verizon

2004 UTC DEPRECIATION STUDY

WASHINGTON

Verizon Northwest Inc.
Washington

Depreciation Rate Study
Submitted: February 27, 2004
Using 2003 Projected Year-end Account Balances

Proposed Effective Date for New Depreciation Rates: January 1, 2004

Rate Orders applicable to Currently Prescribed Intrastate Depreciation Rates:

Docket UT-992009	Dated 06/16/2000	Effective: 01/01/2000

Correspondence concerning this study should be addressed to:

Larry Schuberth
Manager-Capital Recovery

Verizon
1310 N Court House Rd
4TH Floor
Arlington,VA 22201

Questions concerning this study should be directed to:

Anthony Flesch
Sr. Staff Manager-Capital Recovery

Verizon
600 Hidden Ridge, MC: HQE01J53
Irving, TX 75038

Phone (972) 718-5934, Fax (972) 719-7460

Or

Lou Walters
Sr. Staff Consultant-Capital Recovery

Verizon
600 Hidden Ridge, MC: HQE01J31
Irving, TX 75038

Phone (972) 718-7350, Fax (972) 719-7460

2004 DEPRECIATION RATE REPORT

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INTRODUCTION

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OPERATING ENVIRONMENT

Verizon's operating territory ranges from basic rural service to the highly competitive Seattle metropolitan area. With the continuous and significant technological advancements in telecommunications, all areas will be subjected to increasing levels of competition. This rapidly developing competitive environment must be taken into consideration when prescribing adequate and proper depreciation lives for Verizon's assets.

PREVIOUS STUDY INFORMATION

The currently prescribed depreciation rates for Verizon Northwest - Washington were ordered in Docket UT-992009, dated 06/16/2000, and were effective 01/01/2000. The Commission-Prescribed depreciation rates were developed using the traditional remaining life depreciation methodology.

The Company requested a composite depreciation rate of 10.5%, which would have resulted in an increase in depreciation expense of $118M. In the 2000 depreciation rate review, Staff agreed to support a 1% percent increase in composite rate to 6.5% which was an increase of $20M in total company depreciation expense.

CURRENT STUDY INFORMATION

This study is being submitted on February 27, 2004 and utilizes projected year-end 2003 accounting data. This study is being submitted to the Washington UTC requesting represcription of depreciation rates effective 1/1/2004.

The depreciation rates proposed in this study were developed using the same traditional remaining life depreciation methodology as in the previous depreciation study.

Verizon is proposing no changes to the currently prescribed curve shapes.

Verizon believes its proposed parameters more accurately reflect today's operating environment than traditional historical based mortality parameters. As we enter a competitive market environment, Verizon should be allowed to implement depreciation parameters that reflect technological innovation and competitive impacts. These issues are discussed, on an industry basis, further in the General section of this study.

ACCOUNT CHANGES

The former accounts 2114, 2115, and 2116 were combined into 2114 Tools & Other Work Equipment by FCC Order 99-106, Dated May 18, 1999.

243100 Aerial Wire has been combined with 242110 Aerial Cable Metallic.

IOWA CURVE SHAPES

The Iowa Curve Shape Analysis Plots are contained on the following pages of this Introduction Section (Curve Shape Analysis Plot: "L", "S", "R", "O"). Iowa Curves are grouped in four categories, Left Modal "L", Symmetrical Modal "S", Right Modal "R", and Origin Modal "O".

Verizon is proposing no changes to the currently prescribed curve shapes.

LIFE COMPARISON

The following table contains life comparisons for the major accounts that compromise the majority of Verizon's capital investment. The current WUTC prescribed lives are generally longer than the FCC lives and are significantly longer than Verizon's financial reporting (GAAP) lives. Note that the GAAP lives on this table are those in effect at year-end 2002, and the lives effective in 2003 will change.

Washington Life Comparison Table

Account	WUTC	FCC	GAAP
Buildings	43	43	25
Digital Switching	16	13.5	12
Circuit Eq	11.4	11	9
Aerial Copper Cable	21	20	16
Underground Copper Cable	25	25	17
Buried Copper Cable	23	20	18
Fiber Cable	25	25	20

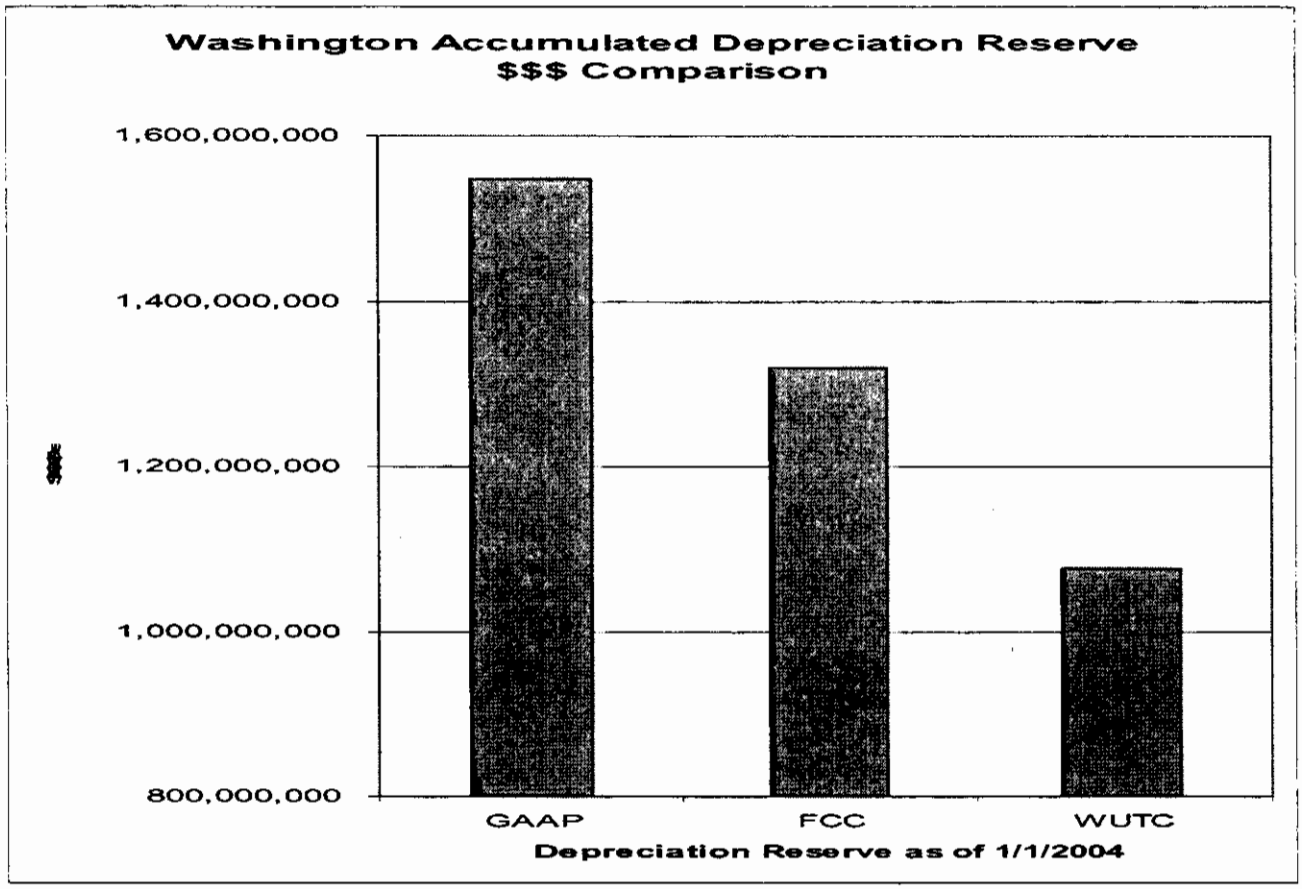
In addition to the Life differences, the WUTC lagged the FCC and State Commissions in adopting and implementing the Equal Life Group (ELG) method in the depreciation rate calculation. The WUTC adopted and implemented ELG effective for 1995 and subsequent vintages. In contrast, the FCC adopted ELG in the early 1980's as did most other State Commissions.

RESERVE STATUS

FAS 71 Abandonment: When fGTE discontinued FAS 71 accounting for regulated utilities in 1995, it created a reserve imbalance between the PUC reserves and the GAAP reserves. The GAAP reserves were "written-up" to reflect the risk of recovering the 1995 net investment through traditional regulation. The amount of the write-up was based on economic lives that more accurately reflected the technological and competitive risks associated with the 1995 market conditions. Since 1995, the Capital Recovery group has been working with the various state commissions to bring the PUC reserves in parity with the GAAP reserves.

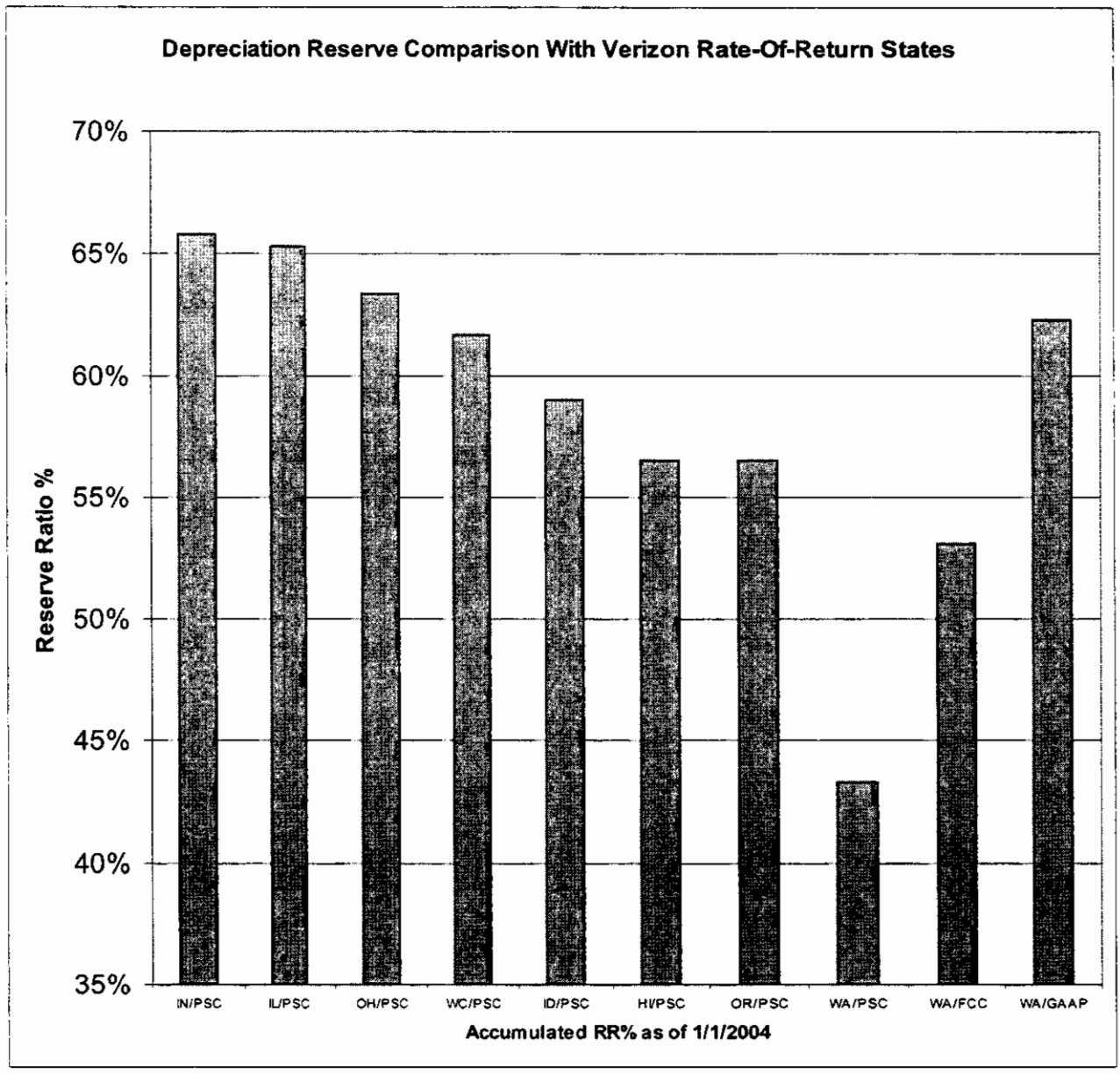
GAAP vs. State Reserves and WUTC Depreciation Policies:

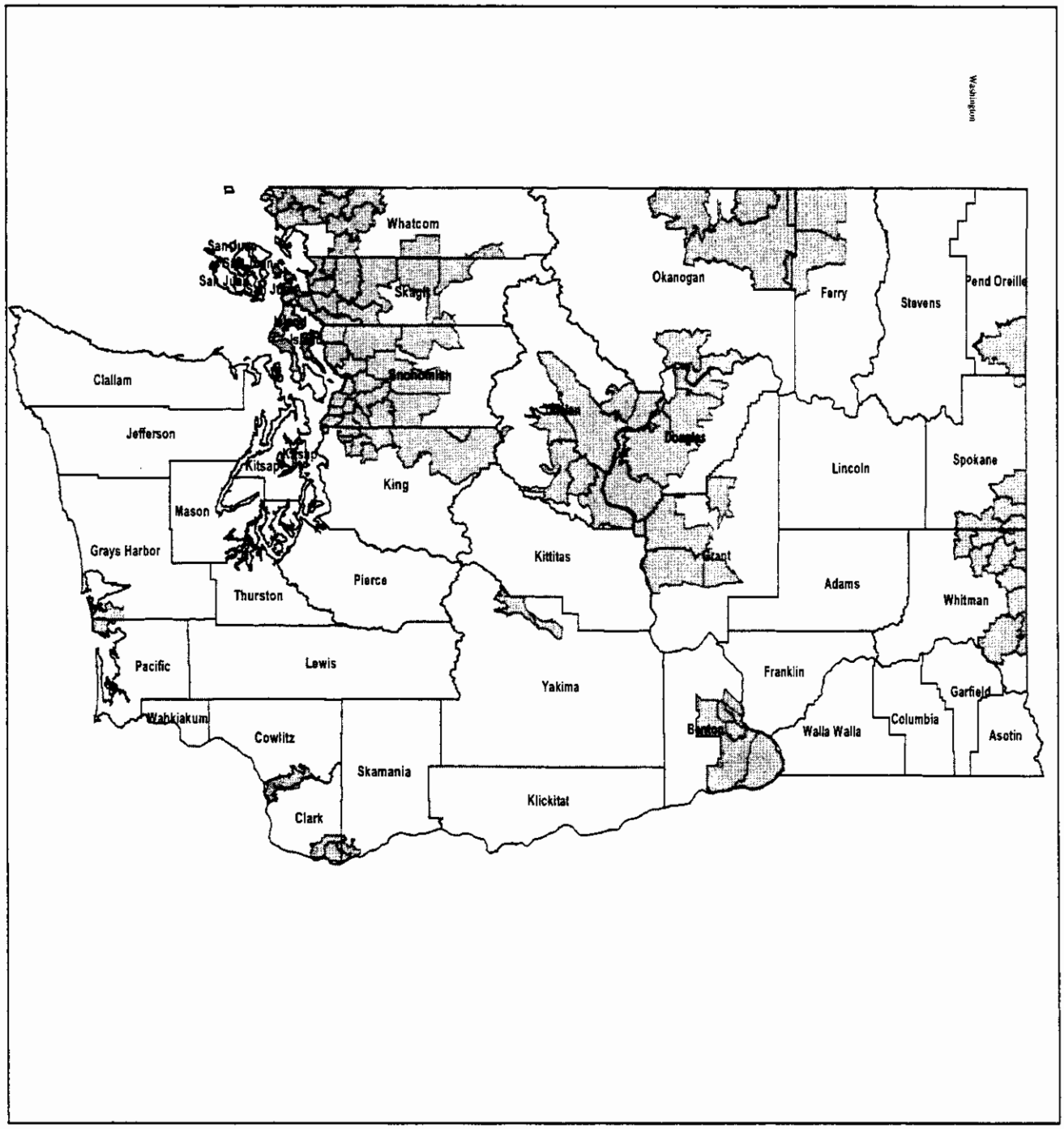
Currently the Washington Accumulated Depreciation Reserve lags the GAAP Reserve by $471M, and the FCC Reserve by $243M:



Washington Depreciation Reserves Compared To Other Verizon States:

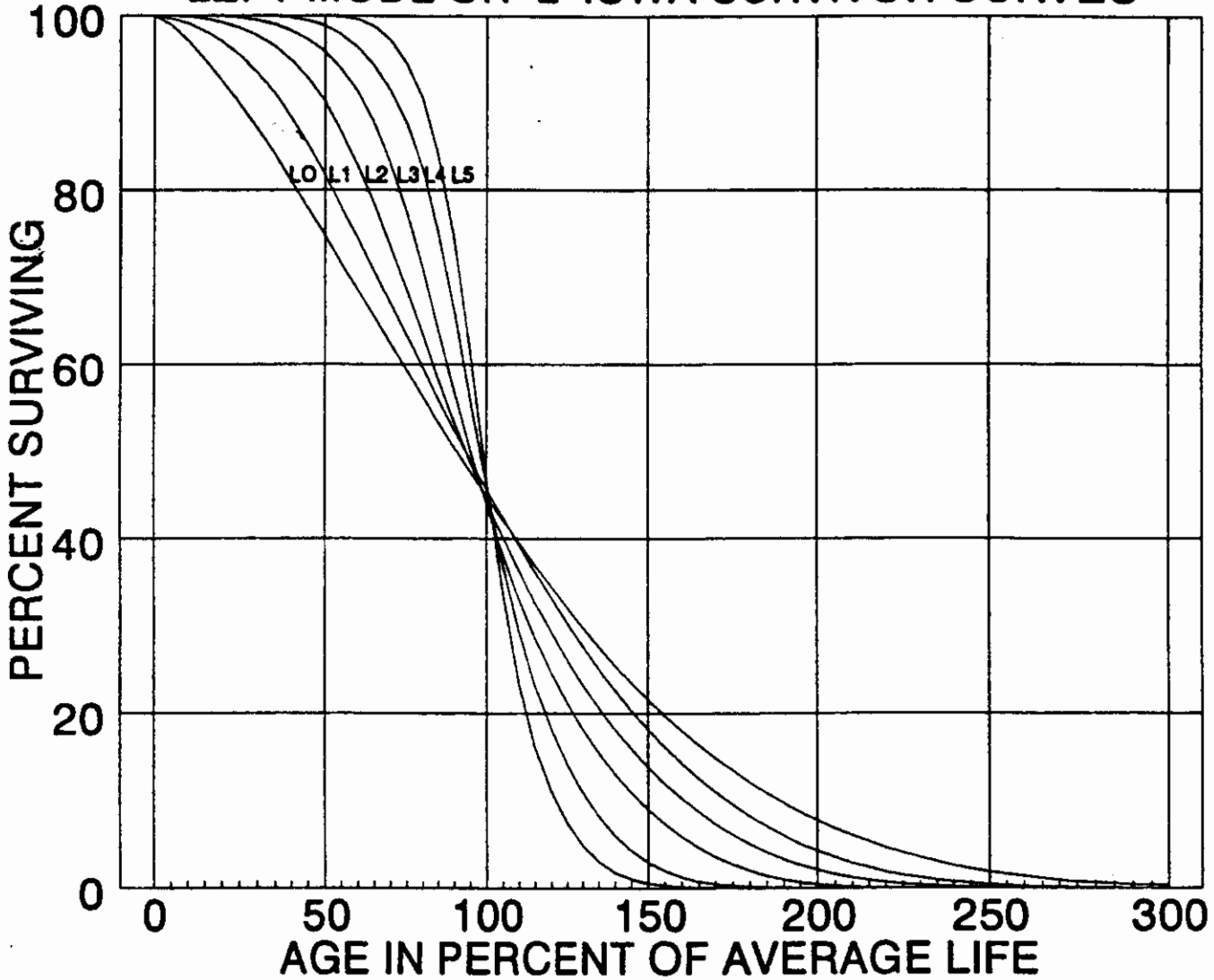
Among all Verizon's regulated intrastate entities, the depreciation reserves for Washington are the lowest. The chart below compares Washington intrastate Reserve Ratios with those of other states that are also Rate-Of-Return and depreciation is prescribed by the respective state commissions. The chart also compares Washington Intrastate Reserve Ratios with the Washington Interstate (FCC) and Financial Reporting (GAAP) Reserve Ratios.




