

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

ICB #: 2004-276966

Rate Element: Special Construction
State: California-G

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I. Cost and Salvage Value of Equipment			
1. Circuit Equipment Material	\$0.00		
2. Outside Plant Material	\$5,859.89		
3. Central Office Equipment Material	\$0.00		
4. Total Material Cost (1)+(2)+(3)	\$5,859.89		
5. Circuit Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
6. Outside Plant Net Salvage (Incl. Cost of Removal)	-\$730.29		
7. Central Office Equipment Net Salvage (Incl. Cost of Removal)	\$0.00		
8. Net Material Cost (4)-(5)-(6)-(7)	\$6,590.18		
		<u>LABOR HOURS</u>	<u>LABOR RATE</u>
II. Installation Cost			
9. Circuit Equipment Engineering Labor	\$0.00	0.00	\$71.59
10. Outside Plant Engineering Labor	\$6,262.48	56.00	\$111.83
11. Central Office Equipment Engineering Labor	\$0.00	0.00	\$71.59
12. Total Engineering Labor (9)+(10)+(11)	\$6,262.48		
13. Circuit Equipment Installation Labor	\$0.00	0.00	\$45.76
14. Outside Plant Installation Labor	\$12,220.56	221.87	\$55.08
15. Central Office Equipment Installation Labor	\$0.00	0.00	\$45.76
16. Total Installation Labor (13)+(14)+(15)	\$12,220.56		
17. Total Installed Cost (4)+(12)+(16)	\$24,342.93		
III. Non-Reusable Cost			
18. Engineering/Installation Labor Cost (12)+(16)	\$18,483.04		
19. Cost of Removal Net of Salvage	\$730.29		
20. Total Non-Reusable Cost (18)+(19)	\$19,213.33		
IV. Net Investment			
21. Total Net Investment (17)-(5)-(6)-(7)	\$25,073.22		<u>% of Total Investment</u>
V. Total Annual Costs			
22. Circuit Equipment Depreciation	\$0.00	0.00%	
23. Outside Plant Depreciation	\$23,609.88	96.99%	
24. Central Office Equipment Depreciation	\$0.00	0.00%	
25. Return	\$1,385.97	5.69%	
26. Federal and State Income Tax	\$643.66	2.64%	
27. Plant Specific - Maintenance/Repair	\$307.72	1.26%	
28. Direct Administration	\$436.02	1.79%	
29. Non-Capitalized Expenses	\$0.00	0.00%	
30. GRT on Incremental Cost	\$0.00	0.00%	
31. Total Incremental Cost (22)..(30)	\$26,383.24		
Indirect Administration:			
32. Plant Specific - Support	\$713.89	2.93%	
33. Plant Non-Specific	\$0.00	0.00%	
34. Corporate Operations	\$0.00	0.00%	
35. Miscellaneous Loadings	\$0.00	0.00%	
36. Other Taxes	\$0.00	0.00%	
37. GRT on Indirect Admin.	\$0.00	0.00%	
38. Total Fully Allocated Cost (31)+(32)..(37)	\$27,097.14		
VI. Amounts to be Tariffed			
39. Proposed Non-Recurring Charge	\$6,208.00		<u>% Unit Cost/ Price</u>
40. Credit for NRC	\$135.75		
41. Incremental Monthly Cost	\$441.18		
42. 1 year Monthly Recurring Charge	\$0.00		
43. 3 year Monthly Recurring Charge	\$0.00		
44. 5 year Monthly Recurring Charge	\$480.00	91.91%	
45. 7 year Monthly Recurring Charge	\$0.00		
46. Fully Allocated Monthly Cost	\$456.79		

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	\$5,859.89	\$518.59
Outside Plant Engineering	\$6,262.48	\$554.22
Outside Plant Installation	\$12,220.56	\$1,081.50
Total Outside Plant	\$24,342.93	\$2,154.31
Less		
Net Salvage Value	-\$730.29	-\$57.78
Monthly Outside Plant Capital Recovery		\$2,212.09
x 12 Months		12
Annual Outside Plant Capital Recovery		\$26,545.09
Less:		
Annual Outside Plant Depreciation		\$25,073.22
Annual Outside Plant Return		\$1,471.87

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		\$1,471.87
Central Office Equipment Return		\$0.00
Total Return		\$1,471.87

Federal and State Income Tax

Components	Investment	Factor	Monthly Present Value Cost
Total Circuit Equipment	\$0.00	0.0000	\$0.00
Total Outside Plant	\$24,342.93	0.0023	\$56.96
Total Central Office Equipment	\$0.00	0.0000	\$0.00
Total Monthly Federal and State Income Tax X 12 Months			\$53.64 12
Total Annual Federal and State Income Tax			\$643.66