

INVESTMENT TAX CREDIT AMORTIZATION EXOGENOUS

		2006/2007 FORECAST TOTAL COMPANY (NOTE 6)	2007/2008 FORECAST TOTAL COMPANY (NOTE 6)	ITC FIT CHANGE TOTAL COMPANY (NOTE 1)	ITC FIT CHANGE PRICE CAP INTERSTATE (NOTE 2)	ITC FIT WITH GROSS UP PRICE CAP INTERSTATE (NOTE 3)	STATE TAX GROSS UP PRICE CAP INTERSTATE (NOTE 4)	TOTAL EXOGENOUS CHANGE INTERSTATE (NOTE 5)
COSA	JURISDICTION	(1)	(2)	(A = 2 - 1)	(B)	(C)	(D)	(E=C+D)
BNTR	VERIZON EAST	9,838,802	8,258,680	(1,580,122)	(432,639)	665,599	62,785	728,383
GTCA	CALIFORNIA	0	0	0	0	0	0	0
GNCA	CALIFORNIA-WC	0	0	0	0	0	0	0
GTFL	FLORIDA	0	0	0	0	0	0	0
GTID	IDAHO	0	0	0	0	0	0	0
GAIL	ILLINOIS	0	0	0	0	0	0	0
GAIN	INDIANA	0	0	0	0	0	0	0
GAMI	MICHIGAN	0	0	0	0	0	0	0
GTNC	NORTH CAROLINA	0	0	0	0	0	0	0
GTOH	OHIO	0	0	0	0	0	0	0
GTOR	OREGON	0	0	0	0	0	0	0
GTPA	PENNSYLVANIA	0	0	0	0	0	0	0
GTST	SOUTH CAROLINA	0	0	0	0	0	0	0
GTTX	TEXAS	0	0	0	0	0	0	0
GTVA	VIRGINIA	0	0	0	0	0	0	0
GTWA	WASHINGTON	0	0	0	0	0	0	0
GTWI	WISCONSIN	0	0	0	0	0	0	0
COAZ	ARIZONA - WEST	0	0	0	0	0	0	0
COCA	CALIFORNIA	0	0	0	0	0	0	0
COIL	ILLINOIS	0	0	0	0	0	0	0
COIN	INDIANA	0	0	0	0	0	0	0
CONV	NEVADA	0	0	0	0	0	0	0
CONC	NORTH CAROLINA	0	0	0	0	0	0	0
COPT	PENNSYLVANIA	0	0	0	0	0	0	0
COTX	TEXAS	0	0	0	0	0	0	0
COVA	VIRGINIA	0	0	0	0	0	0	0
COWA	WASHINGTON	0	0	0	0	0	0	0
VZTC	TOTAL VERIZON	9,838,802	8,258,680	(1,580,122)	(432,639)	665,599	62,785	728,383

NOTE 1: Col A=Total Company ITC 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= ((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