Whatcom
Skagit
Okanogan
Ferry
Stevens
Pend Oreille
Clallam
Jefferson
Kitsap
King
Douglas
Lincoln
Spokane
Mason
Grays Harbor
Kittitas
Grant
Adams
Whitman
Pierce
Thurston
Pacific
Lewis
Yakima
Franklin
Garfield
Columbia
Asotin
Walla Walla
Wahkiakum
Cowlitz
Skamania
Klickitat
Clark
Counties
Verizon Exchanges
Washington
Showing Verizon Wireline Area
Market Analysis & Modeling
September 2002

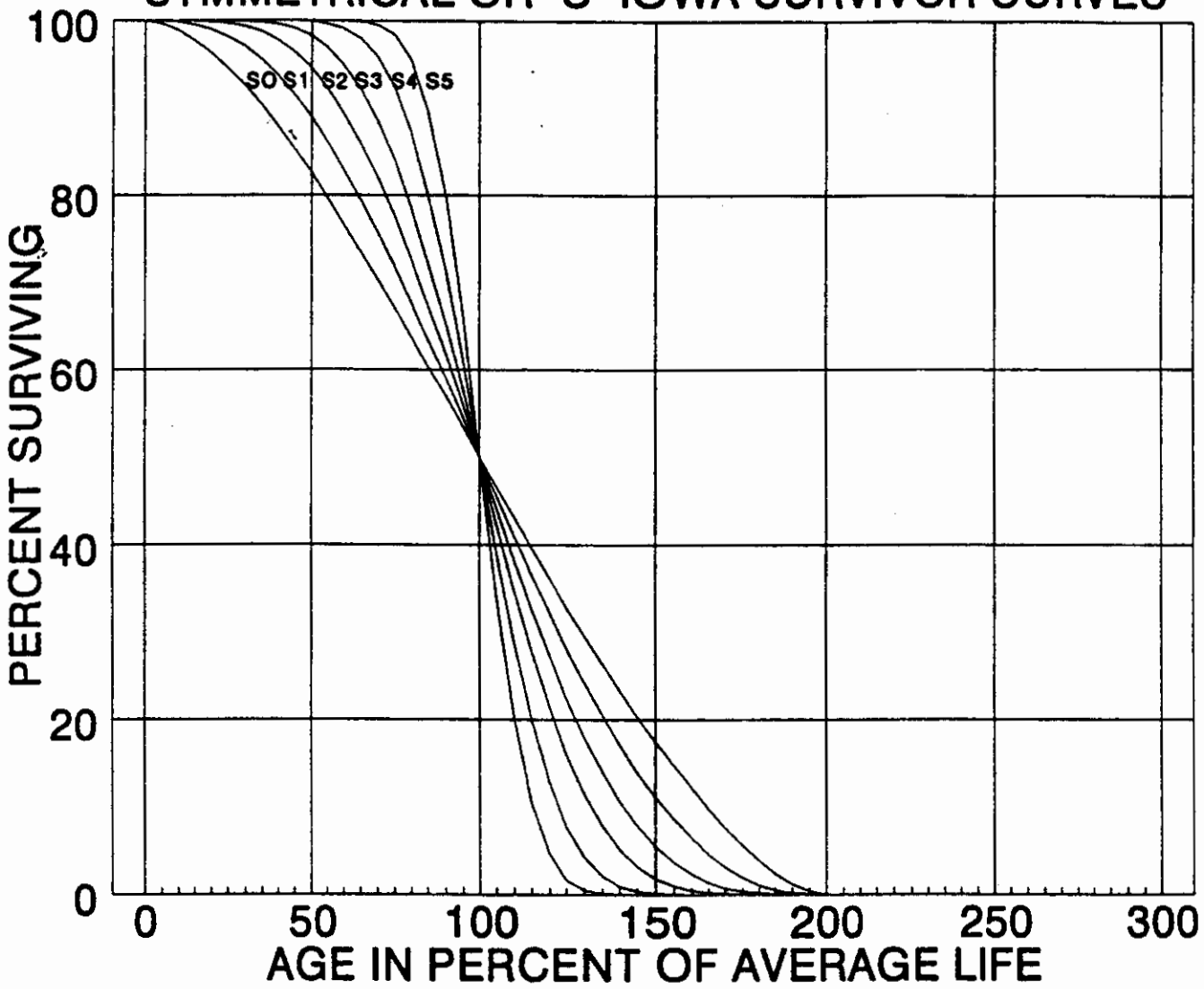
CURVE SHAPE ANALYSIS PLOT

LEFT MODE OR "L" IOWA SURVIVOR CURVES



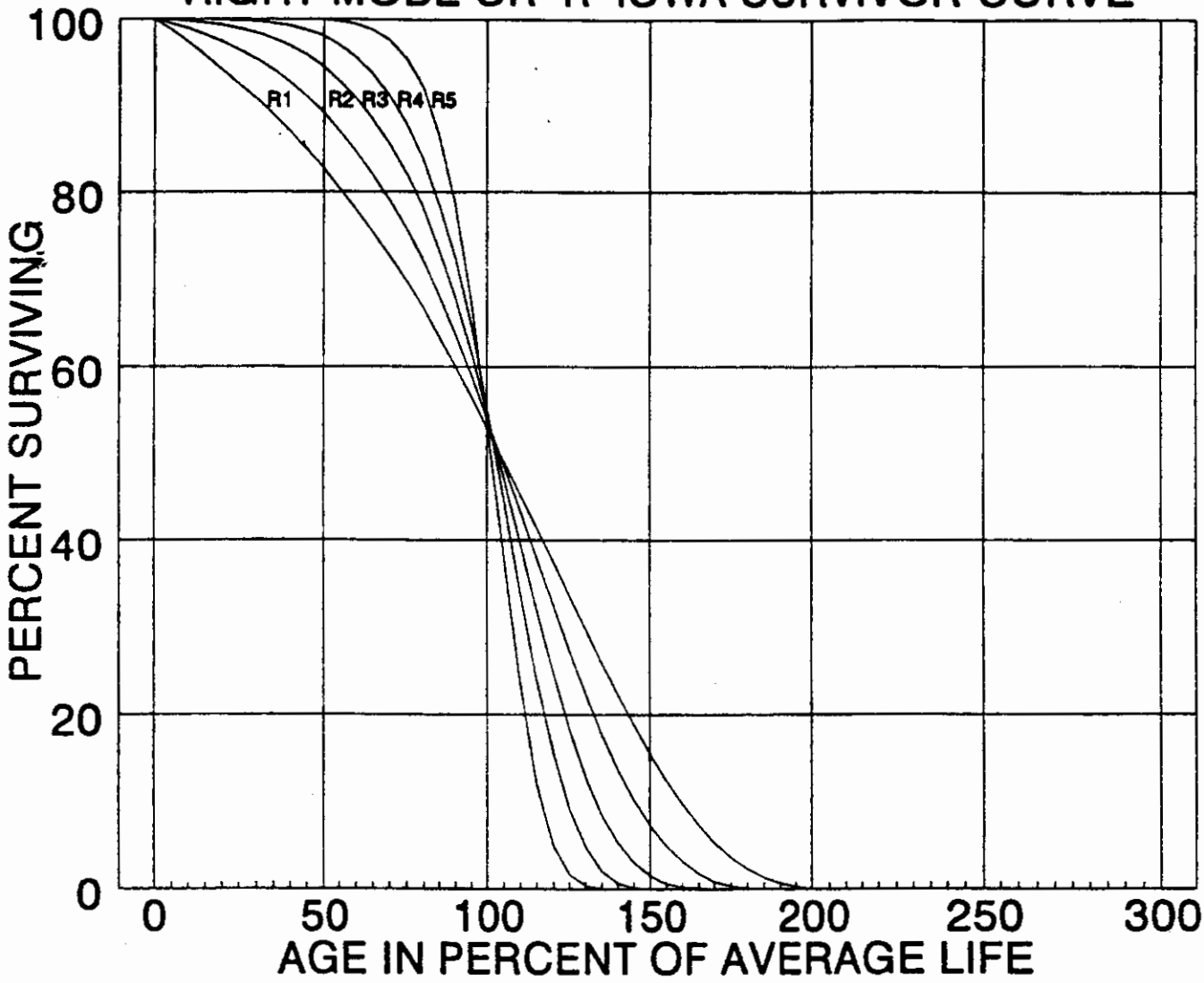
CURVE SHAPE ANALYSIS PLOT

SYMMETRICAL OR "S" IOWA SURVIVOR CURVES



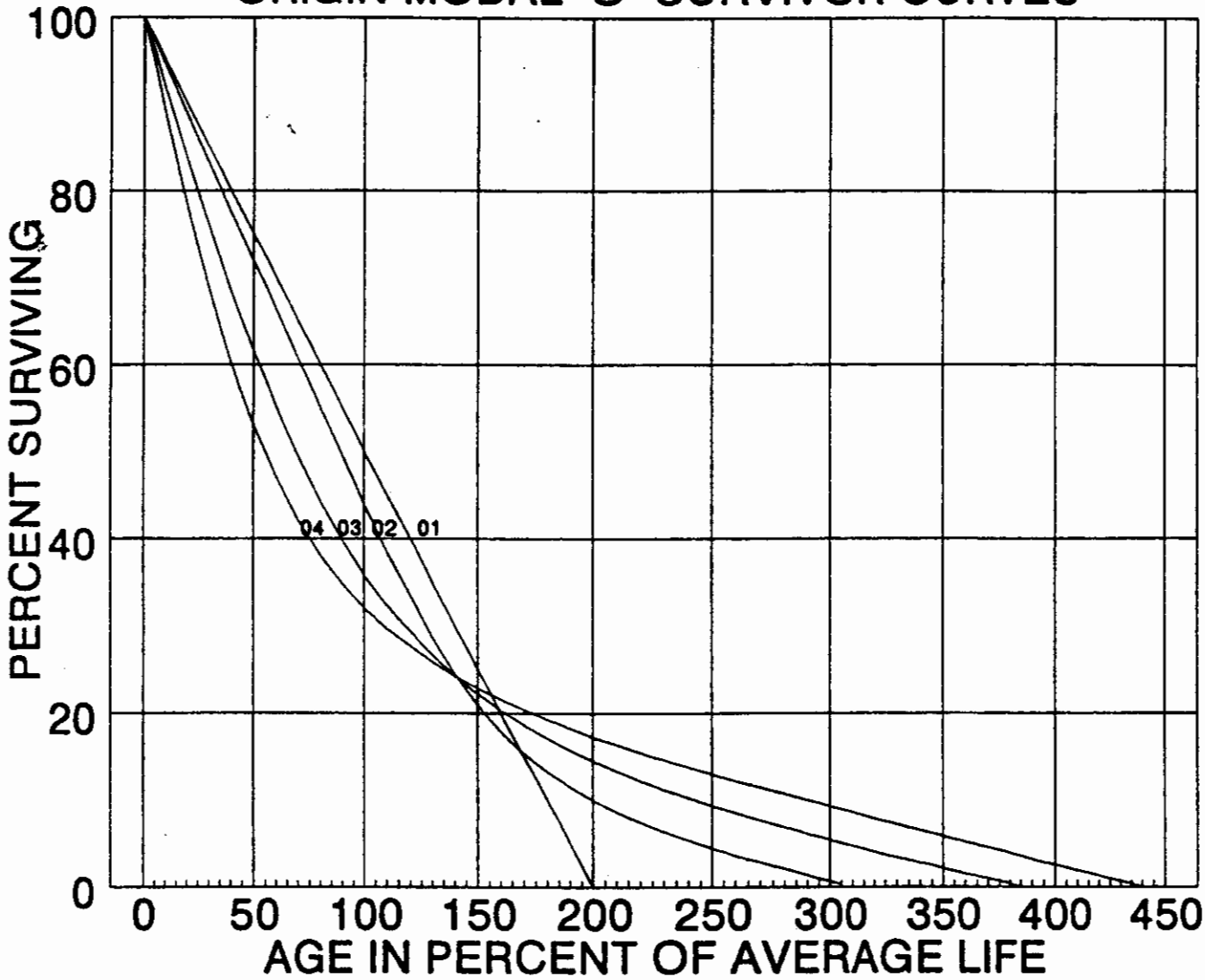
CURVE SHAPE ANALYSIS PLOT

RIGHT MODE OR "R" IOWA SURVIVOR CURVE



CURVE SHAPE ANALYSIS PLOT

ORIGIN MODAL "O" SURVIVOR CURVES



GENERAL

This General Section consists of a study performed by Technology Futures Inc, ("TFI") of Austin, Texas. This study is titled: "The Local Exchange Network in 2015" and consists of 27 total pages. This Study is also available on the TFI web site at www.TFI.com

This TFI Study is being provided as view on the evolution of the telecommunications network from an independent research organization.

This latest TFI study forecasts that the local exchange network will continue to modernize and evolve, and that by 2015 only about 10% of the equipment in the local exchange network that was in place at the turn of the century will still be in use

Established in 1978, TFI provides its clients with technology and market forecasts, as well as advice on strategic planning, market development, technology roadmaps, and technology management. It provides research and consulting to equipment suppliers, including Corning and Intel; telecommunications users, including Rice University and a major East coast medical center; entrepreneurial startups and venture capital firms, including several based in Europe; and U.S. Government agencies, including the General Accounting Office, the Department of Defense, the National Security Agency, and the National Image and Mapping Agency. This work, along with the work for telecommunications carriers both large and small, provides TFI with a very broad perspective on the communications and information technology industries. TFI's views and the research results are regularly cited by general business and industry publications

The Local Exchange Network in 2015

Lawrence K. Vanston, Ph.D.

TECHNOLOGY FUTURES INC.

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13740 Research Boulevard, Building C
Austin, Texas 78750-1859
(800) 835-3887
(512) 258-8898
Fax: (512) 258-0087
www.tfi.com

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Acknowledgments

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Karl Potts	BellSouth
Robert Poulsen	Sprint
Dennis Wu	Qwest

The views expressed herein are solely those of the author and do not necessarily express the views of the TTFG or its members.

The Local Exchange Network in 2015

Lawrence K. Vanston, Ph.D.

This is a forecast of the North American local exchange network at the end of 2015, viewed from the perspective of 2001. We look beyond the current ups and downs of the telecommunications industry and describe a future that reflects the fundamental drivers of technology change over the long run.

This view is based on published and unpublished forecasts by Technology Futures, Inc. (TFI) that reflect logical extensions of current trends and are consistent with technology evolution principles. The technologies described are all known and either commercially available or under development. Choosing among competing technology alternatives is one of the more dangerous technology forecasting activities. Where it could not be avoided, the choice reflects current majority thinking circa mid-2001.

Before we transport ourselves to the end of 2015, let's take a moment to go in the opposite direction to year-end 1986 and review a few statistics, as shown in Exhibit 1.

Exhibit 1
The World of 1986

Household PC Penetration	<1%	Digital Switching (% of lines)	<17%
Household Online Penetration	0%	Fiber Interoffice (% of circuits)	<12%
Office LAN Connections (% of PCs)	6%	Fiber Feeder (% of lines)	<1%
Typical Modem Speed	1.2K	SONET Penetration	0%
Typical PC	286 (XT)	ATM & IP Switching Penetration	0%
Typical Hard Drive	20 MB	Cellular Penetration (% of pop.)	<1%
CDs (% of recordings)	7%		

Common Wisecrack	"Next year is always the year of LAN!"
Common Wisdom	"There's no driver to replace the analog (ESS) switches; they'll all still be here in 2000."
Common Wishful Thinking	"ISDN will meet your data needs!"
Heard on TV	"That was a pin?"

Source: Technology Futures, Inc.

So, things change, especially over 15 years. The forecast that follows will almost certainly be wrong in some respects, but the basic conclusion is likely to be about right:

> By the end of 2015, we will have transformed the local exchange from a narrowband network of circuit switches and copper cable to a broadband network of packet switches and fiber optics.

Of course, in 2001, this transformation was well underway; now, as we ring out 2015, the work is all but done.

Residential Customers

Broadband Internet Access

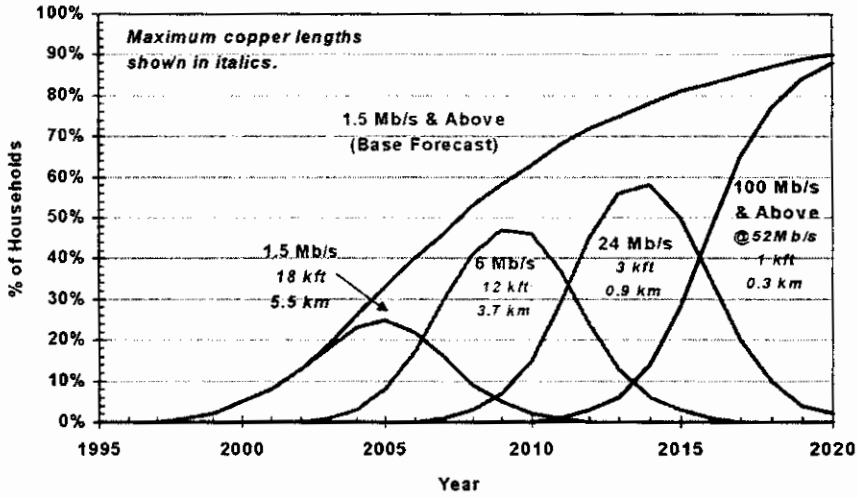
At the end of 2015, 88% of North American households are online. About 82% of households are served on broadband systems, and about 6% still use only analog modems or narrowband wireless connections. Most residential customers have a residential gateway that provides an interface between their broadband access service and their home local area network (LAN) to which devices such as

computers, televisions, telephones, utility management devices, and smart appliances are connected.

Broadband systems in 2015 offer data rates considerably higher than the 1.5 megabits per second (Mb/s) service that dominated the early 2000s. As shown in Exhibit 2, half of North American households now have 24 Mb/s service and 28% have 50 Mb/s to 100 Mb/s service. Only 3% of households still have 1.5 Mb/s to 6 Mb/s service, down from 50% just five years ago.[1]

Exhibit 2

North American Online Households by Data Rate—Percentage of All Households



Source: Technology Futures, Inc.

Whether for entertainment, shopping, school, or work, people make frequent and routine use of the Internet. At any given moment, several people from the same household may be online simultaneously, not to mention devices and self-activating agents on computers making use of the network. Browsing web pages and downloading files are still common activities. Web pages have gotten very complex, taking advantage of the bandwidths now available in the network.

[1] For more information regarding these forecasts, see L. K. Vanston, *The Impacts of Competition and Technology on Local Exchange Outside Plant Assets* (Austin, TX: Technology Futures, Inc., 2001), Chapter 5, "Forecasts for Internet Access."

Downloads of software upgrades, virus updates, and other files often require several gigabytes in 2015. For households with the slower 6 Mb/s service, downloads can take half an hour or more. For households with 24 Mb/s broadband service, downloads can take five or 10 minutes, sufficient motivation for many to switch to 100 Mb/s service.

Television

In 2015, people still watch a lot of TV. Most households get their programming in the traditional ways—cable, over-the-air, satellite, DVD, etc. Many households access some of their television programming over the Internet via high-speed streaming video delivered to televisions and occasionally computers. Since 80% of households have high-speed Internet access of at least 24 Mb/s, using streaming video to deliver targeted or specialized broadcast content has become common. In addition to television, streaming video is used for various computer applications. Video chat rooms, video calls, music videos, instructional programs, infomercials, distance education, news clips, etc. are routine uses of streaming video to computers.

About two-thirds of households have at least one high-definition television (HDTV) set, and regular over-the-air and cable HDTV programming is a reality. Because HDTV channels require 20 Mb/s, broadband service at 24 Mb/s is insufficient to provide HDTV video streaming plus the additional requirements of the typical household. Thus, most analysts forecast that, five years from now in 2020, most homes will have converted to 100 Mb/s service.

Full-Service Providers

Most households in 2015 get their Internet access, cable television service, and wireline voice from the same company. As wireline voice revenues declined throughout the 2000s, incumbent local exchange carriers (ILECs) added video services to effectively compete against cable television and new entrants, both offering a full bundle of services at a discount. (In many areas, new facilities-based carriers entered the market for bundled services, using the most modern technology to compete with both the ILEC and the cable company.) This gave rise to a redefinition of the industry from separate telephone and cable companies to two or more full-service providers in any given territory.

Wireless for Wireline

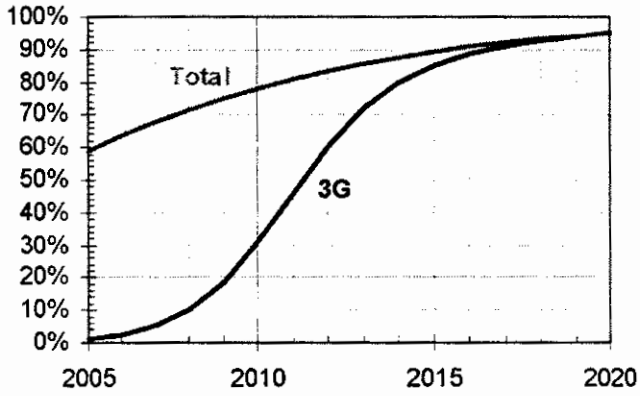
Wireless has largely displaced wireline for voice and low-speed data applications. In 2015, about 90% of North Americans are wireless users. Almost 70% of North American households no longer have a standard wireline telephone connection and use wireless or, occasionally, computer telephony instead. All wireless systems in 2015 are digital, and over 90% of wireless subscribers are on third-generation (3G) systems (see Exhibit 3) that provide packetized data as well as voice.[2] The 3G data rates are typically 144 kilobits per second (Kb/s) to 384 Kb/s, sufficient for many simple data transactions. Broadband wireline and 3G wireless have all but replaced the use of analog modems. Less than 2% of North American households still access the Internet over ILEC-provisioned analog narrowband lines. As shown in Exhibit 4, North American ILECs serve a total of 24.3 million wireline narrowband lines providing voice, narrowband data, or both. This compares to a peak of 135 million lines in 2001.[3] Of course, many of the wireless, cable, and voice over Internet protocol (VoIP) lines are served by ILECs; thus, the ILEC share of the voice market is greater than wireline narrowband lines.

[2] L. K. Vanston, *Forecasts of Cellular Subscribers by Technology Generation* (Austin, TX: Technology Futures, Inc., 2001).

[3] For details of these forecasts, see *The Impacts of Competition and Technology on Local Exchange Outside Plant Assets*, Chapter 6, "Forecasts for Local Competition." U.S. figures have been converted to North American figures for this report.

Exhibit 3

Adoption of 3G Wireless Technology—Percentage of North American Population



Source: Technology Futures, Inc.

Exhibit 4

Narrowband (NB) Access Lines—North American Households (Millions), 2015

	Primary Voice Line	Secondary Voice Line	Dedicated NB Data Line	Total
Wireless (NB)	91.1	29.0	3.6	123.7
Wireline Telephone (NB)	20.0	2.8	1.5	24.3
Cable & Other (NB)	9.7	3.1	1.8	14.6
VoIP (NB or BB)	12.6	85.9	0.0	98.5
Total	133.4	120.8	6.9	261.1

Source: Technology Futures, Inc.

Broadband fixed wireless services, including offerings via LMDS, MMDS, and LEO[4] and geosynchronous satellites, captured a small part of the broadband access market in the 2005 through 2010 period. However, as customer demand

[4] LMDS = local multipoint distribution service. MMDS = multichannel multipoint distribution system. LEO = low earth orbit.

shifted to higher speeds over the last five years, full-service wireline providers have captured most of these customers.

Business Customers

In 2015, most office computers are connected via local area networks operating at between 1 gigabit per second (Gb/s) and 10 Gb/s. Medium and large businesses use high-performance IP switches or gateways to provide intranet service, access to the Internet, and other data services. Most of these enterprises interface with the wide area network via fiber optics at data rates ranging from 2.4 Gb/s (OC-48) to 40 Gb/s (OC-768) or on dedicated wavelengths. Some operate their own wide area network using leased wavelengths or virtual circuits; others use virtual private networks. Medium businesses connect to the wide area network at OC-3 to OC-12. Most small businesses connect at data rates of 20 Mb/s to 100 Mb/s.

Enterprise networks are used for both general intranet/Internet applications such as database access, e-commerce, knowledge management, web surfing, etc. and specialized applications such as telemedicine, distance learning, and visualization.

Businesses are also heavy users of wireless LANs and 3G wireless services. Wireless LANs are often used in building and campus settings, while 3G is most often used for roaming. Both 3G and wireless LANs provide voice and low-speed data applications, and wireless LANs provide higher-speed data services—11 Mb/s or more—as well.

Whether wireless or wireline, almost all premises switching equipment use packet switching as opposed to circuit switching. IP-PBXs (including IP-key systems) are standard in most enterprises. Telephones, unless wireless, are usually connected to the switch via an Ethernet. For access to the public voice network, IP-based PBX/central office (CO) "trunks" are carried on the customer's broadband access channels.

The Local Exchange Network

General Architecture

The general architecture of the local exchange network in 2015 is illustrated in Exhibit 5. There are three major types of nodes in the network:

- *Central offices.* Buildings where the major switches and network junction points are located, as well as points of presence (POPs) for interconnection to long-haul facilities, competitors, and content providers. Servers and headend equipment may also be located here.
- *Remote nodes.* Remote nodes are located in special environmental enclosures, vaults, or buildings and are generally within 12,000 feet of subscribers.[5]
- *End nodes.* These are located at the telephone pedestal, telephone pole, cabinet, or similar location within 1,000 feet of the customer. The end node is fed by fiber optics. The final connection, or "drop," is made to the customer via traditional copper pairs, fiber optics, or coaxial cable. Depending on the system, the end node may contain active electronics or only simple passive optical elements.

