

**VERIZON NORTHWEST INC
SEPARATED RESULTS SUMMARY
STATE OF WASHINGTON - COMBINED
QUARTERLY COMPLIANCE REPORT
TWELVE MONTHS ENDED DECEMBER 2007
(Dollars in Thousands)**

	BOOKED BASIS			ADJUSTED BASIS			Composite Bkd Factors
	Total Regulated	Interstate	Intrastate	Total Regulated	Interstate	Intrastate	
OPERATING REVENUES							
Local Network Service	222,123	0	222,123	222,123	0	222,123	100.00%
Network Access Revenues	252,931	223,273	29,658	252,931	223,273	29,658	11.73%
Long Dist Netwk Revenues	14,983	433	14,550	14,983	433	14,550	97.11%
Miscellaneous Revenues	31,706	11,635	20,072	31,706	11,635	20,072	63.31%
Uncollectibles	(3,552)	(878)	(2,673)	(3,552)	(878)	(2,673)	75.27%
Total Operating Revenues	518,191	234,463	283,729	518,191	234,463	283,729	
OPERATING EXPENSES							
Plant Specific Operations	65,977	16,406	49,571	61,745	15,354	46,391	75.13%
Plant Non-Spec Operations	39,989	14,824	25,165	37,384	13,858	23,525	62.93%
Customer Operations	59,912	12,708	47,204	55,915	11,860	44,054	78.79%
Corporate Operations	67,843	16,018	51,825	78,059	18,430	59,629	76.39%
Depreciation & Amort	185,446	48,502	136,944	185,446	48,502	136,944	73.85%
Other Income & Expenses	(7,234)	(1,850)	(5,383)	(7,234)	(1,850)	(5,383)	74.42%
Juris Diff - Depr/IDC	0	0	0	0	0	0	0.00%
Total Operating Expenses	411,932	106,607	305,325	411,316	106,154	305,161	74.12%
Operating Taxes Other than Inc	19,009	7,101	11,907	19,009	7,101	11,907	62.64%
EBIT	87,250	120,754	(33,504)	87,867	121,207	(33,340)	
INCOME TAXES							
State Income Tax	0	0	0	0	0	0	
Net Federal Income Tax	20,993	39,821	(18,829)	21,209	39,980	(18,771)	
Total Income Taxes	20,993	39,821	(18,829)	21,209	39,980	(18,771)	
NET OPERATING INCOME	66,257	80,933	(14,675)	66,658	81,227	(14,568)	
INVESTMENT (AVG)							
Telecomm Plant in Service	2,652,142	673,475	1,978,667	2,647,759	672,362	1,975,397	74.61%
Other Assets (SFAS 87)	149,537	35,243	114,294	149,537	35,243	114,294	76.43%
Juris Assets-TPIS	0	0	0	0	0	0	0.00%
Depr & Amort Reserve	1,506,343	380,806	1,125,537	1,506,343	380,806	1,125,537	74.72%
Deferred Income Taxes	256,703	63,361	193,342	256,703	63,361	193,342	75.32%
Other LT Liab - SFAS 106,112	85,968	20,248	65,720	3,444	811	2,633	76.45%
RATE BASE	952,665	244,304	708,361	1,030,806	262,627	768,179	74.36%
Rate Base ROR	6.95%	33.13%	-2.07%	6.47%	30.93%	-1.90%	

**VERIZON NORTHWEST INC
SEPARATED RESULTS SUMMARY
STATE OF WASHINGTON - COMBINED
QUARTERLY COMPLIANCE REPORT
TWELVE MONTHS ENDED DECEMBER 2007
(Dollars in Thousands)**

	TOTAL STATE BOOKED RESULTS	(A)	(B) FAS 106 OPEB	ADJUSTMENTS							(I)	ADJUSTED TOTAL STATE	ADJUSTED INTRASTATE
				(C)	(D)	(E)	(F)	(G)	(H)				
Operating Revenues	518,191	0	0	0	0	0	0	0	0	0	518,191	283,729	
Operating Expenses/Taxes	430,941	0	(617)	0	0	0	0	0	0	0	430,324	317,068	
EBIT	87,250	0	617	0	0	0	0	0	0	0	87,867	(33,340)	
Income Taxes	20,993	0	216	0	0	0	0	0	0	0	21,209	(18,771)	
Net Operating Income	66,257	0	401	0	0	0	0	0	0	0	66,658	(14,568)	
Rate Base	952,665	0	78,140	0	0	0	0	0	0	0	1,030,806	768,179	
Rate of Return	6.95%										6.47%	-1.90%	

Adjustment Footnotes:

Account(s)

- (A)
- (B) FAS 106 OPEB (Adj from accrual to paygo) Various
- (C)
- (D)
- (E)
- (F)
- (G)
- (H)
- (I)

**VERIZON NORTHWEST INC
SEPARATED RESULTS SUMMARY
STATE OF WASHINGTON - COMBINED
QUARTERLY COMPLIANCE REPORT
TWELVE MONTHS ENDED DECEMBER 2007
(Dollars in Thousands)**

ADJUSTMENTS - TOTAL STATE

TOTAL STATE		(A)	(B) & (E)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	TOTAL ADJUSTMENTS		FAS 106 OPEB							
OPERATING REVENUES										
Local Network Service	0	0	0	0	0	0	0	0	0	0
Network Access Revenues	0	0	0	0	0	0	0	0	0	0
Long Dist Ntwk Revenues	0	0	0	0	0	0	0	0	0	0
Miscellaneous Revenues	0	0	0	0	0	0	0	0	0	0
Uncollectibles	0	0	0	0	0	0	0	0	0	0
Total Operating Revenues	0	0	0	0	0	0	0	0	0	0
OPERATING EXPENSES										
Plant Specific Operations	(4,231)	0	(4,231)	0	0	0	0	0	0	0
Plant Non-Spec Operations	(2,605)	0	(2,605)	0	0	0	0	0	0	0
Customer Operations	(3,997)	0	(3,997)	0	0	0	0	0	0	0
Corporate Operations	10,216	0	10,216	0	0	0	0	0	0	0
Depr & Amort	0	0	0	0	0	0	0	0	0	0
Other Income & Expenses	0	0	0	0	0	0	0	0	0	0
Juris Diff - Depr/IDC	0	0	0	0	0	0	0	0	0	0
Total Operating Expenses	(617)	0	(617)	0	0	0	0	0	0	0
Operating Taxes Other than Income	0	0	0	0	0	0	0	0	0	0
EBIT	617	0	617	0	0	0	0	0	0	0
INCOME TAXES										
State Income Tax	0	0	0	0	0	0	0	0	0	0
Net Federal Income Tax	216	0	216	0	0	0	0	0	0	0
Total Income Taxes	216	0	216	0	0	0	0	0	0	0
NET OPERATING INCOME										
	400	0	401	0	0	0	0	0	0	0
INVESTMENT (AVG)										
Telecom Plant in Service	(4,384)	0	(4,384)	0	0	0	0	0	0	0
Prop Held for Future Use	0	0	0	0	0	0	0	0	0	0
Other Assets (SFAS 87)	0	0	0	0	0	0	0	0	0	0
Depr & Amort Reserve	0	0	0	0	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0	0	0	0	0
Juris Assets-TPIS	0	0	0	0	0	0	0	0	0	0
Other LT Liab - SFAS 106, 112	(82,524)	0	(82,524)	0	0	0	0	0	0	0
RATE BASE	78,140	0	78,140	0	0	0	0	0	0	0

