

INVESTMENT TAX CREDIT AMORTIZATION EXOGENOUS

COSA	JURISDICTION	2007/2008 FORECAST TOTAL COMPANY (NOTE 6) (1)	2008/2009 FORECAST TOTAL COMPANY (NOTE 6) (2)	ITC FIT CHANGE TOTAL COMPANY (NOTE 1) (A = 2 - 1)	ITC FIT CHANGE PRICE CAP INTERSTATE (NOTE 2) (B)	ITC FIT WITH GROSS UP PRICE CAP INTERSTATE (NOTE 3) (C)	STATE TAX GROSS UP PRICE CAP INTERSTATE (NOTE 4) (D)	TOTAL EXOGENOUS CHANGE INTERSTATE (NOTE 5) (E=C+D)
BNTR	VERIZON EAST	7,679,558	6,606,065	(1,073,493)	(292,318)	449,720	43,140	492,860
VZTC (NOTE 7)	TOTAL VERIZON	7,679,558	6,606,065	(1,073,493)	(292,318)	449,720	43,140	492,860

- NOTE 1: Col A=Total Company ITC change from 7/1/07 to 7/1/08 tariff period
- NOTE 2: Col B=Price Cap Interstate percent developed using Separations data
- NOTE 3: Col C= ((Col B)\*(.35/(1-.35)))-Col B) which is change in ITC plus FIT gross up
- NOTE 4: Col D= (Col C)\*(SIT/1-SIT)
- NOTE 5: Col E= Col C+Col D
- NOTE 6: Internal Company records from Verizon Tax Department
- NOTE 7: Investment Tzx Credit for the West COSA's is finished