

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

ICB #: OH 2004-286563
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	\$13,502.28		
3. Central Office Equipment Material	\$0.00		
4. Total Material Cost (1)+(2)+(3)	\$13,502.28		
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)	\$13,502.28		
		<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	\$2,135.10	30.00	\$71.17
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$81.11
12. Total Engineering Labor (9)+(10)+(11)	\$2,135.10		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$50.40
14. Outside Plant Installation Labor	\$125,886.43	2596.13	\$48.49
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$50.40
16. Total Installation Labor (13)+(14)+(15)	\$125,886.43		
17. Total Installed Cost (4)+(12)+(16)	\$141,523.81		
III. Non-Reusable Cost			
18. Engineering/Installation Labor Cost (12)+(16)	\$128,021.53		
19. Cost of Removal Net of Salvage	\$0.00		
20. Total Non-Reusable Cost (18)+(19)	\$128,021.53		
IV. Net Investment			
21. Total Net Investment (17)-(5)-(6)-(7)	\$141,523.81		
		<u>% of Total</u>	
		Investment	
V. Total Annual Costs			
22. Circuit Equipment Depreciation	\$0.00	0.00%	
23. Outside Plant Depreciation	\$132,990.40	93.97%	
24. Central Office Equipment Depreciation	\$0.00	0.00%	
25. Return	\$8,533.41	6.03%	
26. Federal and State Income Tax	\$2,606.08	1.84%	
27. Plant Specific - Maintenance/Repair	\$265.18	0.19%	
28. Direct Administration	\$4,240.53	3.00%	
29. Non-Capitalized Expenses	\$0.00	0.00%	
30. GRT on Incremental Cost	\$7,412.27	5.24%	
31. Total Incremental Cost (22)..(30)	\$156,047.88		
Indirect Administration:			
32. Plant Specific - Support	\$2,015.34	1.42%	
33. Plant Non-Specific	\$2,422.55	1.71%	
34. Corporate Operations	\$1,814.52	1.28%	
35. Miscellaneous Loadings	\$1,728.74	1.22%	
36. Other Taxes	\$621.73	0.44%	
37. GRT on Indirect Admin.	\$429.02	0.30%	
38. Total Fully Allocated Cost (31)+(32)..(37)	\$165,079.78		
VI. Amounts to be Tariffed			
39. Proposed Non-Recurring Charge	\$170,094.00		

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

ICB #: OH 2004-286563
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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	\$13,502.28	\$1,197.39
Outside Plant Engineering	\$2,135.10	\$189.34
Outside Plant Installation	\$125,886.43	\$11,163.67
Total Outside Plant	\$141,523.81	\$12,550.40
Less		
Net Salvage Value	\$0.00	\$0.00
Monthly Outside Plant Capital Recovery x 12 Months		\$12,550.40 <u>12</u>
Annual Outside Plant Capital Recovery		\$150,604.77
Less:		
Annual Outside Plant Depreciation		\$141,523.81
Annual Outside Plant Return		\$9,080.96

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		\$0.00
x 12 Months		<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		\$9,080.96
Central Office Equipment Return		<u>\$0.00</u>
Total Return		<u><u>\$9,080.96</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	\$141,523.81	0.0016	\$231.11
Total Central Office Equipment	\$0.00	0.0000	<u>\$0.00</u>
Total Monthly Federal and State Income Tax			\$217.17
X 12 Months			<u>12</u>
Total Annual Federal and State Income Tax			<u><u>\$2,606.08</u></u>