The nodes are connected by transmission facilities, generally categorized as follows:

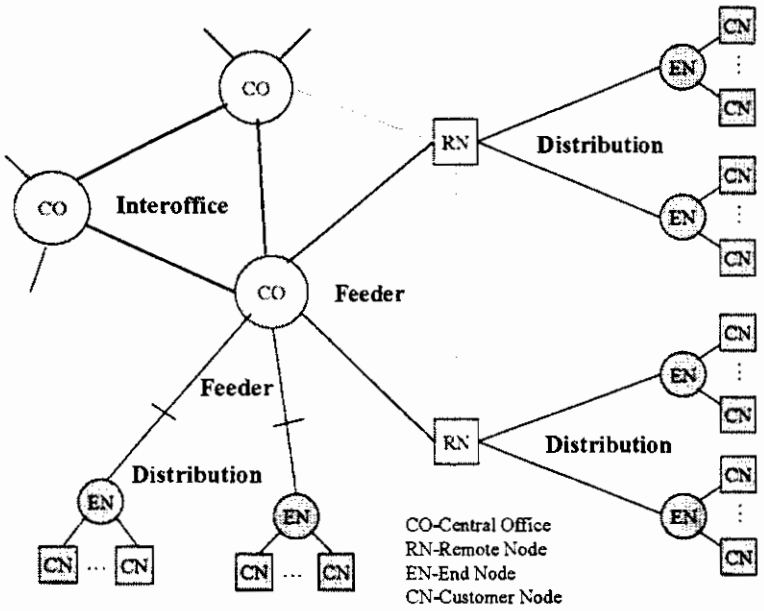
- *Interoffice network.* The fiber optic connections among central offices.
- *Feeder network.* The fiber optic connections among remote nodes and central offices. Originally, the feeder network consisted only of connections between central offices and remote nodes, but now many remote nodes are connected directly to provide route diversity and other benefits.

[5] Remote nodes were originally built to hold digital loop carrier (DLC) equipment and digital subscriber line access modules (DSLAMs), but with the decline of first generation digital subscriber line (DSL) and ILEC voice services, these functions have diminished in importance. Passive and active optical multiplex equipment, feeding end nodes or large enterprises, remain an important use for remote nodes.

- *Distribution network.* The connections from the remote nodes to the end nodes, and the "drop" from the end node to the customer.

Exhibit 5

The Local Exchange Architecture—2015



Source: Technology Futures, Inc.

Traditionally, interoffice, feeder, and distribution were very much distinct networks, but recently the distinctions have begun to blur. Remote nodes are often connected to each other, and end nodes are often directly connected via fiber to central offices. Thus, the network has lost much of it tree-like structure, and traditional distinctions matter less.

Network equipment accounts for most of an ILEC's investment in 2015. The three major categories of network equipment are:

- *Outside plant.* The physical facilities on which communications are carried, namely fiber optic cable, copper twisted pair cable, and coaxial cable.

- *Circuit equipment.* Electronics and/or optics that derive the communications channels that are carried by the outside plant. Also provides the connections among the channels at network nodes.

- *Switching equipment.* Equipment that routes packets over the proper channels to reach their destination.

Below, we review the status of each category at the end of 2015.

The Outside Plant

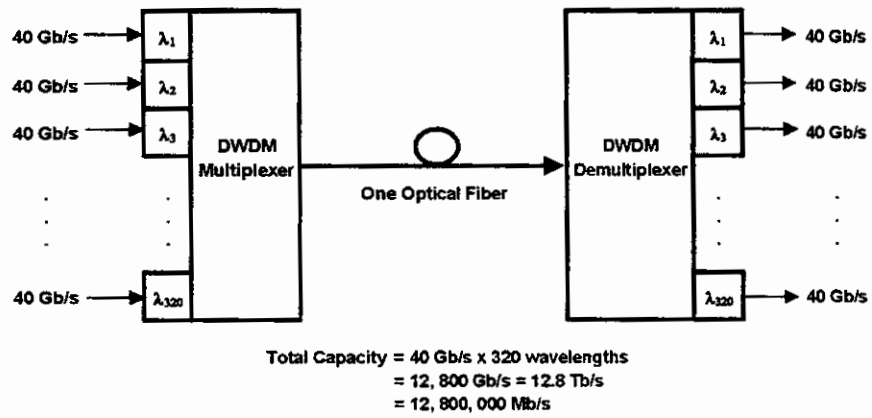
The Interoffice Network

In 2015, the interoffice network is entirely fiber, with dense wavelength division multiplexing (DWDM) used on most routes. Single wavelength systems, the technology of the 1980s and 1990s, created a digital signal by turning off and on a laser emitting a single wavelength, or color, of light. DWDM systems, on the other hand, use many wavelengths simultaneously on the same fiber. Thus, the capacity of a single fiber is multiplied by the number of wavelengths. Early DWDM systems used only a handful of wavelengths, but modern systems in 2015 use up to 320, although some long-haul systems use 1,024 wavelengths. The number used in a given metropolitan application depends on tradeoffs between fiber costs and multiplexing costs, as well as network architecture specifics.

In the early 2000s, 10 Gb/s single-wavelength systems were common, and 40 Gb/s systems were commercially available. In 2015, each of the 320 wavelengths can carry up to 40 Gb/s, bringing total capacity to 12,800 Gb/s as shown in Exhibit 6. Thus, a single metro cable of 20 fibers can carry 256,000 Gb/s, equivalent to 12.8 million 20-Mb/s HDTV channels, several for every household even in the largest cities. This translates to over four billion voice channels!

Exhibit 6

State of the Art Metro DWDM System—2015



Source: Technology Futures, Inc.

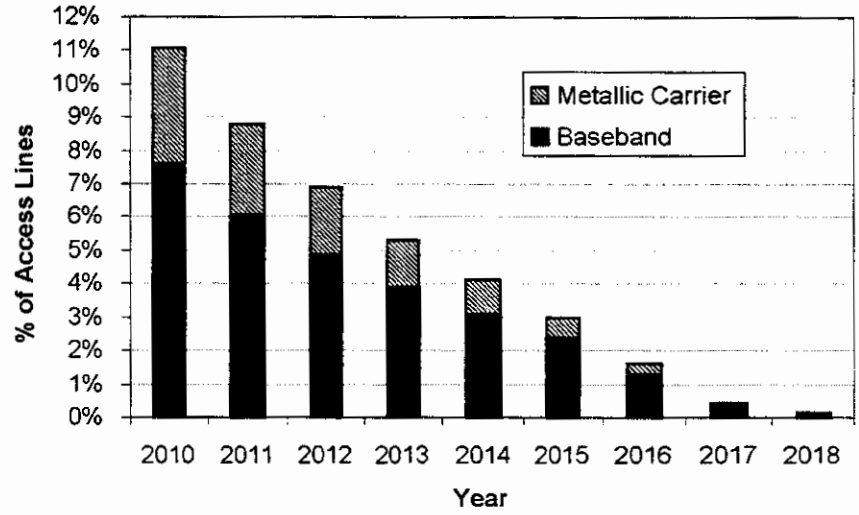
The Feeder Network

In 2015, only 3% of access lines remain on copper feeder. The other 97% of access lines are either served on fiber feeder or are too close to the central office to involve feeder facilities. By 2020, the last of copper feeder plant is expected to be displaced by fiber, as illustrated in Exhibit 7.[6]

[6] See *The Impacts of Competition and Technology on Local Exchange Outside Plant Assets*, Chapter 2, "Forecasts for Fiber in the Feeder Network."

Exhibit 7

Percentage of Access Lines on Copper Feeder Cable



Source: Technology Futures, Inc.

The Distribution Network

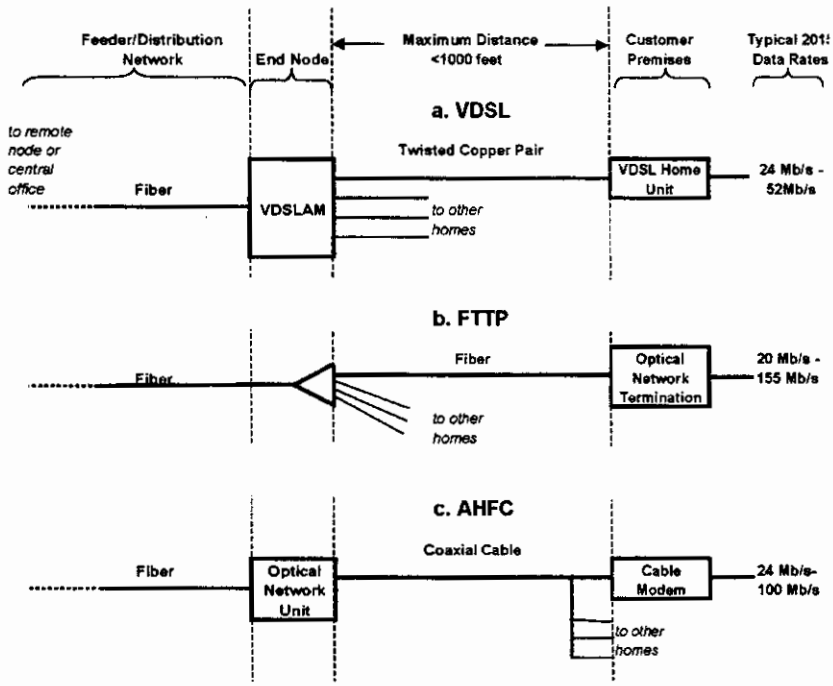
In 2015, essentially all ILEC medium and large business customers are served directly by fiber optics. Most ILEC residential and small business customers are served by deep fiber systems. This is a generic term for several systems in use by ILECs and their competitors in 2015. All deep fiber systems have fiber extending to a end node within 1,000 feet or less of the customer premises. Most deep fiber systems use DWDM and/or passive optical network (PON) technology in the fiber systems supplying the end node. PONs use optical couplers to share optical signals on a fiber among several connected fibers. This means that several customers or end nodes can share the same fiber without the use of active electronics. As illustrated in Exhibit 8, the most common deep fiber systems in use are:

- *Very high-speed digital subscriber line (VDSL)*. The connection from the end node to the customer is on traditional copper pairs, providing 52 Mb/s service to small businesses and residential customers. In some cases, special drop cable has been recently installed to provide higher data rates than possible over traditional telephony cable. (Some older

VDSL systems are limited to 24 Mb/s because the end node is farther then 1,000 feet from the customer; these systems were designed with a 3,000-foot maximum distance guideline.) VDSL end nodes include VDSLAMs (VDSL access modules), which are the active electronics that interface with the customer and provide optical/electronic conversion.

Exhibit 8

Deep Fiber Systems in Common Use in 2015



Source: Technology Futures, Inc.

- *Fiber-to-the-premises (FTTP).* The connection from the end node to the customer is on a dedicated fiber. A PON optical coupler at the end node combines the individual fibers onto a single fiber back to the remote node or central office. Older systems don't use DWDM and provide lower speeds, typically 20 Mb/s for homes and 52 Mb/s for businesses, as shown in Exhibit 9A. Most modern FTTP systems in 2015 provide 155 Mb/s to 622 Mb/s service. As illustrated in Exhibit

9B, these systems combine DWDM and PON technology, which allows wavelengths to be dedicated to customers.

Exhibit 9A

Older PON Systems without DWDM

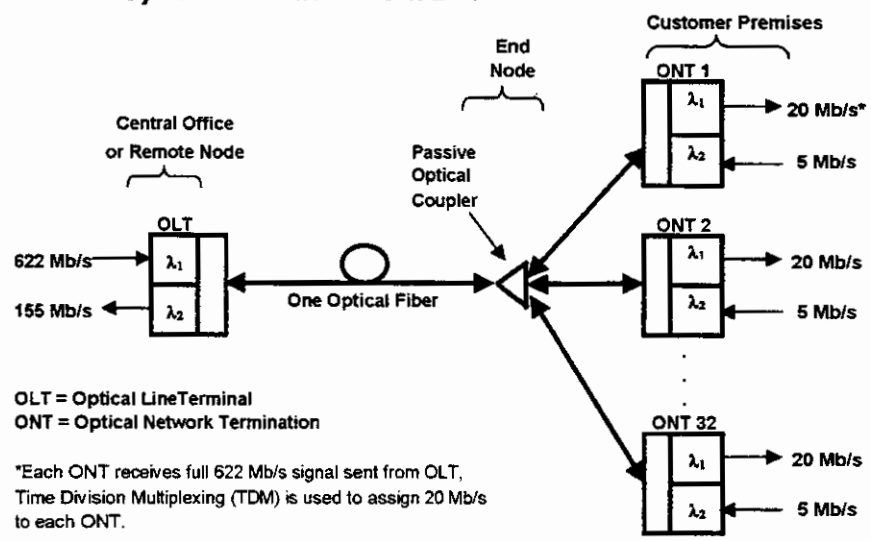
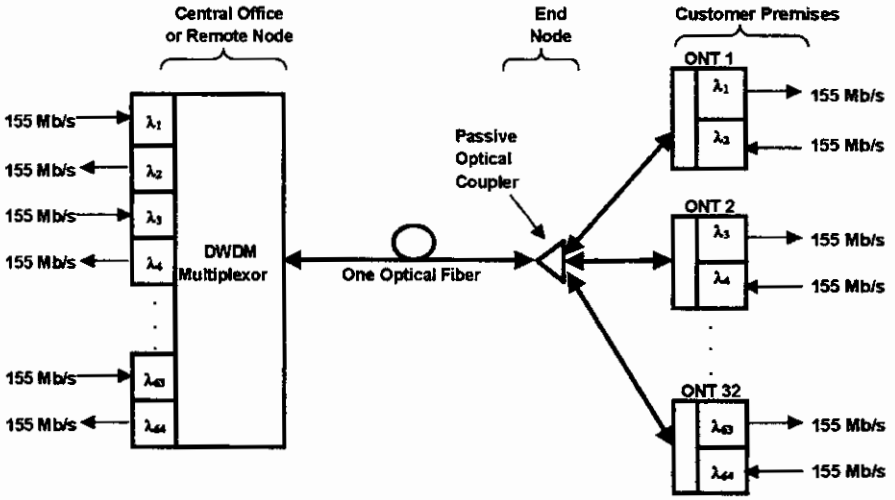


Exhibit 9B

Modern PON Systems with DWDM



Source: Technology Futures, Inc.

- *Advanced hybrid/fiber coax (AHFC).* The connection from the end node to the customer is via traditional coaxial cable. Most AHFC systems provide a standard selection of broadcast television channels, plus 24 Mb/s to 100 Mb/s Internet access. Most AHFC systems use combinations of DWDM and PON technology to maximize bandwidth per customer, while minimizing fiber and electronics requirements.

The particular system in any given location reflects pre-2015 history to some extent. ILECs favored VDSL systems for existing neighborhoods and business areas served by the ILEC. VDSL allowed them to use existing copper pairs between the end node and the customer premises, avoiding the need to dig up yards, sidewalks, etc. Similarly, cable TV companies favored AHFC systems for the existing neighborhoods they served. For new neighborhoods or new out-of-territory installations, FTTP systems became attractive to both types of carriers starting in about 2005. In addition to high bandwidth, a key advantage of FTTP systems is that active electronics are not required at the end node, and the nodes are extremely small, about the size of a paperback book.

Again, almost all medium and large enterprise customer locations are connected to the network via dedicated fiber. As noted above, medium and large customers are connected at rates ranging from 2.4 Gb/s (OC-48) to 40 Gb/s (OC-768). Some customers bypass the public IP network entirely, running their own network of dedicated wavelengths, with the carrier providing only wavelength switching.

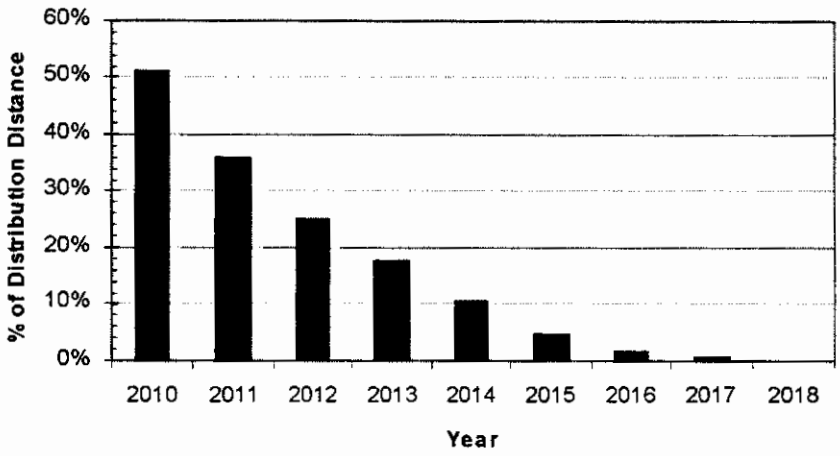
Baseband Copper

Baseband copper, which dominated the distribution network at the turn of the century and was still being installed in the early 2000s, is rapidly disappearing. By 2015, less than 5% of the distribution copper cable that was in place in 2000 is still useful. As shown in Exhibit 10, network planners currently expect the last copper cable to be removed from the distribution network by 2020, with VDSL drop wires being the only copper left in the outside plant.[7]

[7] This forecast is based on TFI's 2001 middle scenario for fiber optic adoption. See *The Impacts of Competition and Technology on Local Exchange Outside Plant Assets*, Chapter 3, "Forecasts for Distribution Fiber."

Exhibit 10

Percentage of Distribution Distance on Copper



Source: Technology Futures, Inc.

Circuit Equipment

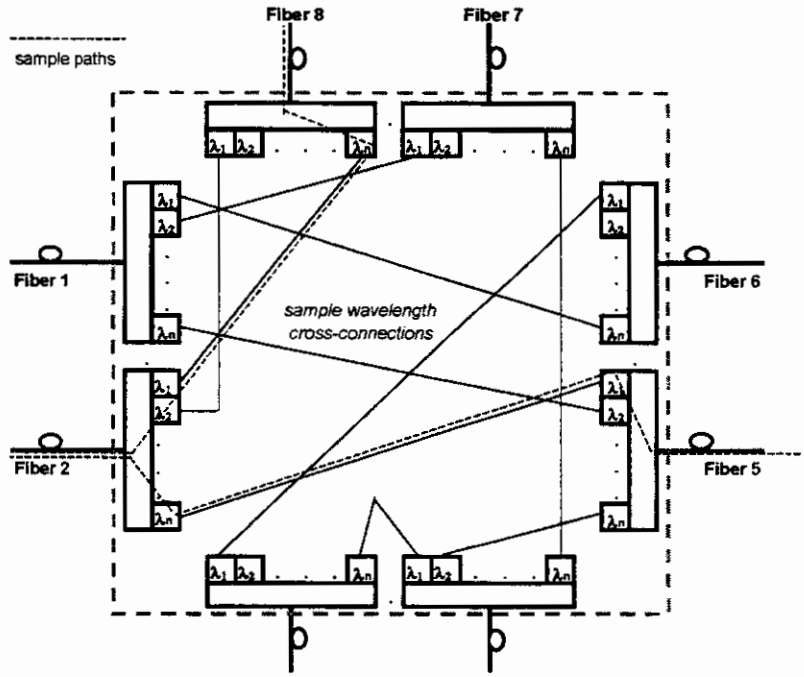
Circuit equipment plays a support role in the network, providing the communications channels that are carried on fiber and switched by IP switches at network nodes. In 2015, there are several general types of circuit equipment in use: WDM switches, optical multiplex equipment, SONET (Synchronous Optical Network) equipment, DSL and VDSL equipment, and DLC equipment.

WDM Switches

WDM switches crossconnect wavelengths at junction points in the fiber network, as illustrated in Exhibit 11. With one or more WDM switches, an optical path can be set up between any two nodes in the network of fibers, WDM multiplexers, and WDM switches, collectively called the optical transport network (OTN). IP switches at those two nodes are assured of a high-speed communications path between them. The optical paths can be set up and torn down almost instantaneously in response to the demands of the higher-level IP networks served by the OTN. Optical network controllers maintain all the topology and resource availability information about the OTN and receive and act on the orders of higher levels.

Exhibit 11

Diagram of an Eight-Fiber by n-Wavelengths WDM Switch



Source: Technology Futures, Inc.

Optical Multiplex Equipment

This equipment combines the individual wavelengths from separate sources onto a single DWDM fiber. In the reverse direction, it splits the signal from the DWDM fiber into the individual wavelengths for separate destinations. Some versions of this equipment provide electrical instead of optical interfaces to the individual sources or destinations. Optical multiplex equipment is generally used at the (1) interfaces between the optical transport network and switch nodes, (2) the interfaces between networks, and (3) the interface between customers and the network. (By 2015, WDM switches have replaced optical multiplex equipment at the OTN junction points.) This category also includes the PON couplers in the distribution plant.

SONET Equipment

SONET is the traditional format for organizing information on a fiber optic wavelength and managing bandwidth. It was developed in the 1980s for single-wavelength fiber systems and widely adopted over the 1990s and 2000s. It had many advantages over its predecessors including standardization, add/drop multiplexing ability, protection-switching over rings, and bandwidth management features. By 2010, SONET technology had replaced all previous asynchronous circuit equipment and had gone through several generations of upgrades itself.

In the early 2000s, network planners recognized that SONET equipment would be unnecessary once the following occurred:

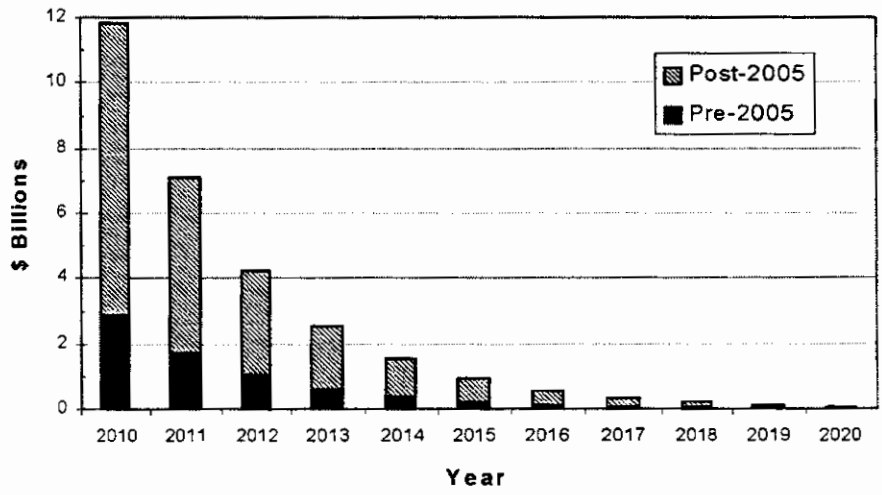
- DWDM replaced single wavelength fibers in the local exchange network.
- WDM switching was ubiquitous.
- Wavelengths had become the standard for IP/asynchronous transfer mode (ATM) switch interconnection.
- A robust, standardized optical network controller was proven.

