

VERIZON EAST (BNTR) - TRANSMITTAL NO. 459 and 460
Appendix A: 2004 Annual Filing (BNTRAN04.WK4)

INVESTMENT TAX CREDIT AMORTIZATION EXOGENOUS

	(1) 2003/2004 FORECAST TOTAL COMPANY NOTE 6	(2) 2004/2005 FORECAST TOTAL COMPANY NOTE 6	(A = 2 - 1) ITC FIT CHANGE TOTAL COMPANY NOTE 1	(B) ITC FIT CHANGE PRICE CAP INTERSTATE NOTE 2
MAINE	466,659	379,222	(87,437)	(23,476)
MASSACHUSETTS	1,475,134	1,406,206	(68,928)	(18,459)
NEW HAMPSHIRE	553,217	496,693	(56,524)	(18,941)
RHODE ISLAND	396,053	316,549	(79,504)	(21,949)
VERMONT	249,505	224,110	(25,395)	(8,547)
NEW YORK	6,350,221	5,121,079	(1,229,142)	(341,378)
NORTH	9,490,789	7,943,859	(1,546,930)	(432,750)
DISTRICT OF COLUMBIA	116,105	116,022	(83)	(26)
MARYLAND	622,535	562,562	(59,973)	(13,955)
VIRGINIA	1,883,405	1,518,747	(364,658)	(93,738)
WEST VIRGINIA	167,407	160,942	(6,465)	(1,661)
NEW JERSEY	2,182,436	1,543,564	(638,872)	(182,930)
PENNSYLVANIA	1,774,168	1,632,382	(141,786)	(34,386)
DELAWARE	134,533	127,621	(6,912)	(2,153)
SOUTH	6,880,589	5,661,840	(1,218,749)	(328,849)
TOTAL VERIZON EAST	16,371,378	13,605,699	(2,765,679)	(761,599)

NOTE 1: Col A=Total Company ITC change from 7/1/04 to 7/1/05 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

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(C) ITC FIT WITH GROSS UP PRICE CAP INTERSTATE NOTE 3	(D) STATE TAX GROSS UP PRICE CAP INTERSTATE NOTE 4	(E=C+D) EXOGENOUS CHANGE PRICE CAP INTERSTATE NOTE 5
36,117	3,542	39,659
28,398	2,981	31,379
29,140	2,707	31,847
33,768	3,340	37,108
13,149	1,421	14,570
525,197	3,322	528,519
665,769	17,312	683,081
40	5	45
21,469	1,616	23,085
144,212	9,205	153,417
2,555	253	2,808
281,431	27,834	309,265
52,902	5,871	58,773
3,312	316	3,628
505,921	45,099	551,020
1,171,690	62,411	1,234,101