.24

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$0.00	0.0000	\$0.00
Total Outside Plant	\$34,757.16	0.0016	\$56.10
Total Central Office Equipment	\$0.00	0.0000	\$0.00
Total Monthly Federal and State Income Tax X 12 Months			\$52.82 12
Total Annual Federal and State Income Tax			\$633.89