This all came together in the 2010 timeframe. By 2015, about 80% of the SONET equipment in place in 2010 has been removed. From the perspective of 2015, most planners expect the last piece of SONET equipment to be removed in 2020.[8]

[8] See R. L. Hodges, *Technology Forecasts for Local Exchange Circuit Equipment* (Austin, TX: Technology Futures, Inc., 2001), Chapter 4 for forecasts of SONET adoption and Chapter 6 for SONET displacement.

Exhibit 12

Survivors from SONET Investment in Place in 2010



Source: Technology Futures, Inc.

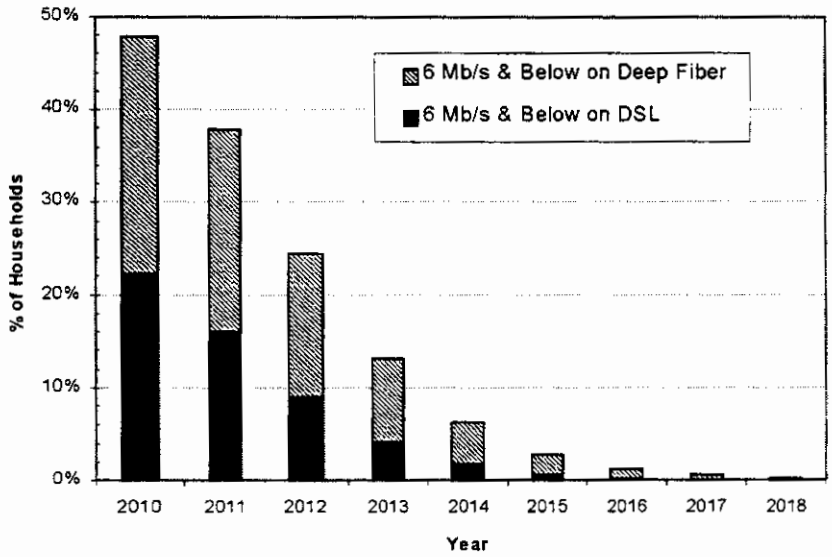
DSL and VDSL Equipment

Most first-generation DSL access modules (DSLAMs) installed in central offices and remote nodes in the 2000s have been made obsolete by higher-speed services at 24 Mb/s and above. Today, in 2015, only 3% of households and small businesses subscribe to low-speed (up to 6 Mb/s) service, and most of these are now served on deep fiber systems, as illustrated in Exhibit 13.

The VDSLAMS in use in 2015 are small units at end nodes fed by fiber from the central office or a remote node.

Exhibit 13

Percentage of Households with 6 Mb/s & Below Broadband Access on DSL and Deep Fiber



Source: Technology Futures, Inc.

DLC Equipment

By 2015, traditional digital loop carrier (DLC) equipment has all but disappeared from the network, and what is left is severely under-utilized. During the previous 15 years, competition from wireless services, cable telephony, and broadband Internet access displaced tens of millions of traditional analog access lines used for voice and analog modems. (Broadband access also displaced ISDN [Integrated Services Digital Network] lines primarily used by businesses.) For example, in 2015, ILECs provide only about 27 million North American homes with traditional analog service, down from a peak of about 135 million in 2001. With the transition to IP switching, most households and small businesses retaining wireline service switched to voice over IP services carried on the customer's broadband channel, bypassing the analog local loop and any associated DLC equipment. (Of course, medium and large businesses, almost all being served on fiber, have long been disassociated with DLC equipment.)

Despite the changes, about 20% of North American households and small businesses still subscribe to traditional ILEC narrowband voice service in 2015. They are served in one of several ways:

- With VoIP on broadband facilities, with an analog converter installed on the customer premises.
- With narrowband channel units built into VDSLAMS and late-model DSLAMS that convert the voice to packets for transport via VoIP.
- On wireless local loop technology (including, in some cases, mobile cellular).
- On copper pairs to the central office for customers close to the central office.
- On copper pairs to traditional DLC equipment or remote switching modules.

Only the latter method involves DLC equipment. The under-utilization of DLC equipment tended to make the maintenance and space requirements of DLC equipment inefficient and increased the attractiveness of the alternatives. Thus, while 30% of access lines were served on traditional DLC systems in 2000, only about 1% are in 2015.

Switching Equipment

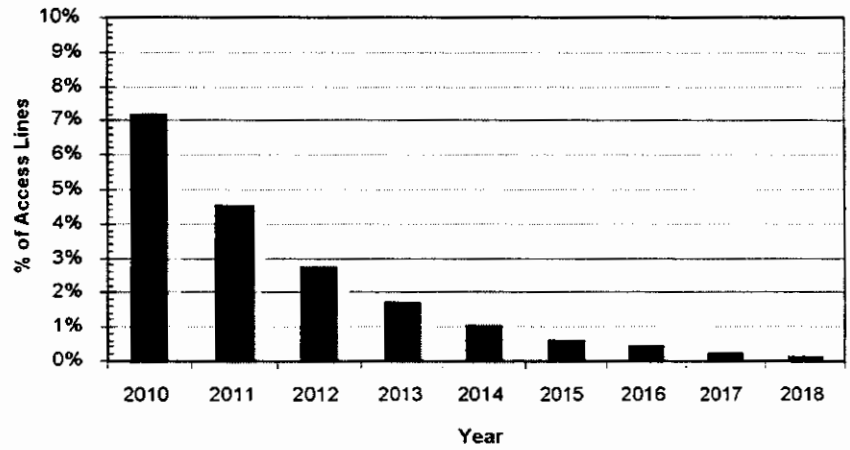
Narrowband Switching

By 2015, the last narrowband circuit switches such as the 5ESS and DMS 100, as well as their remote switching modules, are being removed from the network, as shown in Exhibit 14.[9] Thus, digital circuit switching has joined other switching technologies in history's junkyard (see Exhibit 15). Voice signals are packetized at the edge of the network at remote terminals or by customer equipment and then transported on VoIP. In 2005, 95% of traffic was data traffic, more suitable for packet switching than circuit switching. As data traffic dominated, it became more efficient to carry voice on the same packet network as data rather than maintain separate switched networks.

[9] See *Technology Forecasts for Local Exchange Circuit Equipment*, Chapter 5, "The Adoption of Packet Switching."

Exhibit 14

Percentage of Access Lines Served on Circuit Switches



Source: Technology Futures, Inc.

Exhibit 15

End of Switching Eras—Year Use of Switching Technology Fell below 1% of Access Lines (Major U.S. Companies)

Manual	1965
Electromechanical	1994
Analog Electronic	2002
Digital Electronic	2014
Electronic IP	?

Source: Technology Futures, Inc.

Call control and management signaling and processing using SS7 and network databases still goes on, but the intelligence for switching has migrated out of the switch and into outboard servers.

Packet Switching

By 2015, the battle between ATM and IP that started in the late 1990s is winding down. IP switching has become the dominant switching technology. Most of these communicate directly with each other via DWDM channels and are capable of ordering additional channels instantly in case of network congestion or failures. The tremendous bandwidth of DWDM, combined with multiple protocol label switching, allowed IP to provide the acceptable quality of service (QoS) needed for delay-sensitive voice and video traffic. Some ATM switches are still used in some networks, but IP, once achieving reasonable QoS, has displaced many ATM switches, their function, like SONET, having become redundant.

Summary

The typical household of 2015 subscribes to broadband service at 24 Mb/s to 100 Mb/s, using it for traditional Internet activities, such as web surfing and downloading files, and new uses such as voice communications, device monitoring, and video streaming. ILECs provide these services using deep fiber systems, including VDSL, FTTP, and AHFC. These technologies are also used to provide small businesses with access to the network at data rates up to 622 Mb/s. Medium and large businesses access the network directly with fiber at data rates from 2.4 Gb/s to 40 Gb/s. By 2015, most customers obtain voice and narrowband data service via wireless or VoIP on broadband channels.

In 2015, fiber dominates the outside plant, comprising 100% of the interoffice network, 97% of the feeder network, and 95% of the distribution network. Circuit equipment revolves around DWDM, with WDM switches, optical multiplexing equipment (including PON couplers), and VDSLAMs comprising the bulk of circuit investment. There remains some SONET equipment in 2015, but it is rapidly being removed from the network. Switching is 100% packet-based, with IP switching dominant and ATM switching on the decline.

Little remains in 2015 of the local exchange network that was in place at the turn of the century. Most of the copper cable is no longer used, nor is most DLC equipment. The first generation of DSLAMs has been replaced by VDSLAMs or PON equipment. Most SONET and ATM equipment in place in 2000 was replaced by 2010 with newer models then made obsolete by DWDM and IP. Digital circuit switches, still state-of-the-art in 2001, are also gone. Of the $355 billion of network investment in place in 2001, well under 10% is still in use in 2015.

Verizon Northwest
Washington

Intrastate Depreciation Rates Effective 1/1/2004 - Company Proposed

Acct	Description	Projected 1/1/2004 Plant Balance a	Projected 1/1/2004 Reserve Balance b	Current Rate c	Expense d=a*c	Curve e	ELG f	Proj Life g	ARL h	FNS i	RR j=d/c	2004 Rate k=(100-i-j)/h	2004 Expense l=a*k	Change m=l-d
2112	Motor Vehicles	14,139,582	5,643,990	4.6	650,421	L3	1995	8	3.6	15	39.9	12.5	1,767,448	1,117,027
2114	Tools & Other Work Eq	26,421,413	16,660,588	10.0	2,642,141	S1	1995	12	5.2	0	63.1	7.1	1,875,920	(766,221)
2121	Buildings	195,115,527	36,274,239	2.7	5,268,119	R2	1995	25	13.2	0	18.6	6.2	12,097,163	6,829,044
2122	Furniture	6,889,221	5,298,485	9.9	682,033	R2	1995	15	3.9	0	76.9	5.9	406,464	(275,569)
2123.1	Office Support Eq	842,461	387,620	26.7	224,937	R2	1995	8	1.2	0	46.0	45.0	379,107	154,170
2123.2	Company Comm Eq	11,484,864	9,208,810	10.0	1,148,486	R1.5	1995	8	2.7	0	80.2	7.3	838,395	(310,091)
2124	Computers	26,012,845	19,255,803	6.5	1,690,835	L1	1995	5	1.6	0	74.0	16.3	4,240,094	2,549,259
2212	Digital Switching	498,192,173	183,359,059	7.5	37,364,413	GM2.5	1995	12	5.6	0	36.8	11.3	56,295,716	18,931,303
2220	Operator Systems	66,445	50,597	7.2	4,784	R1.5	1995	10	3.2	0	76.1	7.5	4,983	199
2231	Radio Systems	8,538,010	6,551,597	13.9	1,186,783	R2	1995	5	1.0	0	76.7	23.3	1,989,356	802,573
2232	Circuit Equipment	525,763,746	225,106,917	10.3	54,153,666	L1	1995	9	4.5	5	42.8	11.6	60,988,595	6,834,929
2362	Other Terminal Eq	14,976,410	14,765,735	12.3	1,842,098	R1.5	1995	8	2.7	0	98.6	0.5	74,882	(1,767,216)
2411	Poles	45,939,329	23,008,822	7.0	3,215,753	L0	1995	30	17.6	(150)	50.1	11.4	5,237,084	2,021,331
2421.1	Aerial Cable-Metallic	210,321,158	130,458,286	5.0	10,516,058	L1	1995	16	7.4	(27)	62.0	8.8	18,508,262	7,992,204
2421.2	Aerial Cable-Non Metallic	13,044,783	3,870,546	4.7	613,105	L1	1995	20	11.5	(5)	29.7	6.5	847,911	234,806
2422.1	U.G. Cable - Metallic	257,568,891	128,967,373	5.2	13,393,582	R2	1995	17	7.7	(22)	50.1	9.3	23,953,907	10,560,325
2422.2	U.G. Cable - Non Metallic	43,023,053	12,453,542	4.7	2,022,083	L1	1995	20	11.6	(10)	28.9	7.0	3,011,614	989,531
2423.1	Buried Cable-Metallic	410,204,278	203,742,348	4.7	19,279,601	L2	1995	18	8.6	(7)	49.7	6.7	27,483,687	8,204,086
2423.2	Buried Cable-Non Metallic	20,507,449	6,515,327	5.0	1,025,372	L1	1995	20	11.4	(3)	31.8	6.2	1,271,462	246,090
2424	Submarine Cable	1,372,709	1,054,170	4.1	56,281	R3	1995	17	2.9	(10)	76.8	11.4	156,489	100,208
2426	Intrabldg Cable	151,712	144,274	1.6	2,427	L0.5	1995	17	7.2	(10)	95.1	2.1	3,186	759
2441	Conduit Systems	147,228,969	39,494,071	2.3	3,386,266	R3	1995	50	34.0	(10)	26.8	2.4	3,533,495	147,229
		2,477,805,028	1,072,272,199	6.5	160,369,244						43.3	9.1	224,965,220	64,595,976

Note: 2114, 2115 & 2116 combined to 2114
2431 combined with 2421.1

Definitions
Curve (column e) - prescribed by UTC
ELG (column f) - Equal Life Group, start year prescribed by UTC
Proj Life (column g) - Projection Life - Company Proposed
ARL (column h) - Average Remaining Life - calculations detailed on page 3 of each account using inputs from columns e, f and g
FNS (column i) - Future Net Salvage - a net of anticipated Salvage and Cost of Removal
RR (column h) - Reserve Ratio

Comparison of Current WUTC Prescribed and Verizon Proposed Depreciation Parameters

		WUTC Prescribed				Verizon Proposed	
Acct	Description	Curve a	ELG b	Life (years) c	FNS % d	Life (years) e	FNS % f
2112	Motor Vehicles	L3	1995	12	20	8	15
2114	Tools & Other Work Eq	S1	1995	12	0	12	0
2121	Buildings	R2	1995	43	0	25	0
2122	Furniture	R2	1995	15	5	15	0
2123.1	Office Support Eq	R2	1995	10	0	8	0
2123.2	Company Comm Eq	R1.5	1995	8	0	8	0
2124	Computers	L1	1995	8	0	5	0
2212	Digital Switching	GM2.5	1995	16	0	12	0
2220	Operator Systems	R1.5	1995	10	0	10	0
2231	Radio Systems	R2	1995	10	0	5	0
2232	Circuit Equipment	L1	1995	11.4	5	9	5
2362	Other Terminal Eq	R1.5	1995	7	0	8	0
2411	Poles	L0	1995	28	(75)	30	(150)
2421.1	Aerial Cable-Metallic	L1	1995	21	(17)	16	(27)
2421.2	Aerial Cable-Non Metallic	L1	1995	25	0	20	(5)
2422.1	U.G. Cable - Metallic	R2	1995	25	(22)	17	(22)
2422.2	U.G. Cable - Non Metallic	L1	1995	25	0	20	(10)
2423.1	Buried Cable-Metallic	L2	1995	23	(7)	18	(7)
2423.2	Buried Cable-Non Metallic	L1	1995	25	0	20	(3)
2424	Submarine Cable	R3	1995	22	(10)	17	(10)
2426	Intrabldg Cable	L0.5	1995	20	(10)	17	(10)
2441	Conduit Systems	R3	1995	50	(10)	50	(10)

Note: 2114, 2115 & 2116 combined to 2114
2431 combined with 2421.1

Verizon proposes a continuation of the currently prescribed parameters identified in columns 'a' and 'b'.

Definitions
Curve (column a) - prescribed by UTC
ELG (column b) - Equal Life Group, start year prescribed by UTC
Life (column c & e) - Projection Life
FNS (column d & f) - Future Net Salvage - a net of anticipated Salvage and Cost of Removal

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes automobiles, tractor-trailers, trucks, vans, buses, and other vehicles.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/24/03
10:41 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2112 MOTOR VEHICLES
CATEGORY: MOTOR VEHICLES
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	1,178,896	0.9975	0.50	6.55	7.05	167,188	1,095,302
*2002	1.5	3,457,950	0.9901	1.50	5.58	7.08	488,735	2,724,848
*2001	2.5	932,958	0.8755	2.22	4.69	7.19	129,838	608,364
*2000	3.5	905,837	0.6968	2.67	3.88	7.38	122,750	476,212
*1999	4.5	238,450	0.6138	3.18	3.17	7.67	31,081	98,588
*1998	5.5	383,518	0.8678	4.50	2.64	8.14	47,109	124,417
*1997	6.5	830,365	0.5900	4.71	2.32	8.82	94,122	218,573
*1996	7.5	2,306	0.0873	4.02	2.17	9.67	239	517
*1995	8.5	1,409,597	0.7706	6.02	2.07	10.57	133,324	276,345
1994	9.5	361,887	0.5665	6.39	2.16	7.61	47,547	102,614
1993	10.5	477,638	0.5595	7.11	1.92	8.18	58,371	112,192
1992	11.5	948,138	0.4078	7.42	1.67	8.10	117,066	195,261
1991	12.5	1,121,381	0.4543	8.18	1.42	8.83	127,039	180,699
1990	13.5	71,764	0.0710	7.62	1.19	7.71	9,311	11,125
1989	14.5	162,817	0.2640	8.44	0.99	8.70	18,718	18,473
1988	15.5	546,621	0.2222	8.79	0.80	8.97	60,936	48,678
1987	16.5	475,730	0.1598	9.03	0.64	9.13	52,108	33,221
1986	17.5	358,835	0.1126	9.21	0.53	9.27	38,698	20,597
1985	18.5	272,205	0.0691	9.32	0.50	9.36	29,096	14,548
1984	19.5	0	0.0000	0.00				
1983	20.5	0	0.0000	0.00				
1982	21.5	0	0.0000	0.00				
1981	22.5	0	0.0000	0.00				
1980	23.5	1,666	0.0012	9.17	0.50	9.17	182	91
1979	24.5	0	0.0000	0.00				
1978/PRIOR		1,023	0.0006	9.19	0.50	9.19	111	56
TOTAL		14,139,582					1,773,568	6,360,719
NON-ELG V		4,799,705					559,184	737,553
ELG V		9,339,877					1,214,384	5,623,165

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	7.97239	8.58341	7.69104
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	3.58640	1.31898	4.63047

COMPUTED GROSS ADDS-ALL VINTS: AVG PROPORTION SURVIVING:
SUM OF (B/C) 34,575,532 B/ SUM OF (B/C) 0.40895

USING IOWA CURVE: L3.0
* ELG VINTAGES, PROJECTION LIFE 8.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE PERCENT	GROSS SALVAGE AMOUNT	COST OF REMOVAL PERCENT	COST OF REMOVAL AMOUNT	NET SALVAGE PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$29,299,318	19.5% (1)	$5,724,913	0.0% (1)	$0	19.5%
FUTURE	$14,139,582 (2)	15.0%	$2,120,937	0.0%	$0	15.0%
TOTAL	$43,438,900		$7,845,850		$0	
AVERAGE		18.1%		0.0%		18.1%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2112.00
MOTOR VEHICLES

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	10,799,999	870,403	96,944	11.1%	0	0.0%	11.1%
1981	10,789,817	508,961	136,297	26.8%	0	0.0%	26.8%
1982	9,596,168	917,900	0	0.0%	0	0.0%	0.0%
1983	8,704,421	873,355	241,066	27.6%	0	0.0%	27.6%
1984	9,238,598	793,648	168,236	21.2%	0	0.0%	21.2%
1985	12,629,993	594,769	118,455	19.9%	0	0.0%	19.9%
1986	13,381,421	1,882,796	268,545	14.3%	0	0.0%	14.3%
1987	15,107,448	971,016	256,497	26.4%	0	0.0%	26.4%
1988	16,106,417	1,187,234	172,188	14.5%	0	0.0%	14.5%
1989	15,293,603	815,499	200,060	24.5%	0	0.0%	24.5%
1990	15,841,803	139,716	29,564	21.2%	0	0.0%	21.2%
1991	16,141,912	888,020	0	0.0%	0	0.0%	0.0%
1992	18,633,281	1,612,257	596,121	37.0%	0	0.0%	37.0%
1993	18,265,705	1,180,458	453,198	38.4%	0	0.0%	38.4%
1994	17,475,011	1,440,433	331,754	23.0%	0	0.0%	23.0%
1995	18,133,962	1,201,532	291,715	24.3%	0	0.0%	24.3%
1996	16,159,209	1,826,991	277,190	15.2%	0	0.0%	15.2%
1997	16,732,844	857,727	31,893	3.7%	0	0.0%	3.7%
1998	16,432,156	652,677	208,059	31.9%	0	0.0%	31.9%
1999	14,526,354	2,293,593	215,687	9.4%	0	0.0%	9.4%
2000	13,054,326	2,067,408	567,885	27.5%	0	0.0%	27.5%
2001	13,336,257	1,798,001	606,316	33.7%	0	0.0%	33.7%
2002	15,193,693	1,666,129	193,836	11.6%	0	0.0%	11.6%
2003	14,139,582	2,258,795	263,407	11.7%	0	0.0%	11.7%
		29,299,318	5,724,913	19.5%	0	0.0%	19.5%
1994-2003	10 year band	16,063,286	2,987,742	18.6%	0	0.0%	18.6%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	3,964,267	642,543	16.2%	0	0.0%	16.2%
1983	3,688,633	664,054	18.0%	0	0.0%	18.0%
1984	5,062,468	796,302	15.7%	0	0.0%	15.7%
1985	5,115,584	1,052,799	20.6%	0	0.0%	20.6%
1986	5,429,463	983,921	18.1%	0	0.0%	18.1%
1987	5,451,314	1,015,745	18.6%	0	0.0%	18.6%
1988	4,996,261	926,854	18.6%	0	0.0%	18.6%
1989	4,001,485	658,309	16.5%	0	0.0%	16.5%
1990	4,642,726	997,933	21.5%	0	0.0%	21.5%
1991	4,635,950	1,278,943	27.6%	0	0.0%	27.6%
1992	5,260,884	1,410,637	26.8%	0	0.0%	26.8%
1993	6,322,700	1,672,788	26.5%	0	0.0%	26.5%
1994	7,261,671	1,949,978	26.9%	0	0.0%	26.9%
1995	6,507,141	1,385,750	21.3%	0	0.0%	21.3%
1996	5,979,360	1,140,611	19.1%	0	0.0%	19.1%
1997	6,832,520	1,024,544	15.0%	0	0.0%	15.0%
1998	7,698,396	1,300,714	16.9%	0	0.0%	16.9%
1999	7,669,406	1,629,840	21.3%	0	0.0%	21.3%
2000	8,477,808	1,791,783	21.1%	0	0.0%	21.1%
2001	10,083,926	1,847,131	18.3%	0	0.0%	18.3%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2112.00
MOTOR VEHICLES

