

EXCESS DEFERRED TAXES AMORTIZATION EXOGENOUS

COSA	JURISDICTION	2005/2006 FORECAST TOTAL COMPANY (NOTE 8) (1)	2006/2007 FORECAST TOTAL COMPANY (NOTE 8) (2)	EDT FIT CHANGE TOTAL COMPANY (NOTE 1) (A = 2 - 1)	EDT FIT CHANGE PRICE CAP INTERSTATE (NOTE 2) (B)	RATE BASE PRICE CAP INTERSTATE (NOTE 3) (C)	NET RETURN PRICE CAP INTERSTATE (NOTE 4) (D)	EDT FIT WITH GROSS UP PRICE CAP INTERSTATE (NOTE 5) (E)	STATE TAX GROSS UP PRICE CAP INTERSTATE (NOTE 6) (F)	TOTAL EXOGENOUS CHANGE INTERSTATE (NOTE 7) (G=D+E+F)
BNTR	VERIZON EAST	8,510,949	7,958,226	(552,723)	(147,954)	(2,219,851)	249,733	362,094	46,333	658,160
GTCA	CALIFORNIA	426,697	396,061	(30,636)	(5,893)	(79,136)	8,903	13,860	2,207	24,970
GNCA	CALIFORNIA-WC	616	325	(291)	(81)	(130)	15	132	14	161
GTFL	FLORIDA	401,918	330,585	(71,333)	(19,328)	(99,237)	11,164	35,747	2,730	49,641
GTID	IDAHO	225	0	(225)	(58)	(29)	3	91	6	101
GAIL	ILLINOIS	18,068	14,904	(3,164)	(967)	(5,039)	567	1,794	194	2,555
GAIN	INDIANA	83,902	75,261	(8,641)	(1,978)	(18,223)	2,050	4,147	488	6,685
GAMI	MICHIGAN	113,642	72,902	(40,740)	(9,730)	(22,277)	2,506	16,319	1,749	20,574
GTNC	NORTH CAROLINA	54,879	25,335	(29,544)	(6,041)	(8,200)	923	9,791	207	10,921
GTOH	OHIO	47,598	42,021	(5,577)	(1,472)	(11,825)	1,330	2,981	320	4,631
GTOR	OREGON	71,316	1,685	(69,631)	(14,308)	(7,500)	844	22,467	1,253	24,563
GTPA	PENNSYLVANIA	64,152	56,920	(7,232)	(2,091)	(17,501)	1,969	4,277	441	6,687
GTST	SOUTH CAROLINA	33,068	41,586	8,518	1,814	(7,950)	894	(2,309)	(157)	(1,572)
GTTX	TEXAS	33,940	33,886	(54)	(16)	(9,572)	1,077	604	88	1,770
GTVA	VIRGINIA	466,598	349,208	(117,390)	(26,455)	(91,925)	10,342	46,269	2,667	59,278
GTWA	WASHINGTON	6,215	5,456	(759)	(190)	(1,461)	164	381	35	580
GTWI	WISCONSIN	172,308	105,407	(66,901)	(16,785)	(34,840)	3,920	27,934	0	31,853
COAZ	ARIZONA - WEST	0	0	0	0	0	0	0	0	0
COCA	CALIFORNIA	25,045	18,405	(6,640)	(1,421)	(4,648)	523	2,468	290	3,281
COIL	ILLINOIS	15,610	16,119	509	113	(3,513)	395	39	34	468
COIN	INDIANA	3,979	2,831	(1,148)	(289)	(858)	97	497	55	648
CONV	NEVADA	(153)	(1,662)	(1,509)	(631)	380	(43)	948	0	905
CONC	NORTH CAROLINA	5,497	2,898	(2,599)	(648)	(1,047)	118	1,060	87	1,265
COPT	PENNSYLVANIA	2,971	3,473	502	129	(823)	93	(149)	(6)	(62)
COTX	TEXAS	(24,120)	(8,308)	15,812	3,482	3,571	(402)	(5,573)	(27)	(6,002)
COVA	VIRGINIA	(35,700)	(31,694)	4,006	939	7,905	(889)	(1,923)	(180)	(2,992)
COWA	WASHINGTON	0	0	0	0	0	0	0	0	0
VZTC	TOTAL VERIZON	10,499,220	9,511,830	(987,390)	(249,859)	(2,633,729)	296,294	543,943	58,831	899,068

NOTE 1: Col A=Total Company EDT change from 7/1/05 to 7/1/06 tariff period
NOTE 2: Col B=Price Cap Interstate percent developed using Separations data
NOTE 3: Col C=Cumulative change in Interstate Price Cap rate base.
NOTE 4: Col D=Col C times negative 11.25%
NOTE 5: Col E= (((Col D-Col B)*(1-.35)))-Col B) which is change in EDT plus FIT gross up
NOTE 6: Col F= (Col D+Col E)*(SIT/1-SIT)
NOTE 7: Col G= Col D+Col E+Col F
NOTE 8: Internal Company records from Verizon Tax Department