

VERIZON TELEPHONE COMPANIES

WORKPAPER 3

Appendix A: 2007 Annual Shortform TRP Letter Filing (VZTCAS07.WK4)

EXCESS DEFERRED TAXES AMORTIZATION EXOGENOUS

COSA	JURISDICTION	2006/2007 FORECAST TOTAL COMPANY (NOTE 8) (1)	2007/2008 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	7,958,226	7,367,322	(590,904)	(159,604)	(2,066,072)	232,433	370,701	54,017	657,151
GTCA	CALIFORNIA	396,061	407,407	11,346	2,183	(77,280)	8,694	1,323	971	10,988
GNCA	CALIFORNIA-WC	325	164	(161)	(44)	(68)	8	72	8	87
GTFL	FLORIDA	330,585	316,028	(14,557)	(3,944)	(87,601)	9,855	11,374	1,236	22,465
GTID	IDAHO	14,904	13,801	(1,103)	(337)	(4,388)	494	785	105	1,383
GAIL	ILLINOIS	75,261	69,118	(6,143)	(1,407)	(16,531)	1,860	3,166	396	5,422
GAIN	INDIANA	72,902	63,305	(9,597)	(2,292)	(16,266)	1,830	4,511	589	6,931
GAMI	MICHIGAN	25,335	(5,036)	(30,371)	(6,210)	(2,075)	233	9,680	192	10,105
GTNC	NORTH CAROLINA	42,021	28,647	(13,374)	(3,529)	(9,324)	1,049	5,994	522	7,565
GTOH	OHIO	1,685	(37)	(1,722)	(354)	(169)	19	555	20	594
GTOR	OREGON	56,920	40,855	(16,065)	(4,644)	(14,133)	1,590	8,001	678	10,268
GTPA	PENNSYLVANIA	41,586	43,871	2,285	487	(9,100)	1,024	(198)	92	917
GTST	SOUTH CAROLINA	33,886	33,238	(648)	(182)	(9,473)	1,066	854	101	2,021
GTTX	TEXAS	349,208	297,823	(51,385)	(11,580)	(72,907)	8,202	22,232	1,434	31,868
GTVA	VIRGINIA	5,456	4,456	(1,000)	(251)	(1,241)	140	461	38	639
GTWA	WASHINGTON	105,407	93,380	(12,027)	(3,018)	(24,938)	2,806	6,154	0	8,959
GTWI	WISCONSIN	18,163	14,291	(3,872)	(928)	(3,889)	438	1,663	180	2,281
COAZ	ARIZONA - WEST	0	0	0	0	0	0	0	0	0
COCA	CALIFORNIA	18,405	16,771	(1,634)	(349)	(3,762)	423	765	115	1,303
COIL	ILLINOIS	16,119	12,601	(3,518)	(779)	(3,179)	358	1,391	138	1,886
COIN	INDIANA	2,831	3,680	849	214	(820)	92	(280)	(17)	(205)
CONV	NEVADA	(1,662)	(1,719)	(57)	(24)	707	(80)	(6)	0	(85)
CONC	NORTH CAROLINA	2,898	2,251	(647)	(162)	(642)	72	288	27	387
COPT	PENNSYLVANIA	3,473	3,635	162	41	(907)	102	(8)	10	104
COTX	TEXAS	(8,308)	45	8,353	1,840	910	(102)	(2,886)	(141)	(3,129)
COVA	VIRGINIA	(31,694)	(298)	31,396	7,366	3,753	(422)	(11,560)	(765)	(12,747)
COWA	WASHINGTON	0	0	0	0	0	0	0	0	0
VZTC	TOTAL VERIZON	9,529,993	8,825,599	(704,394)	(187,507)	(2,419,395)	272,182	435,032	59,946	767,160

NOTE 1: Col A=Total Company EDT change from 7/1/06 to 7/1/07 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)*(.35/(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