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	10,799,999							
1981	10,789,817	10,794,908	508,961	0.0471				
1982	9,596,168	10,192,993	917,900	0.0901	81/83	30,138,195	2,300,216	0.0763
1983	8,704,421	9,150,295	873,355	0.0954	82/84	28,314,797	2,584,903	0.0913
1984	9,238,598	8,971,510	793,648	0.0885	83/85	29,056,100	2,261,772	0.0778
1985	12,629,993	10,934,296	594,769	0.0544	84/86	32,911,512	3,271,213	0.0994
1986	13,381,421	13,005,707	1,882,796	0.1448	85/87	38,184,437	3,448,581	0.0903
1987	15,107,448	14,244,435	971,016	0.0682	86/88	42,857,074	4,041,046	0.0943
1988	16,106,417	15,606,933	1,187,234	0.0761	87/89	45,551,377	2,973,749	0.0653
1989	15,293,603	15,700,010	815,499	0.0519	88/90	46,874,646	2,142,449	0.0457
1990	15,841,803	15,567,703	139,716	0.0090	89/91	47,259,571	1,843,235	0.0390
1991	16,141,912	15,991,858	888,020	0.0555	90/92	48,947,157	2,639,993	0.0539
1992	18,633,281	17,387,597	1,612,257	0.0927	91/93	51,828,947	3,680,735	0.0710
1993	18,265,705	18,449,493	1,180,458	0.0640	92/94	53,707,448	4,233,148	0.0788
1994	17,475,011	17,870,358	1,440,433	0.0806	93/95	54,124,338	3,822,423	0.0706
1995	18,133,962	17,804,487	1,201,532	0.0675	94/96	52,821,430	4,468,956	0.0846
1996	16,159,209	17,146,586	1,826,991	0.1066	95/97	51,397,099	3,886,250	0.0756
1997	16,732,844	16,446,027	857,727	0.0522	96/98	50,175,112	3,337,395	0.0665
1998	16,432,156	16,582,500	652,677	0.0394	97/99	48,507,782	3,803,997	0.0784
1999	14,526,354	15,479,255	2,293,593	0.1482	98/00	45,852,095	5,013,678	0.1093
2000	13,054,326	13,790,340	2,067,408	0.1499	99/01	42,464,887	6,159,002	0.1450
2001	13,336,257	13,195,292	1,798,001	0.1363	00/02	41,250,607	5,531,538	0.1341
2002	15,193,693	14,264,975	1,666,129	0.1168	01/03	42,126,904	5,722,925	0.1358
2003	14,139,582	14,666,638	2,258,795	0.1540				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2112.00
MOTOR VEHICLES

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($)	PLANT RETIRED ($)	ADJUST-MENTS ($)	PLANT IN SERVICE DEC. 31 ($)
	A	B	C	D
1980	1,709,033	870,403	(317,142)	10,799,999
1981	467,600	508,961	31,179	10,789,817
1982	0	917,900	(275,749)	9,596,168
1983	1,233	873,355	(19,625)	8,704,421
1984	1,292,008	793,648	35,817	9,238,598
1985	4,283,666	594,769	(297,502)	12,629,993
1986	2,564,211	1,882,796	70,013	13,381,421
1987	2,974,879	971,016	(277,836)	15,107,448
1988	2,167,937	1,187,234	18,266	16,106,417
1989	363	815,499	2,322	15,293,603
1990	687,916	139,716	0	15,841,803
1991	1,188,129	888,020	0	16,141,912
1992	2,069,544	1,612,257	2,034,082	18,633,281
1993	949,904	1,180,458	(137,022)	18,265,705
1994	562,049	1,440,433	87,690	17,475,011
1995	1,701,327	1,201,532	159,155	18,133,962
1996	26,862	1,826,991	(174,624)	16,159,209
1997	1,406,758	857,727	24,604	16,732,844
1998	364,710	652,677	(12,721)	16,432,156
1999	359,031	2,293,593	28,760	14,526,354
2000	364,851	2,067,408	230,529	13,054,326
2001	1,083,899	1,798,001	996,033	13,336,257
2002	3,552,233	1,666,129	(28,670)	15,193,693
2003	1,187,689	2,258,795	16,995	14,139,582

2003 data is projected

ACCOUNT RESERVE SUMMARY

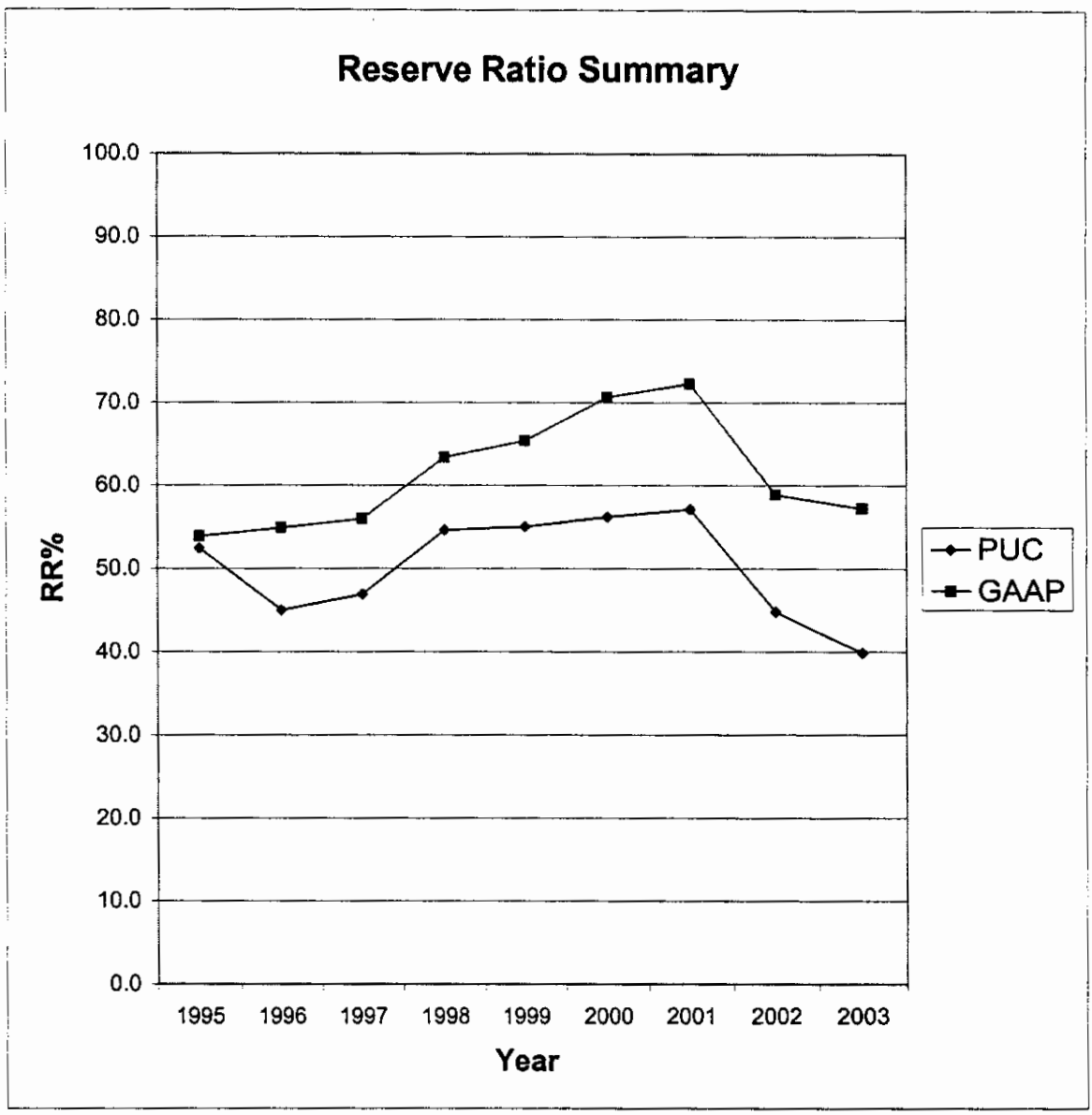
YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	982,800	96,944	870,403	0	0	3,902,388
1981	990,932	136,297	508,961	0	0	4,520,656
1982	932,916	0	917,900	0	0	4,535,672
1983	816,926	241,066	873,355	0	0	4,720,309
1984	812,303	168,236	793,648	0	13,864	4,921,064
1985	1,010,079	118,455	594,769	0	(149,346)	5,305,483
1986	930,274	268,545	1,882,796	0	2,356	4,623,862
1987	1,161,797	256,497	971,016	0	493,926	5,565,066
1988	1,744,534	172,188	1,187,234	0	0	6,294,554
1989	1,301,976	200,060	815,499	0	4,300	6,985,391
1990	1,267,386	29,564	139,716	0	(23,684)	8,118,941
1991	991,256	0	888,020	0	(23,684)	8,198,493
1992	1,122,721	596,121	1,612,257	0	1,299,562	9,604,640
1993	1,404,960	453,198	1,180,458	0	27,096	10,309,436
1994	1,153,921	331,754	1,440,433	0	326,751	10,681,429
1995	1,414,669	291,715	1,201,532	0	84,246	9,512,380
1996	1,309,432	277,190	1,826,991	0	(2,005,545)	7,266,466
1997	1,339,903	31,893	857,727	0	74,493	7,855,028
1998	1,356,814	208,059	652,677	0	209,836	8,977,060
1999	1,231,676	215,687	2,293,593	0	(147,148)	7,983,682
2000	616,276	567,885	2,067,408	0	237,471	7,337,906
2001	590,068	606,316	1,798,001	0	879,708	7,615,997
2002	653,395	193,836	1,666,129	0	11,756	6,808,855
2003	674,311	263,407	2,258,795	0	156,212	5,643,990

2003 data is projected

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	10,799,999	3,902,388	36.1%
1981	10,789,817	4,520,656	41.9%
1982	9,596,168	4,535,672	47.3%
1983	8,704,421	4,720,309	54.2%
1984	9,238,598	4,921,064	53.3%
1985	12,629,993	5,305,483	42.0%
1986	13,381,421	4,623,862	34.6%
1987	15,107,448	5,565,066	36.8%
1988	16,106,417	6,294,554	39.1%
1989	15,293,603	6,985,391	45.7%
1990	15,841,803	8,118,941	51.3%
1991	16,141,912	8,198,493	50.8%
1992	18,633,281	9,604,640	51.5%
1993	18,265,705	10,309,436	56.4%
1994	17,475,011	10,681,429	61.1%
1995	18,133,962	9,512,380	52.5%
1996	16,159,209	7,266,466	45.0%
1997	16,732,844	7,855,028	46.9%
1998	16,432,156	8,977,060	54.6%
1999	14,526,354	7,983,682	55.0%
2000	13,054,326	7,337,906	56.2%
2001	13,336,257	7,615,997	57.1%
2002	15,193,693	6,808,855	44.8%
2003	14,139,582	5,643,990	39.9%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account was combined by FCC Order 99-106, Dated May 18, 1999. It is a combination of former accounts 2114, 2115, and 2116, which were combined into 2114 Tools & Other Work Equipment.

This account includes power-operated equipment, general-purpose tools, and other items of work equipment. This account also includes tools and equipment used to maintain items included in accounts 2112 through 2116. It also includes portable motor fuel storage tanks.

GENERAL

The Company proposes maintaining the existing Projection Life (P/Life) and Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/24/03
10:57 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2114
CATEGORY: TOOLS AND OTHER WORK EQPT
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	985,304	0.9987	0.50	8.94	9.44	104,401	933,104
*2002	1.5	1,626,357	0.9945	1.49	8.17	9.67	168,254	1,373,975
*2001	2.5	1,099,610	0.9891	2.49	7.51	10.01	109,905	824,847
*2000	3.5	1,997,738	0.9283	3.34	6.92	10.42	191,638	1,327,005
*1999	4.5	1,636,940	0.9164	4.25	6.40	10.90	150,133	961,344
*1998	5.5	1,120,270	0.9773	5.35	5.93	11.43	98,035	581,075
*1997	6.5	1,533,343	0.9380	6.25	5.49	11.99	127,917	701,880
*1996	7.5	1,096,456	0.7847	6.84	5.08	12.58	87,191	442,525
*1995	8.5	658,957	0.3338	6.50	4.69	13.19	49,970	234,214
1994	9.5	2,462,924	0.8925	8.27	4.99	12.72	193,571	966,270
1993	10.5	2,068,506	0.8088	9.00	4.52	12.66	163,440	738,493
1992	11.5	2,085,672	0.8165	9.87	4.08	13.20	158,025	644,111
1991	12.5	1,927,029	0.7449	10.56	3.66	13.28	145,054	531,023
1990	13.5	1,609,063	0.6778	11.18	3.27	13.40	120,077	392,585
1989	14.5	1,103,951	0.4795	11.41	2.90	12.80	86,235	250,008
1988	15.5	1,283,712	0.2489	11.34	2.55	11.97	107,201	273,082
1987	16.5	1,228,229	0.6091	12.55	2.21	13.90	88,353	195,467
1986	17.5	245,043	0.4957	12.93	1.89	13.87	17,665	33,431
1985	18.5	136,939	0.0826	12.41	1.59	12.54	10,918	17,327
1984	19.5	83,562	0.0738	12.48	1.30	12.58	6,643	8,603
1983	20.5	22,553	0.0328	12.46	1.02	12.49	1,805	1,839
1982	21.5	35,655	0.0783	12.61	0.76	12.67	2,813	2,147
1981	22.5	42,704	0.0473	12.63	0.55	12.66	3,374	1,846
1980	23.5	194,726	0.1265	12.90	0.50	12.96	15,024	7,512
1979	24.5	29,702	0.0254	12.78	0.50	12.80	2,321	1,161
1978/PRIOR		106,468	0.0430	13.03	0.50	13.05	8,156	4,078
TOTAL		26,421,413					2,218,120	11,448,951
NON-ELG V		14,666,438					1,130,676	4,068,982
ELG V		11,754,975					1,087,444	7,379,968

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	11.91162	12.97139	10.80973
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	5.16156	3.59872	6.78652

COMPUTED GROSS ADDS-ALL VINTS: 46,650,945
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.56636

USING IOWA CURVE: S1.0
* ELG VINTAGES, PROJECTION LIFE 12.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2114.00
TOOLS & OTHER WORK EQ

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$15,718,570	6.0% (1)	$944,972	0.0% (1)	$3,682	6.0%
FUTURE	$26,421,413 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$42,139,983		$944,972		$3,682	
AVERAGE		2.2%		0.0%		2.2%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	6,158,507	0	0	0.0%	0	0.0%	0.0%
1981	6,381,911	438,764	0	0.0%	0	0.0%	0.0%
1982	6,641,858	118,095	0	0.0%	0	0.0%	0.0%
1983	7,171,967	94,544	35,422	37.5%	0	0.0%	37.5%
1984	8,185,114	118,312	37,524	31.7%	0	0.0%	31.7%
1985	9,041,099	569,917	63,506	11.1%	0	0.0%	11.1%
1986	9,757,587	758,958	95,609	12.6%	0	0.0%	12.6%
1987	10,918,625	186,315	54,202	29.1%	0	0.0%	29.1%
1988	15,577,292	223,900	98,791	44.1%	0	0.0%	44.1%
1989	17,667,226	235,371	23,485	10.0%	0	0.0%	10.0%
1990	17,963,485	657,602	14,537	2.2%	0	0.0%	2.2
1991	20,535,227	833	34,599	4153.5%	0	0.0%	4153.5%
1992	24,121,837	14,487	31,694	218.8%	0	0.0%	218.8%
1993	25,241,176	1,398,448	77,253	5.5%	0	0.0%	5.5%
1994	25,915,724	2,116,978	90,007	4.3%	0	0.0%	4.3%
1995	26,098,829	1,813,592	9,698	0.5%	0	0.0%	0.5%
1996	26,468,958	1,041,696	29,748	2.9%	0	0.0%	2.9%
1997	27,433,564	689,007	8,681	1.3%	0	0.0%	1.3%
1998	24,282,968	153,198	5,089	3.3%	0	0.0%	3.3%
1999	24,456,697	1,413,739	15,259	1.1%	0	0.0%	1.1%
2000	25,429,226	1,204,284	102,669	8.5%	0	0.0%	8.5%
2001	25,362,192	1,087,631	50,959	4.7%	0	0.0%	4.7%
2002	25,681,389	1,270,362	58,742	4.6%	2,700	0.2%	4.4%
2003	26,421,413	112,537	7,498	6.7%	982	0.9%	5.8%
		15,718,570	944,972	6.0%	3,682	0.0%	6.0%
1994-2003	10 year band	10,903,024	378,350	3.5%	3,682	0.0%	3.4%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	769,715	72,946	9.5%	0	0.0%	9.5%
1983	1,339,632	136,452	10.2%	0	0.0%	10.2%
1984	1,659,826	232,061	14.0%	0	0.0%	14.0%
1985	1,728,046	286,263	16.6%	0	0.0%	16.6%
1986	1,857,402	349,632	18.8%	0	0.0%	18.8%
1987	1,974,461	335,593	17.0%	0	0.0%	17.0%
1988	2,062,146	286,624	13.9%	0	0.0%	13.9%
1989	1,304,021	225,614	17.3%	0	0.0%	17.3%
1990	1,132,193	203,106	17.9%	0	0.0%	17.9%
1991	2,306,741	181,568	7.9%	0	0.0%	7.9%
1992	4,188,348	248,090	5.9%	0	0.0%	5.9%
1993	5,344,338	243,251	4.6%	0	0.0%	4.6%
1994	6,385,201	238,400	3.7%	0	0.0%	3.7%
1995	7,059,721	215,387	3.1%	0	0.0%	3.1%
1996	5,814,471	143,223	2.5%	0	0.0%	2.5%
1997	5,111,232	68,475	1.3%	0	0.0%	1.3%
1998	4,501,924	161,446	3.6%	0	0.0%	3.6%
1999	4,547,859	182,657	4.0%	0	0.0%	4.0%
2000	5,129,214	232,718	4.5%	2,700	0.1%	4.5%
2001	5,088,553	235,127	4.6%	3,682	0.1%	4.5%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2114.00
TOOLS & OTHER WORK EQ

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	6,158,507							
1981	6,381,911	6,270,209	438,764	0.0700				
1982	6,641,858	6,511,885	118,095	0.0181	81/83	19,689,006	651,403	0.0331
1983	7,171,967	6,906,913	94,544	0.0137	82/84	21,097,338	330,951	0.0157
1984	8,185,114	7,678,541	118,312	0.0154	83/85	23,198,560	782,773	0.0337
1985	9,041,099	8,613,107	569,917	0.0662	84/86	25,690,990	1,447,187	0.0563
1986	9,757,587	9,399,343	758,958	0.0807	85/87	28,350,556	1,515,190	0.0534
1987	10,918,625	10,338,106	186,315	0.0180	86/88	32,985,408	1,169,173	0.0354
1988	15,577,292	13,247,959	223,900	0.0169	87/89	40,208,324	645,586	0.0161
1989	17,667,226	16,622,259	235,371	0.0142	88/90	47,685,573	1,116,873	0.0234
1990	17,963,485	17,815,356	657,602	0.0369	89/91	53,686,971	893,806	0.0166
1991	20,535,227	19,249,356	833	0.0000	90/92	59,393,244	672,922	0.0113
1992	24,121,837	22,328,532	14,487	0.0006	91/93	66,259,395	1,413,768	0.0213
1993	25,241,176	24,681,507	1,398,448	0.0567	92/94	72,588,489	3,529,913	0.0486
1994	25,915,724	25,578,450	2,116,978	0.0828	93/95	76,267,233	5,329,018	0.0699
1995	26,098,829	26,007,277	1,813,592	0.0697	94/96	77,869,620	4,972,266	0.0639
1996	26,468,958	26,283,894	1,041,696	0.0396	95/97	79,242,431	3,544,295	0.0447
1997	27,433,564	26,951,261	689,007	0.0256	96/98	79,093,421	1,883,901	0.0238
1998	24,282,968	25,858,266	153,198	0.0059	97/99	77,179,360	2,255,944	0.0292
1999	24,456,697	24,369,833	1,413,739	0.0580	98/00	75,171,060	2,771,221	0.0369
2000	25,429,226	24,942,962	1,204,284	0.0483	99/01	74,708,503	3,705,654	0.0496
2001	25,362,192	25,395,709	1,087,631	0.0428	00/02	75,860,461	3,562,277	0.0470
2002	25,681,389	25,521,791	1,270,362	0.0498	01/03	76,968,901	2,470,530	0.0321
2003	26,421,413	26,051,401	112,537	0.0043				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2114.00
TOOLS & OTHER WORK EQ

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	1,431,968	0	42,157	6,158,507
1981	788,115	438,764	(125,947)	6,381,911
1982	350,555	118,095	27,487	6,641,858
1983	619,162	94,544	5,491	7,171,967
1984	1,129,090	118,312	2,369	8,185,114
1985	1,486,266	569,917	(60,364)	9,041,099
1986	1,633,391	758,958	(157,945)	9,757,587
1987	1,392,504	186,315	(45,151)	10,918,625
1988	1,629,294	223,900	3,253,273	15,577,292
1989	2,123,684	235,371	201,621	17,667,226
1990	1,125,340	657,602	(171,479)	17,963,485
1991	2,572,575	833	0	20,535,227
1992	2,489,103	14,487	1,111,994	24,121,837
1993	2,556,293	1,398,448	(38,506)	25,241,176
1994	2,826,926	2,116,978	(35,400)	25,915,724
1995	854,227	1,813,592	1,142,471	26,098,829
1996	1,201,693	1,041,696	210,132	26,468,958
1997	1,703,841	689,007	(50,228)	27,433,564
1998	1,050,193	153,198	(4,047,591)	24,282,968
1999	1,764,087	1,413,739	(176,619)	24,456,697
2000	2,009,535	1,204,284	167,280	25,429,226
2001	1,047,134	1,087,631	(26,537)	25,362,192
2002	1,581,739	1,270,362	7,820	25,681,389
2003	667,171	112,537	185,390	26,421,413

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2114.00
TOOLS & OTHER WORK EQ

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	228,751	0	0	0	16,368	1,002,026
1981	304,645	0	438,764	0	(35)	867,872
1982	311,514	0	118,095	0	0	1,061,291
1983	486,735	35,422	94,544	0	0	1,488,904
1984	543,008	37,524	118,312	0	324	1,951,448
1985	627,714	63,506	569,917	0	(49,253)	2,023,498
1986	650,606	95,609	758,958	0	0	2,010,755
1987	862,889	54,202	186,315	0	2,020	2,743,551
1988	1,175,114	98,791	223,900	0	1,003,799	4,797,355
1989	1,152,461	23,485	235,371	0	4,477	5,742,407
1990	1,214,075	14,537	657,602	0	(305,325)	6,008,092
1991	1,344,965	34,599	833	0	(300,324)	7,086,499
1992	1,385,065	31,694	14,487	0	733,595	9,222,366
1993	1,592,445	77,253	1,398,448	0	39,341	9,532,957
1994	1,576,536	90,007	2,116,978	0	(13,082)	9,069,440
1995	1,606,006	9,698	1,813,592	0	1,224,732	8,677,144
1996	1,563,959	29,748	1,041,696	0	288,967	9,518,122
1997	1,591,788	8,681	689,007	0	25,227	10,454,811
1998	1,426,403	5,089	153,198	0	(1,812,858)	9,920,247
1999	1,432,982	15,259	1,413,739	0	(112,034)	9,842,715
2000	2,433,681	102,669	1,204,284	0	104,856	11,279,637
2001	2,526,506	50,959	1,087,631	0	(77,064)	12,692,407
2002	2,553,143	58,742	1,270,362	2,700	3,040	14,034,269
2003	2,600,201	7,498	112,537	982	132,139	16,660,588

