

COMPANY: VERIZON NORTHWEST INC.

UNRESTRICTED VERSION

STUDY AREA: VERIZON NORTHWEST

SUBMISSION 99

PERIOD: JAN 2006 TO DEC 2006

TABLE I-1

COSA: GTNW

PAGE 1 OF 3

TABLE I-1 - INCOME STATEMENT ACCOUNTS  
(Dollars in thousands)

Row/ Account Number	Account Title	Amount
	(a)	(b)
	<u>REVENUE ACCOUNTS</u>	
	<u>Local Network Services Revenues</u>	
5001	Basic area revenue	300,106
5040	Local private line revenue	5,179
5060	Other basic area revenue	129,875
520	Local Network Services Revenues	435,160
	<u>Network Access Services Revenues</u>	
5081	End User revenue	117,740
5082	Switched access revenue	111,185
5083	Special access revenue	229,698
522	Network Access Service Revenues	458,623
5100	Long distance message revenue	22,052
	<u>Miscellaneous Revenues</u>	
5230	Directory revenue	3,460
526	Miscellaneous revenue	57,077
527	Total Miscellaneous Revenues	60,537
5280	Nonregulated operating revenue	83,391
5300	Uncollectible revenue	12,188
530	Total Operating Revenues	1,047,576
	<u>EXPENSE ACCOUNTS</u>	
	<u>Plant specific Operations</u>	
615	Account 6112 - Motor vehicles expense	1,295
625	Account 6113 - Aircraft expense	358
635	Account 6114 - Tools and other work equipment expense	828
6110	Network Support Expenses	2,482
6121	Land & building expense	22,095
6122	Furniture and artworks expense	467
6123	Office equipment expense	1,439
6124	General purpose computers expense	24,410
6120	General Support Expenses	48,411
6211	Non-digital switching expense	0
6212.1	Circuit switching expense	18,839
6212.2	Packet switching expense	5
6212	Digital electronic switching expense	18,844
6210	Central Office Switching Expenses	18,844
6220	Operator system expense	104
6231	Radio systems expense	233
6232.1	Electronic circuit expense	11,545
6232.2	Optical circuit expense	32
6232	Circuit equipment expense	11,576
6230	Central Office Transmission Expenses	11,810
6311	Station apparatus expense	8,130
6341	Large private branch exchange expense	6,749
6351	Public telephone terminal equipment expense	615
6362	Other terminal equipment expense	18,053
6310	Information Origination/Termination Expenses	33,547

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TABLE I-1  
PAGE 2 OF 3

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	(a)	(b)
6411	Poles expense	3,279
6421	Aerial cable expense	12,594
6422	Underground cable expense	2,909
6423	Buried cable expense	20,358
6424	Submarine and deep sea cable expense	-9
6426	Intrabuilding network cable expense	217
6431	Aerial wire expense	26
6441	Conduit systems expense	191
6410	Cable and Wire Facilities Expenses	39,564
650	Total Plant Specific Operations Expenses	154,762
	<u>Plant Nonspecific Operations</u>	
6511	PHFTU expense	0
665	Account 6512 - Provisioning expense	667
6510	Other Property, Plant and Equipment Expenses	667
6531	Power expense	4,135
6532	Network administration expense	7,337
6533	Testing expense	12,241
675	Account 6534 - Plant operation administration expense	21,468
685	Account 6535 - Engineering expense	6,190
6530	Network Operations Expenses	51,370
6540	Access expense	37,636
6561	Depreciation-TPIS expense	301,187
6562	Depreciation-PHFTU expense	0
6563	Amortization-tangible expense	698
6564	Amortization-intangible expense	6,215
6565	Amortization-other expense	0
6560	Depreciation & Amortization Expenses	308,100
690	Total Plant Nonspecific Operations Expenses	397,773
	<u>Customer Operations</u>	
6611	Product management and sales expense	30,532
6613	Product advertising expense	6,637
6610	Marketing Expenses	37,169
6621	Call completion expense	2,596
6622	Number services expense	16,420
6623	Customer services expense	52,232
6620	Service Expense	71,248
700	Total Customer Operations Expenses	108,417
6720	General & Administrative	131,286
6790	Provision for uncollectible notes receivable	0
710	Total Corporate Operations Expenses	131,286
720	Total Operating Expenses	792,239
730	Income Before Other Operating Items and Taxes	255,337

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PAGE 3 OF 3

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	(a)	(b)
7100	Other operating income and expenses	1,879
	<u>Operating Taxes</u>	
7210	Operating investment tax credits-net	0
7220	Operating federal income taxes	107,779
7230	Operating state and local income taxes	6,132
7240	Operating other taxes	8,162
7250	Provision for deferred operating income taxes-net	-43,233
7200	Operating Taxes	78,841
7300	Nonoperating income and expense	4,861
7400	Nonoperating taxes	1,735
7500	Interest and related items	44,009
7600	Extraordinary items	0
7910	Income effects of jurisdictional ratemaking differences-net	3,175
7990	Nonregulated net income	0
790	Net Income	140,668
830	Total number of employees at the end of the year	2,748
840	Number of full-time employees	2,698
850	Number of part-time employees	50
860	Total Compensation for the year	247,091