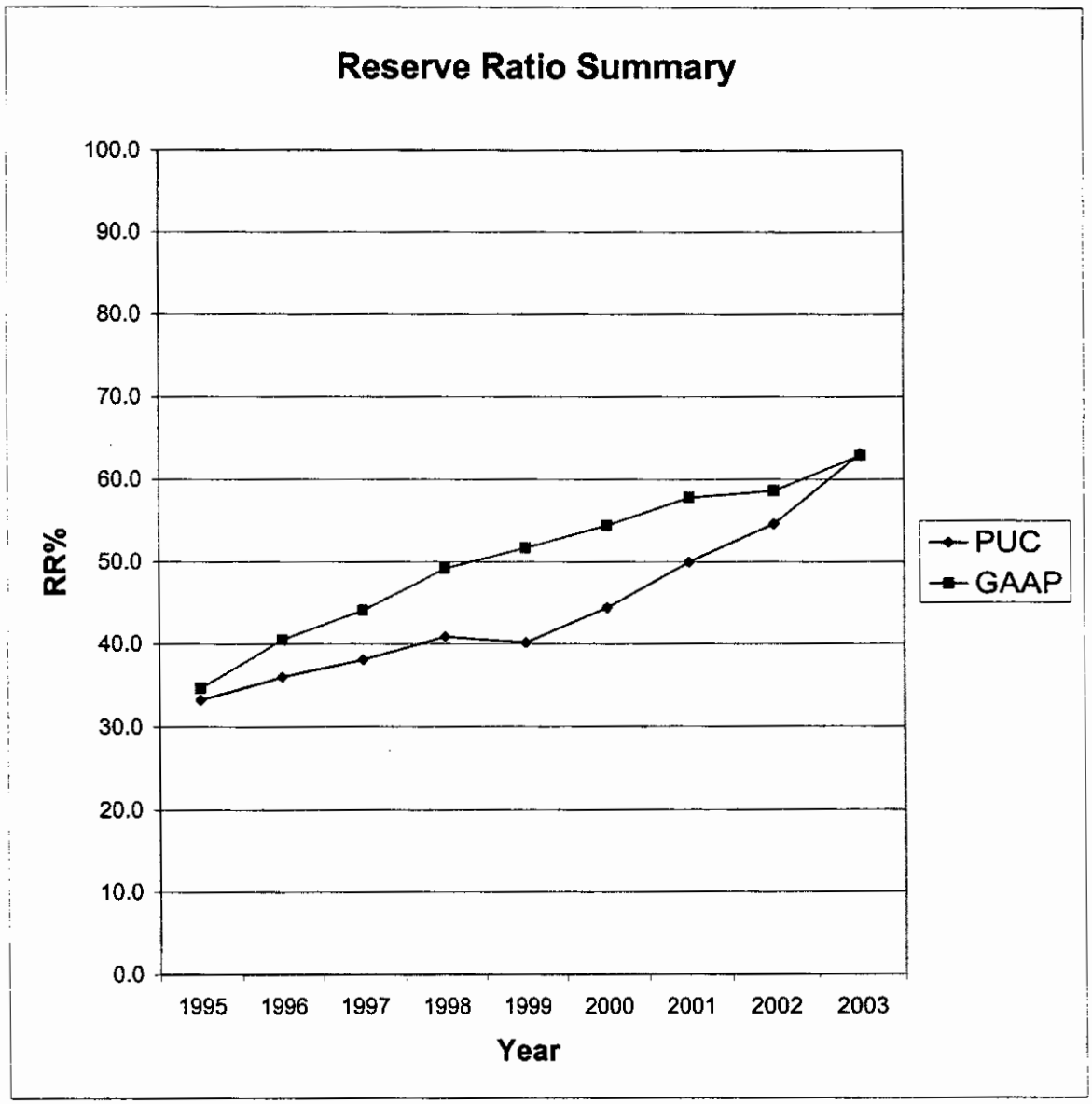
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2114.00
TOOLS & OTHER WORK EQ

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	6,158,507	1,002,026	16.3%
1981	6,381,911	867,872	13.6%
1982	6,641,858	1,061,291	16.0%
1983	7,171,967	1,488,904	20.8%
1984	8,185,114	1,951,448	23.8%
1985	9,041,099	2,023,498	22.4%
1986	9,757,587	2,010,755	20.6%
1987	10,918,625	2,743,551	25.1%
1988	15,577,292	4,797,355	30.8%
1989	17,667,226	5,742,407	32.5%
1990	17,963,485	6,008,092	33.4%
1991	20,535,227	7,086,499	34.5%
1992	24,121,837	9,222,366	38.2%
1993	25,241,176	9,532,957	37.8%
1994	25,915,724	9,069,440	35.0%
1995	26,098,829	8,677,144	33.2%
1996	26,468,958	9,518,122	36.0%
1997	27,433,564	10,454,811	38.1%
1998	24,282,968	9,920,247	40.9%
1999	24,456,697	9,842,715	40.2%
2000	25,429,226	11,279,637	44.4%
2001	25,362,192	12,692,407	50.0%
2002	25,681,389	14,034,269	54.6%
2003	26,421,413	16,660,588	63.1%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all buildings and permanent fixtures, machinery, appurtenances and appliances installed as a part thereof.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/24/03
11:01 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2121 BUILDINGS
CATEGORY: BUILDINGS
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

	EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	8,057,812	0.9997	0.50	17.32	17.82	452,080	7,831,772
*2002	1.5	5,871,090	0.9988	1.50	17.71	19.21	305,584	5,412,713
*2001	2.5	19,108,517	0.9967	2.50	17.56	20.06	952,514	16,727,231
*2000	3.5	5,262,439	0.9259	3.31	17.22	20.72	253,931	4,373,680
*1999	4.5	4,419,843	0.9786	4.38	16.79	21.29	207,570	3,485,780
*1998	5.5	4,936,726	0.8417	5.02	16.31	21.81	226,354	3,691,781
*1997	6.5	5,742,747	0.9927	6.25	15.79	22.29	257,592	4,068,397
*1996	7.5	5,912,128	0.7537	6.64	15.26	22.76	259,787	3,963,728
*1995	8.5	3,838,852	0.7437	7.38	14.71	23.21	165,409	2,432,878
1994	9.5	9,009,230	0.9008	8.53	16.91	23.76	379,187	6,411,384
1993	10.5	6,082,723	0.8094	9.21	16.13	22.26	273,254	4,406,929
1992	11.5	4,279,020	0.5709	9.43	15.36	18.20	235,136	3,612,349
1991	12.5	4,120,773	0.8038	10.59	14.61	22.33	184,502	2,696,394
1990	13.5	7,488,163	0.7269	11.21	13.88	21.30	351,478	4,879,558
1989	14.5	6,717,985	0.8296	12.21	13.17	23.14	290,362	3,823,901
1988	15.5	20,132,578	0.7554	12.86	12.47	22.29	903,404	11,269,184
1987	16.5	18,589,103	0.9148	14.04	11.80	24.83	748,683	8,833,070
1986	17.5	4,073,969	0.8630	14.84	11.14	24.46	166,572	1,855,927
1985	18.5	4,725,353	0.7224	15.37	10.51	22.96	205,811	2,162,348
1984	19.5	2,762,038	0.5956	15.80	9.89	21.69	127,362	1,259,874
1983	20.5	2,305,687	0.6865	16.63	9.30	23.02	100,181	931,671
1982	21.5	4,146,880	0.6908	17.35	8.73	23.38	177,353	1,548,362
1981	22.5	1,270,576	0.6021	17.84	8.18	22.77	55,799	456,661
1980	23.5	6,750,503	0.6442	18.57	7.66	23.51	287,186	2,200,222
1979	24.5	10,103,514	0.7050	19.40	7.16	24.45	413,304	2,960,249
1978/PRIOR		19,407,278	0.4811	23.45	4.53	26.36	736,241	3,332,999
TOTAL		195,115,527					8,716,637	114,629,041
NON-ELG V		131,965,373					5,635,815	62,641,082
ELG V		63,150,154					3,080,821	51,987,959

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	22.38427	23.41549	20.49783
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	13.15060	11.11482	16.87471

COMPUTED GROSS ADDS-ALL VINTS: AVG PROPORTION SURVIVING:
SUM OF (B/C) 255,992,302 B/ SUM OF (B/C) 0.76219

USING IOWA CURVE: R2.0
* ELG VINTAGES, PROJECTION LIFE 25.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2121.00
BUILDINGS

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$38,760,495	19.6% (1)	$7,584,145	48.6% (1)	$18,824,057	-29.0%
FUTURE	$195,115,527 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$233,876,022		$7,584,145		$18,824,057	
AVERAGE		3.2%		8.0%		-4.8%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	56,166,145	304,422	0	0.0%	0	0.0%	0.0%
1981	57,768,344	219,721	0	0.0%	0	0.0%	0.0%
1982	63,105,938	202,989	0	0.0%	0	0.0%	0.0%
1983	65,258,985	358,105	0	0.0%	0	0.0%	0.0%
1984	68,945,301	324,360	939	0.3%	201,758	62.2%	-61.9%
1985	74,774,462	274,471	0	0.0%	4,957	1.8%	-1.8%
1986	78,757,493	320,246	0	0.0%	175,959	54.9%	-54.9%
1987	91,098,560	6,992,312	22,769	0.3%	1,386,735	19.8%	-19.5%
1988	107,084,688	92,597	0	0.0%	1,728,067	1866.2%	-1866.2%
1989	114,373,440	148,385	15,499	10.4%	638,915	430.6%	-420.1%
1990	123,377,160	760,531	0	0.0%	546,337	71.8%	-71.8%
1991	127,426,373	164,313	53,935	32.8%	869,676	529.3%	-496.5%
1992	143,051,242	530,645	1,358	0.3%	662,366	124.8%	-124.6%
1993	145,805,964	1,520,845	0	0.0%	1,059,389	69.7%	-69.7%
1994	150,356,958	1,123,888	2,666	0.2%	889,406	79.1%	-78.9%
1995	154,323,301	2,574,038	126,855	4.9%	1,068,362	41.5%	-36.6%
1996	155,537,426	6,571,712	5,148,997	78.4%	1,065,291	16.2%	62.1%
1997	161,851,669	1,250,348	554,573	44.4%	348,608	27.9%	16.5%
1998	165,689,380	1,983,745	7,898	0.4%	110,975	5.6%	-5.2%
1999	166,450,460	3,332,396	1,648,656	49.5%	634,195	19.0%	30.4%
2000	167,463,756	3,807,383	0	0.0%	1,257,888	33.0%	-33.0%
2001	183,711,811	2,784,220	0	0.0%	3,263,082	117.2%	-117.2%
2002	187,503,450	2,049,708	0	0.0%	728,750	35.6%	-35.6%
2003	195,115,527	1,069,115	0	0.0%	2,183,341	204.2%	-204.2%
		38,760,495	7,584,145	19.6%	18,824,057	48.6%	-29.0%
1994-2003	10 year band	26,546,553	7,489,645	28.2%	11,549,898	43.5%	-15.3%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	1,409,597	939	0.1%	201,758	14.3%	-14.2%
1983	1,379,646	939	0.1%	206,715	15.0%	-14.9%
1984	1,480,171	939	0.1%	382,674	25.9%	-25.8%
1985	8,269,494	23,708	0.3%	1,769,409	21.4%	-21.1%
1986	8,003,986	23,708	0.3%	3,497,476	43.7%	-43.4%
1987	7,828,011	38,268	0.5%	3,934,633	50.3%	-49.8%
1988	8,314,071	38,268	0.5%	4,476,013	53.8%	-53.4%
1989	8,158,138	92,203	1.1%	5,169,730	63.4%	-62.2%
1990	1,696,471	70,792	4.2%	4,445,361	262.0%	-257.9%
1991	3,124,719	70,792	2.3%	3,776,683	120.9%	-118.6%
1992	4,100,222	57,959	1.4%	4,027,174	98.2%	-96.8%
1993	5,913,729	184,814	3.1%	4,549,199	76.9%	-73.8%
1994	12,321,128	5,279,876	42.9%	4,744,814	38.5%	4.3%
1995	13,040,831	5,833,091	44.7%	4,431,056	34.0%	10.8%
1996	13,503,731	5,840,989	43.3%	3,482,642	25.8%	17.5%
1997	15,712,239	7,486,979	47.7%	3,227,431	20.5%	27.1%
1998	16,945,584	7,360,124	43.4%	3,416,957	20.2%	23.3%
1999	13,158,092	2,211,127	16.8%	5,614,748	42.7%	-25.9%
2000	13,957,452	1,656,554	11.9%	5,994,890	43.0%	-31.1%
2001	13,042,822	1,648,656	12.6%	8,067,256	61.9%	-49.2%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2121.00
BUILDINGS

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	56,166,145							
1981	57,768,344	56,967,245	219,721	0.0039				
1982	63,105,938	60,437,141	202,989	0.0034	81/83	181,586,847	780,815	0.0043
1983	65,258,985	64,182,462	358,105	0.0056	82/84	191,721,746	885,454	0.0046
1984	68,945,301	67,102,143	324,360	0.0048	83/85	203,144,486	956,936	0.0047
1985	74,774,462	71,859,882	274,471	0.0038	84/86	215,728,002	919,077	0.0043
1986	78,757,493	76,765,978	320,246	0.0042	85/87	233,553,886	7,587,029	0.0325
1987	91,098,560	84,928,027	6,992,312	0.0823	86/88	260,785,628	7,405,155	0.0284
1988	107,084,688	99,091,624	92,597	0.0009	87/89	294,748,715	7,233,294	0.0245
1989	114,373,440	110,729,064	148,385	0.0013	88/90	328,695,988	1,001,513	0.0030
1990	123,377,160	118,875,300	760,531	0.0064	89/91	355,006,131	1,073,229	0.0030
1991	127,426,373	125,401,767	164,313	0.0013	90/92	379,515,874	1,455,489	0.0038
1992	143,051,242	135,238,808	530,645	0.0039	91/93	405,069,177	2,215,803	0.0055
1993	145,805,964	144,428,603	1,520,845	0.0105	92/94	427,748,872	3,175,378	0.0074
1994	150,356,958	148,081,461	1,123,888	0.0076	93/95	444,850,194	5,218,771	0.0117
1995	154,323,301	152,340,130	2,574,038	0.0169	94/96	455,351,954	10,269,638	0.0226
1996	155,537,426	154,930,364	6,571,712	0.0424	95/97	465,965,041	10,396,098	0.0223
1997	161,851,669	158,694,548	1,250,348	0.0079	96/98	477,395,436	9,805,805	0.0205
1998	165,689,380	163,770,525	1,983,745	0.0121	97/99	488,534,992	6,566,489	0.0134
1999	166,450,460	166,069,920	3,332,396	0.0201	98/00	496,797,553	9,123,524	0.0184
2000	167,463,756	166,957,108	3,807,383	0.0228	99/01	508,614,812	9,923,999	0.0195
2001	183,711,811	175,587,784	2,784,220	0.0159	00/02	528,152,522	8,641,311	0.0164
2002	187,503,450	185,607,631	2,049,708	0.0110	01/03	552,504,903	5,903,043	0.0107
2003	195,115,527	191,309,489	1,069,115	0.0056				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2121.00
BUILDINGS

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	10,240,111	304,422	114,472	56,166,145
1981	1,830,727	219,721	(8,807)	57,768,344
1982	5,540,583	202,989	0	63,105,938
1983	2,515,500	358,105	(4,348)	65,258,985
1984	4,012,350	324,360	(1,674)	68,945,301
1985	6,243,227	274,471	(139,595)	74,774,462
1986	4,328,723	320,246	(25,446)	78,757,493
1987	19,810,819	6,992,312	(477,440)	91,098,560
1988	19,108,563	92,597	(3,029,838)	107,084,688
1989	6,065,041	148,385	1,372,096	114,373,440
1990	9,783,226	760,531	(18,975)	123,377,160
1991	4,211,168	164,313	2,358	127,426,373
1992	6,230,493	530,645	9,925,021	143,051,242
1993	5,918,406	1,520,845	(1,642,839)	145,805,964
1994	8,679,959	1,123,888	(3,005,077)	150,356,958
1995	4,148,015	2,574,038	2,392,366	154,323,301
1996	5,865,177	6,571,712	1,920,660	155,537,426
1997	5,898,268	1,250,348	1,666,323	161,851,669
1998	5,372,570	1,983,745	448,886	165,689,380
1999	4,482,620	3,332,396	(389,144)	166,450,460
2000	5,250,467	3,807,383	(429,786)	167,463,756
2001	19,028,531	2,784,220	3,744	183,711,811
2002	5,834,392	2,049,708	6,953	187,503,450
2003	8,674,648	1,069,115	6,544	195,115,527

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2121.00
BUILDINGS

ACCOUNT RESERVE SUMMARY

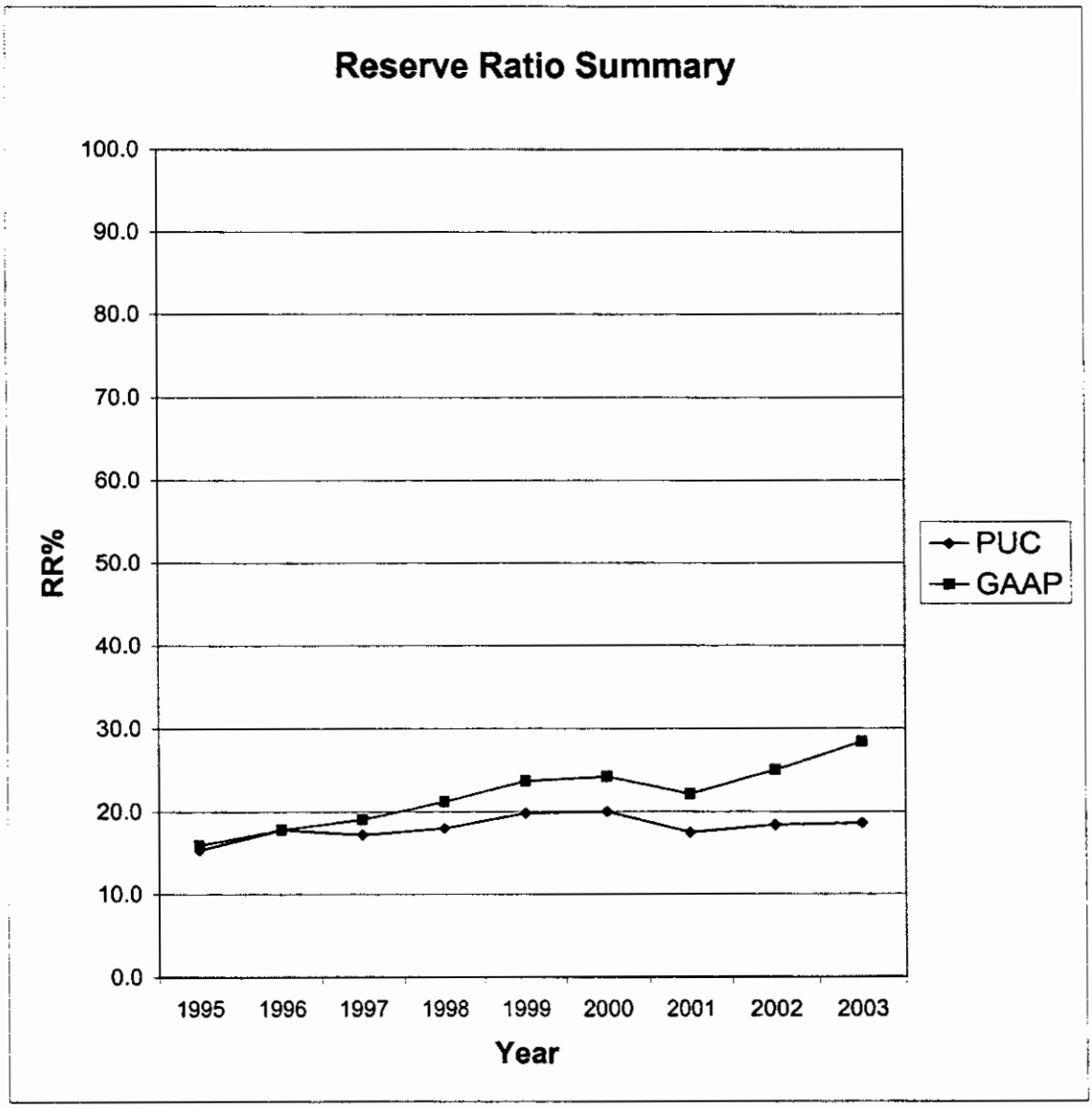
YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	1,218,726	0	304,422	0	(250,039)	5,776,184
1981	1,243,552	0	219,721	0	0	6,800,015
1982	1,324,113	0	202,989	0	0	7,921,139
1983	1,419,502	0	358,105	0	0	8,982,536
1984	1,520,836	939	324,360	201,758	11,160	9,989,353
1985	1,700,660	0	274,471	4,957	(11,627)	11,398,958
1986	1,993,816	0	320,246	175,959	0	12,896,569
1987	2,629,364	22,769	6,992,312	1,386,735	11	7,169,666
1988	2,864,764	0	92,597	1,728,067	(431,012)	7,782,754
1989	3,303,352	15,499	148,385	638,915	39,823	10,354,128
1990	3,487,798	0	760,531	546,337	(1,001)	12,534,057
1991	4,125,578	53,935	164,313	869,676	(2,498)	15,677,083
1992	3,789,790	1,358	530,645	662,366	3,848,949	22,124,169
1993	4,411,531	0	1,520,845	1,059,389	(448,528)	23,506,938
1994	4,507,880	2,666	1,123,888	889,406	(317,307)	25,686,883
1995	3,661,962	126,855	2,574,038	1,068,362	14	23,711,442
1996	3,724,181	5,148,997	6,571,712	1,065,291	2,664,256	27,611,873
1997	3,769,812	554,573	1,250,348	348,608	(2,432,650)	27,904,652
1998	3,946,308	7,898	1,983,745	110,975	115,256	29,879,394
1999	5,159,027	1,648,656	3,332,396	634,195	255,173	32,975,659
2000	5,673,195	0	3,807,383	1,257,888	(54,618)	33,528,966
2001	4,724,107	0	2,784,220	3,263,082	2	32,205,773
2002	4,984,069	0	2,049,708	728,750	8,239	34,419,623
2003	5,105,388	0	1,069,115	2,183,341	1,684	36,274,239

2003 data is projected

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	56,166,145	5,776,184	10.3%
1981	57,768,344	6,800,015	11.8%
1982	63,105,938	7,921,139	12.6%
1983	65,258,985	8,982,536	13.8%
1984	68,945,301	9,989,353	14.5%
1985	74,774,462	11,398,958	15.2%
1986	78,757,493	12,896,569	16.4%
1987	91,098,560	7,169,666	7.9%
1988	107,084,688	7,782,754	7.3%
1989	114,373,440	10,354,128	9.1%
1990	123,377,160	12,534,057	10.2%
1991	127,426,373	15,677,083	12.3%
1992	143,051,242	22,124,169	15.5%
1993	145,805,964	23,506,938	16.1%
1994	150,356,958	25,686,883	17.1%
1995	154,323,301	23,711,442	15.4%
1996	155,537,426	27,611,873	17.8%
1997	161,851,669	27,904,652	17.2%
1998	165,689,380	29,879,394	18.0%
1999	166,450,460	32,975,659	19.8%
2000	167,463,756	33,528,966	20.0%
2001	183,711,811	32,205,773	17.5%
2002	187,503,450	34,419,623	18.4%
2003	195,115,527	36,274,239	18.6%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes furniture in offices, storerooms, shops and all other quarters.

GENERAL

The Company proposes maintaining the existing Projection Life (P/Life). The Company proposes revising the existing Future Net Salvage (FNS) Percent for this account to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/24/03
11:10 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2122 FURNITURE
CATEGORY: FURNITURE
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	0	0.0000	0.00				
*2002	1.5	0	0.0000	0.00				
*2001	2.5	0	0.0000	0.00				
*2000	3.5	43,216	0.9938	2.50	9.69	13.19	3,277	31,745
*1999	4.5	3,477	0.8785	3.21	9.16	13.66	255	2,331
*1998	5.5	0	0.0000	0.00				
*1997	6.5	0	0.0000	0.00				
*1996	7.5	9,232	0.8749	4.10	7.48	14.98	616	4,611
*1995	8.5	7,183	0.8264	4.86	6.93	15.43	465	3,227
1994	9.5	179,818	0.8903	5.86	7.35	12.41	14,493	106,530
1993	10.5	22,323	0.7105	6.32	6.69	11.07	2,016	13,482
1992	11.5	62,469	0.7820	7.23	6.06	11.97	5,219	31,632
1991	12.5	54,767	0.7645	7.99	5.47	12.17	4,501	24,614
1990	13.5	443,881	0.6922	8.59	4.92	12.00	37,005	181,900
1989	14.5	702,440	0.8044	9.60	4.40	13.14	53,471	235,379
1988	15.5	3,322,725	0.7980	10.42	3.93	13.55	245,185	963,182
1987	16.5	1,375,344	0.7578	11.14	3.49	13.79	99,759	348,592
1986	17.5	45,077	0.0838	10.19	3.10	10.45	4,313	13,361
1985	18.5	120,600	0.0480	10.19	2.74	10.32	11,686	31,980
1984	19.5	266,313	0.1741	10.57	2.41	10.99	24,232	58,280
1983	20.5	3,281	0.0042	10.31	2.10	10.32	318	666
1982	21.5	0	0.0000	0.00				
1981	22.5	45,452	0.1052	10.58	1.52	10.74	4,232	6,419
1980	23.5	63,931	0.5043	11.75	1.24	12.38	5,165	6,386
1979	24.5	113,519	0.7603	12.98	0.97	13.72	8,276	7,993
1978/PRIOR		4,173	0.0258	11.85	0.72	11.86	352	253
TOTAL		6,889,221					524,834	2,072,564
NON-ELG V		6,826,113					520,221	2,030,649
ELG V		63,108					4,614	41,914

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	13.12647	13.12157	13.67892
AVG REMAINING LIFE: TOT H/TOT G	3.94899	3.90344	9.08514

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 14,176,066
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.48598

USING IOWA CURVE: R2.0
* ELG VINTAGES, PROJECTION LIFE 15.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$6,180,800	7.8% (1)	$480,712	0.0% (1)	$0	7.8%
FUTURE	$6,889,221 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$13,070,021		$480,712		$0	
AVERAGE		3.7%		0.0%		3.7%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	4,744,249	48,499	0	0.0%	0	0.0%	0.0%
1981	5,119,430	9,851	0	0.0%	0	0.0%	0.0%
1982	3,862,087	180,085	0	0.0%	0	0.0%	0.0%
1983	4,455,164	35,337	0	0.0%	0	0.0%	0.0%
1984	5,922,151	45,911	9,068	19.8%	0	0.0%	19.8%
1985	7,043,837	18,480	10,501	56.8%	0	0.0%	56.8%
1986	7,645,887	38,536	12,845	33.3%	0	0.0%	33.3%
1987	8,688,246	81,546	38,717	47.5%	0	0.0%	47.5%
1988	9,652,877	2,037,123	6,649	0.3%	0	0.0%	0.3%
1989	8,823,651	1,642,857	33,505	2.0%	0	0.0%	2.0%
1990	7,673,040	15,283	290,794	1902.7%	0	0.0%	1902.7%
1991	7,873,926	0	7,519	0.0%	0	0.0%	0.0%
1992	10,040,388	0	7,911	0.0%	0	0.0%	0.0%
1993	9,997,618	64,208	2,690	4.2%	0	0.0%	4.2%
1994	10,184,560	15,155	15,309	101.0%	0	0.0%	101.0%
1995	10,166,569	24,688	10,873	44.0%	0	0.0%	44.0%
1996	8,528,975	1,602,818	31,933	2.0%	0	0.0%	2.0%
1997	8,523,627	10,669	1,676	15.7%	0	0.0%	15.7%
1998	7,134,000	0	722	0.0%	0	0.0%	0.0%
1999	7,125,715	26,245	0	0.0%	0	0.0%	0.0%
2000	7,163,445	5,779	0	0.0%	0	0.0%	0.0%
2001	7,159,410	7,541	0	0.0%	0	0.0%	0.0%
2002	7,154,865	4,545	0	0.0%	0	0.0%	0.0%
2003	6,889,221	265,644	0	0.0%	0	0.0%	0.0%
		6,180,800	480,712	7.8%	0	0.0%	7.8%
1994-2003	10 year band	1,963,084	60,513	3.1%	0	0.0%	3.1%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	319,683	9,068	2.8%	0	0.0%	2.8%
1983	289,664	19,569	6.8%	0	0.0%	6.8%
1984	318,349	32,414	10.2%	0	0.0%	10.2%
1985	219,810	71,131	32.4%	0	0.0%	32.4%
1986	2,221,596	77,780	3.5%	0	0.0%	3.5%
1987	3,818,542	102,217	2.7%	0	0.0%	2.7%
1988	3,815,345	382,510	10.0%	0	0.0%	10.0%
1989	3,776,809	377,184	10.0%	0	0.0%	10.0%
1990	3,695,263	346,378	9.4%	0	0.0%	9.4%
1991	1,722,348	342,419	19.9%	0	0.0%	19.9%
1992	94,646	324,223	342.6%	0	0.0%	342.6%
1993	104,051	44,302	42.6%	0	0.0%	42.6%
1994	1,706,869	68,716	4.0%	0	0.0%	4.0%
1995	1,717,538	62,481	3.6%	0	0.0%	3.6%
1996	1,653,330	60,513	3.7%	0	0.0%	3.7%
1997	1,664,420	45,204	2.7%	0	0.0%	2.7%
1998	1,645,511	34,331	2.1%	0	0.0%	2.1%
1999	50,234	2,398	4.8%	0	0.0%	4.8%
2000	44,110	722	1.6%	0	0.0%	1.6%
2001	309,754	0	0.0%	0	0.0%	0.0%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2122.00
FURNITURE

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	4,744,249							
1981	5,119,430	4,931,840	9,851	0.0020				
1982	3,862,087	4,490,759	180,085	0.0401	81/83	13,581,224	225,273	0.0166
1983	4,455,164	4,158,626	35,337	0.0085	82/84	13,838,042	261,333	0.0189
1984	5,922,151	5,188,658	45,911	0.0088	83/85	15,830,277	99,728	0.0063
1985	7,043,837	6,482,994	18,480	0.0029	84/86	19,016,514	102,927	0.0054
1986	7,645,887	7,344,862	38,536	0.0052	85/87	21,994,923	138,562	0.0063
1987	8,688,246	8,167,067	81,546	0.0100	86/88	24,682,490	2,157,205	0.0874
1988	9,652,877	9,170,562	2,037,123	0.2221	87/89	26,575,892	3,761,526	0.1415
1989	8,823,651	9,238,264	1,642,857	0.1778	88/90	26,657,171	3,695,263	0.1386
1990	7,673,040	8,248,346	15,283	0.0019	89/91	25,260,093	1,658,140	0.0656
1991	7,873,926	7,773,483	0	0.0000	90/92	24,978,986	15,283	0.0006
1992	10,040,388	8,957,157	0	0.0000	91/93	26,749,643	64,208	0.0024
1993	9,997,618	10,019,003	64,208	0.0064	92/94	29,067,249	79,363	0.0027
1994	10,184,560	10,091,089	15,155	0.0015	93/95	30,285,657	104,051	0.0034
1995	10,166,569	10,175,565	24,688	0.0024	94/96	29,614,426	1,642,661	0.0555
1996	8,528,975	9,347,772	1,602,818	0.1715	95/97	28,049,638	1,638,175	0.0584
1997	8,523,627	8,526,301	10,669	0.0013	96/98	25,702,887	1,613,487	0.0628
1998	7,134,000	7,828,814	0	0.0000	97/99	23,484,972	36,914	0.0016
1999	7,125,715	7,129,858	26,245	0.0037	98/00	22,103,251	32,024	0.0014
2000	7,163,445	7,144,580	5,779	0.0008	99/01	21,435,865	39,565	0.0018
2001	7,159,410	7,161,428	7,541	0.0011	00/02	21,463,145	17,865	0.0008
2002	7,154,865	7,157,138	4,545	0.0006	01/03	21,340,608	277,730	0.0130
2003	6,889,221	7,022,043	265,644	0.0378				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2122.00
FURNITURE

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	930,075	48,499	9,760	4,744,249
1981	424,757	9,851	(39,725)	5,119,430
1982	0	180,085	(1,077,258)	3,862,087
1983	609,574	35,337	18,840	4,455,164
1984	1,506,247	45,911	6,651	5,922,151
1985	1,594,876	18,480	(454,710)	7,043,837
1986	637,010	38,536	3,576	7,645,887
1987	1,272,617	81,546	(148,712)	8,688,246
1988	3,019,362	2,037,123	(17,608)	9,652,877
1989	872,034	1,642,857	(58,403)	8,823,651
1990	0	15,283	(1,135,328)	7,673,040
1991	211,592	0	(10,706)	7,873,926
1992	154,985	0	2,011,477	10,040,388
1993	25,117	64,208	(3,679)	9,997,618
1994	207,812	15,155	(5,715)	10,184,560
1995	7,296	24,688	(600)	10,166,569
1996	80,559	1,602,818	(115,335)	8,528,975
1997	5,321	10,669	0	8,523,627
1998	0	0	(1,389,627)	7,134,000
1999	17,960	26,245	0	7,125,715
2000	43,509	5,779	0	7,163,445
2001	0	7,541	3,506	7,159,410
2002	0	4,545	0	7,154,865
2003	0	265,644	0	6,889,221

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2122.00
FURNITURE

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	186,093	0	48,499	0	46,380	772,389
1981	204,777	0	9,851	0	(83,572)	883,743
1982	131,311	0	180,085	0	51	835,020
1983	209,021	0	35,337	0	0	1,008,704
1984	247,490	9,068	45,911	0	1,372	1,220,723
1985	311,829	10,501	18,480	0	(96,070)	1,428,503
1986	425,519	12,845	38,536	0	0	1,828,331
1987	255,304	38,717	81,546	0	0	2,040,806
1988	346,125	6,649	2,037,123	0	(3,508)	352,949
1989	206,160	33,505	1,642,857	0	0	(1,050,243)
1990	169,606	290,794	15,283	0	(8,207)	(613,333)
1991	341,811	7,519	0	0	45,885	(218,118)
1992	547,718	7,911	0	0	786,186	1,123,697
1993	698,828	2,690	64,208	0	1,553	1,762,560
1994	654,710	15,309	15,155	0	(2,363)	2,415,061
1995	519,310	10,873	24,688	0	(20)	2,787,821
1996	487,284	31,933	1,602,818	0	(27,887)	1,676,333
1997	435,496	1,676	10,669	0	345,681	2,448,517
1998	366,810	722	0	0	(383,002)	2,433,047
1999	363,109	0	26,245	0	(6,399)	2,763,512
2000	706,072	0	5,779	0	(1,744)	3,462,062
2001	708,911	0	7,541	0	1,753	4,165,185
2002	706,798	0	4,545	0	1	4,867,438
2003	696,692	0	265,644	0	(1)	5,298,485

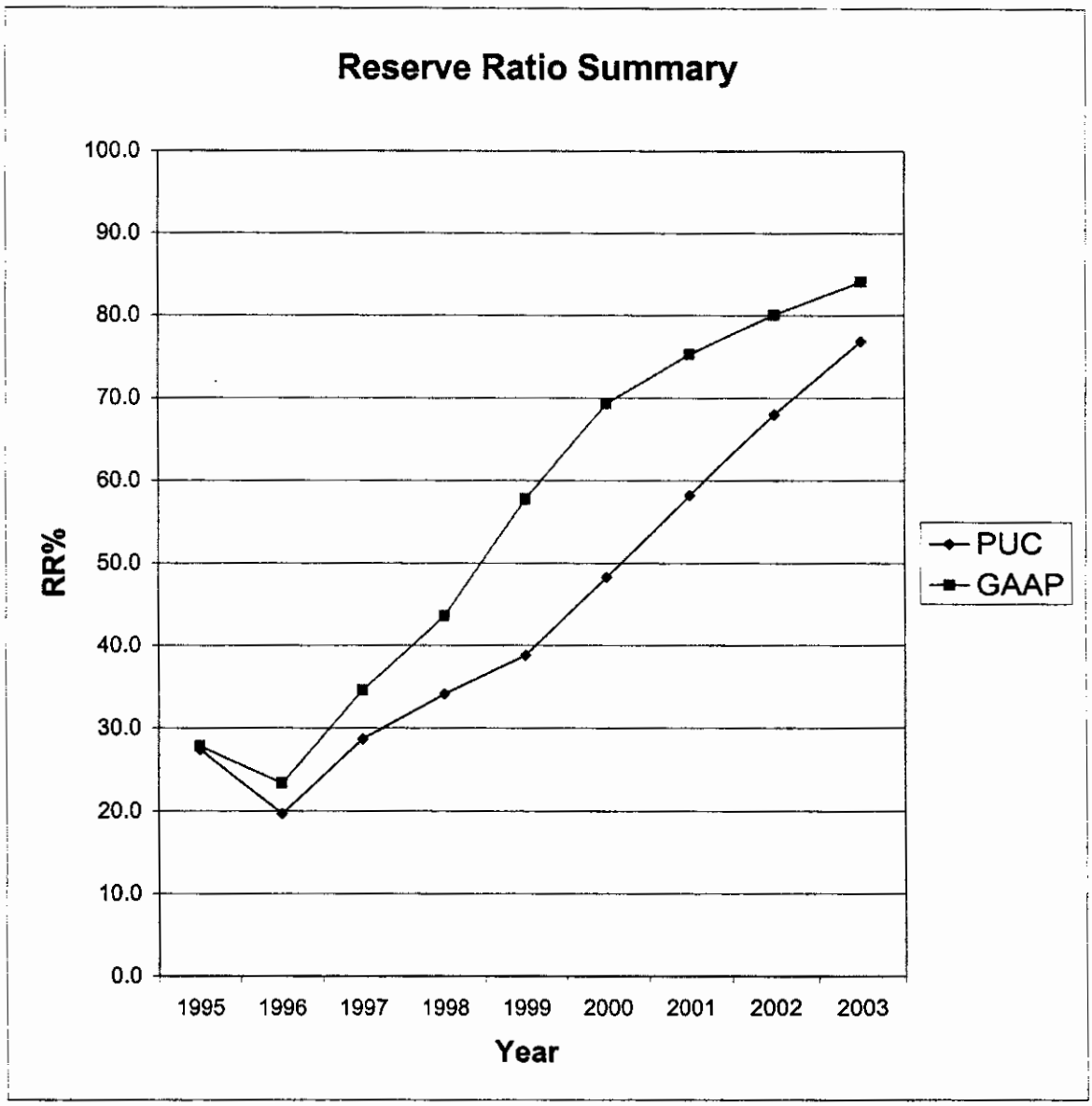
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2122.00
FURNITURE

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	4,744,249	772,389	16.3%
1981	5,119,430	883,743	17.3%
1982	3,862,087	835,020	21.6%
1983	4,455,164	1,008,704	22.6%
1984	5,922,151	1,220,723	20.6%
1985	7,043,837	1,428,503	20.3%
1986	7,645,887	1,828,331	23.9%
1987	8,688,246	2,040,806	23.5%
1988	9,652,877	352,949	3.7%
1989	8,823,651	(1,050,243)	-11.9%
1990	7,673,040	(613,333)	-8.0%
1991	7,873,926	(218,118)	-2.8%
1992	10,040,388	1,123,697	11.2%
1993	9,997,618	1,762,560	17.6%
1994	10,184,560	2,415,061	23.7%
1995	10,166,569	2,787,821	27.4%
1996	8,528,975	1,676,333	19.7%
1997	8,523,627	2,448,517	28.7%
1998	7,134,000	2,433,047	34.1%
1999	7,125,715	2,763,512	38.8%
2000	7,163,445	3,462,062	48.3%
2001	7,159,410	4,165,185	58.2%
2002	7,154,865	4,867,438	68.0%
2003	6,889,221	5,298,485	76.9%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes office support equipment, such as:

addressing machines
portable air conditioners
audio/visual equipment
microfilm equipment
billing/posting machines
safes
copier machines
blueprinting machines
calculators
postage meter machines
portable dehumidifiers
dictating equipment
display and lecture kits
portable fans
portable fire extinguishers
medical equipment
floor cleaning machines
cash registers
check writers
vacuum cleaners
vending machines
portable water coolers
typewriters
cameras
radios
televisions

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
10:41 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2123.1 OFFICE EQUIPMENT
CATEGORY: OFFICE SUPPORT EQUIPMENT
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	0	0.0000	0.00				
*2002	1.5	0	0.0000	0.00				
*2001	2.5	9,924	0.3687	1.02	4.83	7.33	1,354	6,540
*2000	3.5	3,438	0.3159	1.47	4.27	7.77	442	1,890
*1999	4.5	11,133	0.4936	2.42	3.72	8.22	1,354	5,038
*1998	5.5	13,974	0.6924	3.68	3.19	8.69	1,609	5,127
*1997	6.5	14,802	0.3416	3.65	2.69	9.19	1,610	4,334
*1996	7.5	26,101	0.1688	3.64	2.24	9.74	2,679	6,006
*1995	8.5	0	0.0000	0.00				
1994	9.5	70,033	0.5919	5.20	1.61	6.15	11,380	18,368
1993	10.5	158,180	0.5958	6.17	1.28	6.93	22,822	29,297
1992	11.5	213,706	0.5802	7.14	1.00	7.71	27,706	27,605
1991	12.5	320,901	0.5048	7.93	0.73	8.30	38,657	28,371
1990	13.5	0	0.0000	0.00				
1989	14.5	0	0.0000	0.00				
1988	15.5	0	0.0000	0.00				
1987	16.5	0	0.0000	0.00				
1986	17.5	0	0.0000	0.00				
1985	18.5	0	0.0000	0.00				
1984	19.5	0	0.0000	0.00				
1983	20.5	0	0.0000	0.00				
1982	21.5	0	0.0000	0.00				
1981	22.5	0	0.0000	0.00				
1980	23.5	269	0.0012	7.26	0.50	7.26	37	19
TOTAL		842,461					109,651	132,594
NON-ELG V		763,089					100,602	103,659
ELG V		79,372					9,049	28,935

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	7.68311	7.58520	8.77165
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	1.20924	1.03038	3.19771

COMPUTED GROSS ADDS-ALL VINTS: 1,882,761
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.44746

USING IOWA CURVE: R2.0
* ELG VINTAGES, PROJECTION LIFE 8.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE PERCENT	GROSS SALVAGE AMOUNT	COST OF REMOVAL PERCENT	COST OF REMOVAL AMOUNT	NET SALVAGE PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$5,991,789	1.4% (1)	$86,457	0.1% (1)	$3,417	1.4%
FUTURE	$842,461 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$6,834,250		$86,457		$3,417	
AVERAGE		1.3%		0.0%		1.3%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2123.10
OFFICE SUPPORT EQ

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	1,324,570	31,328	0	0.0%	0	0.0%	0.0%
1981	1,336,413	32,151	0	0.0%	0	0.0%	0.0%
1982	1,160,796	155,596	0	0.0%	0	0.0%	0.0%
1983	1,723,095	27,614	0	0.0%	0	0.0%	0.0%
1984	2,739,671	53,431	11,836	22.2%	216	0.4%	21.7%
1985	3,469,360	13,706	4,582	33.4%	0	0.0%	33.4%
1986	3,872,222	22,994	2,477	10.8%	0	0.0%	10.8%
1987	4,184,897	35,774	1,708	4.8%	0	0.0%	4.8%
1988	3,911,535	723,505	0	0.0%	0	0.0%	0.0%
1989	4,213,398	8,311	0	0.0%	0	0.0%	0.0%
1990	4,404,597	25,607	13,313	52.0%	0	0.0%	52.0%
1991	5,039,604	0	34,380	0.0%	0	0.0%	0.0%
1992	5,270,768	0	7,119	0.0%	0	0.0%	0.0%
1993	5,507,892	28,361	5,969	21.0%	0	0.0%	21.0%
1994	5,553,600	72,610	2,251	3.1%	0	0.0%	3.1%
1995	3,989,757	1,566,448	2,175	0.1%	0	0.0%	0.1%
1996	3,166,203	978,204	419	0.0%	517	0.1%	0.0%
1997	2,829,144	380,386	0	0.0%	289	0.1%	-0.1%
1998	2,644,621	0	0	0.0%	0	0.0%	0.0%
1999	1,962,847	696,991	0	0.0%	0	0.0%	0.0%
2000	1,712,521	261,205	228	0.1%	2,395	0.9%	-0.8%
2001	1,438,647	300,792	0	0.0%	0	0.0%	0.0%
2002	842,461	576,775	0	0.0%	0	0.0%	0.0%
2003	842,461	0	0	0.0%	0	0.0%	0.0%
		5,991,789	86,457	1.4%	3,417	0.1%	1.4%
1994-2003	10 year band	4,833,411	5,073	0.1%	3,201	0.1%	0.0%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	300,120	11,836	3.9%	216	0.1%	3.9%
1983	282,498	16,418	5.8%	216	0.1%	5.7%
1984	273,341	18,895	6.9%	216	0.1%	6.8%
1985	153,519	20,603	13.4%	216	0.1%	13.3%
1986	849,410	20,603	2.4%	216	0.0%	2.4%
1987	804,290	8,767	1.1%	0	0.0%	1.1%
1988	816,191	17,498	2.1%	0	0.0%	2.1%
1989	793,197	49,401	6.2%	0	0.0%	6.2%
1990	757,423	54,812	7.2%	0	0.0%	7.2%
1991	62,279	60,781	97.6%	0	0.0%	97.6%
1992	126,578	63,032	49.8%	0	0.0%	49.8%
1993	1,667,419	51,894	3.1%	0	0.0%	3.1%
1994	2,645,623	17,933	0.7%	517	0.0%	0.7%
1995	3,026,009	10,814	0.4%	806	0.0%	0.3%
1996	2,997,648	4,845	0.2%	806	0.0%	0.1%
1997	3,622,029	2,594	0.1%	806	0.0%	0.0%
1998	2,316,786	647	0.0%	3,201	0.1%	-0.1%
1999	1,639,374	228	0.0%	2,684	0.2%	-0.1%
2000	1,835,763	228	0.0%	2,395	0.1%	-0.1%
2001	1,835,763	228	0.0%	2,395	0.1%	-0.1%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.10
OFFICE SUPPORT EQ

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	1,324,570							
1981	1,336,413	1,330,492	32,151	0.0242				
1982	1,160,796	1,248,605	155,596	0.1246	81/83	4,021,042	215,361	0.0536
1983	1,723,095	1,441,946	27,614	0.0192	82/84	4,921,933	236,641	0.0481
1984	2,739,671	2,231,383	53,431	0.0239	83/85	6,777,844	94,751	0.0140
1985	3,469,360	3,104,516	13,706	0.0044	84/86	9,006,690	90,131	0.0100
1986	3,872,222	3,670,791	22,994	0.0063	85/87	10,803,866	72,474	0.0067
1987	4,184,897	4,028,560	35,774	0.0089	86/88	11,747,567	782,273	0.0666
1988	3,911,535	4,048,216	723,505	0.1787	87/89	12,139,242	767,590	0.0632
1989	4,213,398	4,062,467	8,311	0.0020	88/90	12,419,680	757,423	0.0610
1990	4,404,597	4,308,998	25,607	0.0059	89/91	13,093,565	33,918	0.0026
1991	5,039,604	4,722,101	0	0.0000	90/92	14,186,284	25,607	0.0018
1992	5,270,768	5,155,186	0	0.0000	91/93	15,266,617	28,361	0.0019
1993	5,507,892	5,389,330	28,361	0.0053	92/94	16,075,262	100,971	0.0063
1994	5,553,600	5,530,746	72,610	0.0131	93/95	15,691,755	1,667,419	0.1063
1995	3,989,757	4,771,679	1,566,448	0.3283	94/96	13,880,405	2,617,262	0.1886
1996	3,166,203	3,577,980	978,204	0.2734	95/97	11,347,332	2,925,038	0.2578
1997	2,829,144	2,997,674	380,386	0.1269	96/98	9,312,536	1,358,590	0.1459
1998	2,644,621	2,736,883	0	0.0000	97/99	8,038,290	1,077,377	0.1340
1999	1,962,847	2,303,734	696,991	0.3025	98/00	6,878,301	958,196	0.1393
2000	1,712,521	1,837,684	261,205	0.1421	99/01	5,717,002	1,258,988	0.2202
2001	1,438,647	1,575,584	300,792	0.1909	00/02	4,553,822	1,138,772	0.2501
2002	842,461	1,140,554	576,775	0.5057	01/03	3,558,599	877,567	0.2466
2003	842,461	842,461	0	0.0000				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.10
OFFICE SUPPORT EQ

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	272,211	31,328	(67,162)	1,324,570
1981	41,436	32,151	2,558	1,336,413
1982	0	155,596	(20,021)	1,160,796
1983	579,835	27,614	10,078	1,723,095
1984	1,066,987	53,431	3,020	2,739,671
1985	696,941	13,706	46,454	3,469,360
1986	431,038	22,994	(5,182)	3,872,222
1987	347,148	35,774	1,301	4,184,897
1988	449,182	723,505	961	3,911,535
1989	311,185	8,311	(1,011)	4,213,398
1990	214,462	25,607	2,344	4,404,597
1991	635,798	0	(791)	5,039,604
1992	368,300	0	(137,136)	5,270,768
1993	267,292	28,361	(1,807)	5,507,892
1994	115,684	72,610	2,634	5,553,600
1995	2,005	1,566,448	600	3,989,757
1996	39,903	978,204	114,747	3,166,203
1997	43,327	380,386	0	2,829,144
1998	0	0	(184,523)	2,644,621
1999	15,215	696,991	2	1,962,847
2000	10,881	261,205	0	1,712,521
2001	26,918	300,792	0	1,438,647
2002	0	576,775	(19,411)	842,461
2003	0	0	0	842,461

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.10
OFFICE SUPPORT EQ

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	91,395	0	31,328	0	0	332,951
1981	92,212	0	32,151	0	0	393,012
1982	80,095	0	155,596	0	0	317,511
1983	118,894	0	27,614	0	(9,919)	398,872
1984	190,770	11,836	53,431	216	1,512	549,343
1985	272,420	4,582	13,706	0	1,397	814,036
1986	299,036	2,477	22,994	0	0	1,092,555
1987	285,524	1,708	35,774	0	0	1,344,013
1988	316,906	0	723,505	0	(1,082)	936,332
1989	240,967	0	8,311	0	(2,798)	1,166,190
1990	257,083	13,313	25,607	0	(38,971)	1,372,008
1991	279,454	34,380	0	0	(42,433)	1,643,409
1992	329,252	7,119	0	0	143,259	2,123,039
1993	333,502	5,969	28,361	0	1,389	2,435,538
1994	330,983	2,251	72,610	0	2,017	2,698,179
1995	330,157	2,175	1,566,448	0	20	1,019,744
1996	187,413	419	978,204	517	(48,118)	180,737
1997	178,395	0	380,386	289	204,823	183,280
1998	158,926	0	0	0	(712,870)	(370,664)
1999	137,808	0	696,991	0	1,005,197	75,350
2000	487,478	228	261,205	2,395	(1,286)	298,171
2001	428,759	0	300,792	0	0	426,138
2002	313,321	0	576,775	0	0	162,683
2003	224,937	0	0	0	0	387,620

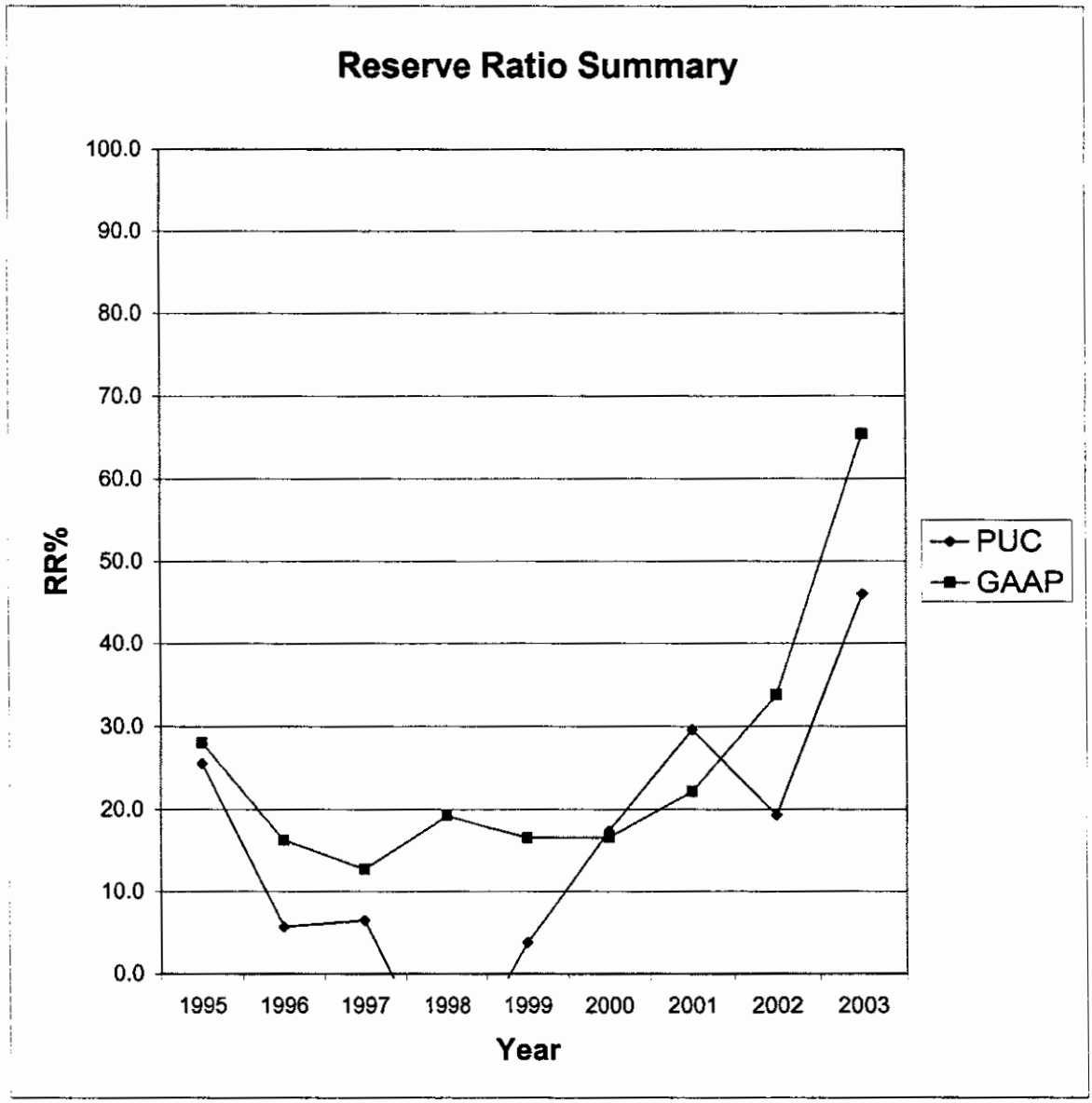
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.10
OFFICE SUPPORT EQ

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	1,324,570	332,951	25.1%
1981	1,336,413	393,012	29.4%
1982	1,160,796	317,511	27.4%
1983	1,723,095	398,872	23.1%
1984	2,739,671	549,343	20.1%
1985	3,469,360	814,036	23.5%
1986	3,872,222	1,092,555	28.2%
1987	4,184,897	1,344,013	32.1%
1988	3,911,535	936,332	23.9%
1989	4,213,398	1,166,190	27.7%
1990	4,404,597	1,372,008	31.1%
1991	5,039,604	1,643,409	32.6%
1992	5,270,768	2,123,039	40.3%
1993	5,507,892	2,435,538	44.2%
1994	5,553,600	2,698,179	48.6%
1995	3,989,757	1,019,744	25.6%
1996	3,166,203	180,737	5.7%
1997	2,829,144	183,280	6.5%
1998	2,644,621	(370,664)	-14.0%
1999	1,962,847	75,350	3.8%
2000	1,712,521	298,171	17.4%
2001	1,438,647	426,138	29.6%
2002	842,461	162,683	19.3%
2003	842,461	387,620	46.0%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes company communications equipment, such as:

- Operators' headsets and transmitters
- desk/hand/wall/combined sets
- facsimile equipment
- multiple manual switchboards
- station switching and signaling devices
- teletypewriters
- data sets and external modems
- distributing frames
- fiber optic distribution systems
- printer-telegraph equipment
- switching eq. for teletypewriter systems
- terminals, CRTs, video display terminals

GENERAL

The Company proposes maintaining the existing Projection Life (P/Life) and Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
10:45 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2123.2 CO. COMM. EQUIP.
CATEGORY: COMPANY COMM. EQUIPMENT
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	102,503	0.9874	0.49	5.27	5.77	17,759	93,623
*2002	1.5	198,947	0.9657	1.48	5.19	6.69	29,734	154,347
*2001	2.5	270,455	0.9508	2.47	4.83	7.33	36,900	178,205
*2000	3.5	304,005	0.9113	3.40	4.38	7.88	38,602	168,899
*1999	4.5	3,709,514	0.9114	4.40	3.89	8.39	442,065	1,720,224
*1998	5.5	183,663	0.8923	5.38	3.41	8.91	20,614	70,286
*1997	6.5	463,522	0.6936	5.86	2.95	9.45	49,050	144,699
*1996	7.5	495,820	0.6779	6.64	2.53	10.03	49,454	124,919
*1995	8.5	908,845	0.5262	7.05	2.15	10.65	85,369	183,205
1994	9.5	588,111	0.4975	7.63	1.97	8.61	68,312	134,336
1993	10.5	1,591,679	0.5258	8.38	1.62	9.23	172,433	280,185
1992	11.5	1,011,108	0.3067	8.42	1.33	8.82	114,583	151,932
1991	12.5	262,526	0.1167	8.25	1.06	8.38	31,338	33,228
1990	13.5	105,381	0.1099	8.41	0.84	8.50	12,400	10,375
1989	14.5	741,978	0.1965	8.89	0.63	9.02	82,284	52,146
1988	15.5	244,799	0.1092	8.91	0.50	8.96	27,308	13,654
1987	16.5	301,119	0.1061	9.11	0.50	9.16	32,874	16,437
1986	17.5	0	0.0000	0.00				
1985	18.5	0	0.0000	0.00				
1984	19.5	0	0.0000	0.00				
1983	20.5	0	0.0000	0.00				
1982	21.5	0	0.0000	0.00				
1981	22.5	0	0.0000	0.00				
1980	23.5	889	0.0004	8.88	0.50	8.88	100	50
TOTAL		11,484,864					1,311,178	3,530,749
NON-ELG V		4,847,590					541,632	692,342
ELG V		6,637,274					769,546	2,838,406

AVG SERVICE LIFE: ALL VINTS NELG VINTS ELG VINTS
TOT B/TOT G 8.75920 8.94997 8.62493
AVG REMAINING LIFE: ALL VINTS NELG VINTS ELG VINTS
TOT H/TOT G 2.69281 1.27825 3.68842
COMPUTED GROSS ADDS-ALL VINTS: AVG PROPORTION SURVIVING:
SUM OF (B/C) 29,988,574 B/ SUM OF (B/C) 0.38297

USING IOWA CURVE: R1.5
* ELG VINTAGES, PROJECTION LIFE 8.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$26,471,982	1.0% (1)	$267,572	0.4% (1)	$113,702	0.6%
FUTURE	$11,484,864 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$37,956,846		$267,572		$113,702	
AVERAGE		0.7%		0.3%		0.4%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	13,134,120	0	0	0.0%	0	0.0%	0.0%
1984	15,371,396	129,746	102,983	79.4%	10,190	7.9%	71.5%
1985	19,170,352	0	8,332	0.0%	2,783	0.0%	0.0%
1986	20,639,046	107,891	21,666	20.1%	4,571	4.2%	15.8%
1987	23,022,677	317,210	2,076	0.7%	7,744	2.4%	-1.8%
1988	25,232,000	42,765	1,351	3.2%	5,653	13.2%	-10.1%
1989	28,976,566	1,276	5,578	437.1%	8,331	652.9%	-215.8%
1990	29,693,798	217,815	36,728	16.9%	69,168	31.8%	-14.9%
1991	31,965,926	106,896	20,358	19.0%	0	0.0%	19.0%
1992	36,131,494	646	12,607	1951.5%	0	0.0%	1951.5%
1993	39,203,610	0	1,753	0.0%	0	0.0%	0.0%
1994	15,050,577	20,427,789	5,397	0.0%	3,840	0.0%	0.0%
1995	16,803,167	0	1,916	0.0%	0	0.0%	0.0%
1996	16,151,086	152,791	45,984	30.1%	1,240	0.8%	29.3%
1997	16,585,919	243,300	0	0.0%	182	0.1%	-0.1%
1998	11,209,558	0	843	0.0%	0	0.0%	0.0%
1999	14,993,525	346,302	0	0.0%	0	0.0%	0.0%
2000	14,144,327	1,147,737	0	0.0%	0	0.0%	0.0%
2001	14,006,810	369,185	0	0.0%	0	0.0%	0.0%
2002	13,676,511	546,311	0	0.0%	0	0.0%	0.0%
2003	11,484,864	2,314,322	0	0.0%	0	0.0%	0.0%
		26,471,982	267,572	1.0%	113,702	0.4%	0.6%
1994-2003	10 year band	25,547,737	54,140	0.2%	5,262	0.0%	0.2%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	129,746	102,983	79.4%	10,190	7.9%	71.5%
1983	129,746	111,315	85.8%	12,973	10.0%	75.8%
1984	237,637	132,981	56.0%	17,544	7.4%	48.6%
1985	554,847	135,057	24.3%	25,288	4.6%	19.8%
1986	597,612	136,408	22.8%	30,941	5.2%	17.6%
1987	469,142	39,003	8.3%	29,082	6.2%	2.1%
1988	686,957	67,399	9.8%	95,467	13.9%	-4.1%
1989	685,962	66,091	9.6%	90,896	13.3%	-3.6%
1990	369,398	76,622	20.7%	83,152	22.5%	-1.8%
1991	326,633	77,024	23.6%	77,499	23.7%	-0.1%
1992	20,753,146	76,843	0.4%	73,008	0.4%	0.0%
1993	20,535,331	42,031	0.2%	3,840	0.0%	0.2%
1994	20,581,226	67,657	0.3%	5,080	0.0%	0.3%
1995	20,823,880	55,050	0.3%	5,262	0.0%	0.2%
1996	20,823,880	54,140	0.3%	5,262	0.0%	0.2%
1997	742,393	48,743	6.6%	1,422	0.2%	6.4%
1998	1,890,130	46,827	2.5%	1,422	0.1%	2.4%
1999	2,106,524	843	0.0%	182	0.0%	0.0%
2000	2,409,535	843	0.0%	0	0.0%	0.0%
2001	4,723,857	0	0.0%	0	0.0%	0.0%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.20
COMPANY COMM. EQ

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	6,567,060	0	0.0000
1983	13,134,120	6,567,060	0	0.0000	82/84	20,819,818	129,746	0.0062
1984	15,371,396	14,252,758	129,746	0.0091	83/85	38,090,692	129,746	0.0034
1985	19,170,352	17,270,874	0	0.0000	84/86	51,428,331	237,637	0.0046
1986	20,639,046	19,904,699	107,891	0.0054	85/87	59,006,435	425,101	0.0072
1987	23,022,677	21,830,862	317,210	0.0145	86/88	65,862,899	467,866	0.0071
1988	25,232,000	24,127,339	42,765	0.0018	87/89	73,062,483	361,251	0.0049
1989	28,976,566	27,104,283	1,276	0.0000	88/90	80,566,804	261,856	0.0033
1990	29,693,798	29,335,182	217,815	0.0074	89/91	87,269,327	325,987	0.0037
1991	31,965,926	30,829,862	106,896	0.0035	90/92	94,213,754	325,357	0.0035
1992	36,131,494	34,048,710	646	0.0000	91/93	102,546,124	107,542	0.0010
1993	39,203,610	37,667,552	0	0.0000	92/94	98,843,356	20,428,435	0.2067
1994	15,050,577	27,127,094	20,427,789	0.7530	93/95	80,721,518	20,427,789	0.2531
1995	16,803,167	15,926,872	0	0.0000	94/96	59,531,092	20,580,580	0.3457
1996	16,151,086	16,477,127	152,791	0.0093	95/97	48,772,501	396,091	0.0081
1997	16,585,919	16,368,503	243,300	0.0149	96/98	46,743,368	396,091	0.0085
1998	11,209,558	13,897,739	0	0.0000	97/99	43,367,783	589,602	0.0136
1999	14,993,525	13,101,542	346,302	0.0264	98/00	41,568,206	1,494,039	0.0359
2000	14,144,327	14,568,926	1,147,737	0.0788	99/01	41,746,036	1,863,224	0.0446
2001	14,006,810	14,075,569	369,185	0.0262	00/02	42,486,155	2,063,233	0.0486
2002	13,676,511	13,841,661	546,311	0.0395	01/03	40,497,917	3,229,818	0.0798
2003	11,484,864	12,580,688	2,314,322	0.1840				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.20
COMPANY COMM. EQ

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	0	13,134,120
1984	2,367,022	129,746	0	15,371,396
1985	3,178,893	0	620,063	19,170,352
1986	2,292,731	107,891	(716,146)	20,639,046
1987	2,639,015	317,210	61,826	23,022,677
1988	2,545,521	42,765	(293,433)	25,232,000
1989	3,746,447	1,276	(605)	28,976,566
1990	935,047	217,815	0	29,693,798
1991	2,334,308	106,896	44,716	31,965,926
1992	3,287,772	646	878,442	36,131,494
1993	2,723,186	0	348,930	39,203,610
1994	1,199,543	20,427,789	(4,924,787)	15,050,577
1995	1,752,591	0	0	16,803,167
1996	742,224	152,791	(1,241,514)	16,151,086
1997	697,160	243,300	(19,027)	16,585,919
1998	198,873	0	(5,575,234)	11,209,558
1999	4,130,399	346,302	(130)	14,993,525
2000	298,410	1,147,737	130	14,144,327
2001	231,798	369,185	(130)	14,006,810
2002	209,053	546,311	6,959	13,676,511
2003	122,675	2,314,322	0	11,484,864

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.20
COMPANY COMM. EQ

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	0	0	4,384,700
1984	2,393,699	102,983	129,746	10,190	0	6,741,446
1985	2,208,588	8,332	0	2,783	(4,162)	8,951,421
1986	1,801,069	21,666	107,891	4,571	(319)	10,661,375
1987	2,513,789	2,076	317,210	7,744	(330)	12,851,956
1988	2,744,925	1,351	42,765	5,653	270,082	15,819,896
1989	2,489,564	5,578	1,276	8,331	0	18,305,431
1990	2,617,954	36,728	217,815	69,168	(1,167,171)	19,505,959
1991	2,689,728	20,358	106,896	0	(1,163,331)	20,945,818
1992	2,595,436	12,607	646	0	1,715,698	25,268,913
1993	2,967,583	1,753	0	0	247,564	28,485,813
1994	1,395,986	5,397	20,427,789	3,840	(219,134)	9,236,433
1995	1,871,102	1,916	0	0	0	9,320,133
1996	1,955,104	45,984	152,791	1,240	(2,918,737)	8,248,453
1997	1,962,173	0	243,300	182	(205,239)	9,761,905
1998	1,374,232	843	0	0	(3,327,734)	7,809,246
1999	1,636,947	0	346,302	0	(1,018,088)	8,081,803
2000	1,449,505	0	1,147,737	0	(20,085)	8,363,485
2001	1,399,761	0	369,185	0	(41)	9,394,020
2002	1,379,199	0	546,311	0	5,943	10,232,851
2003	1,290,281	0	2,314,322	0	0	9,208,810

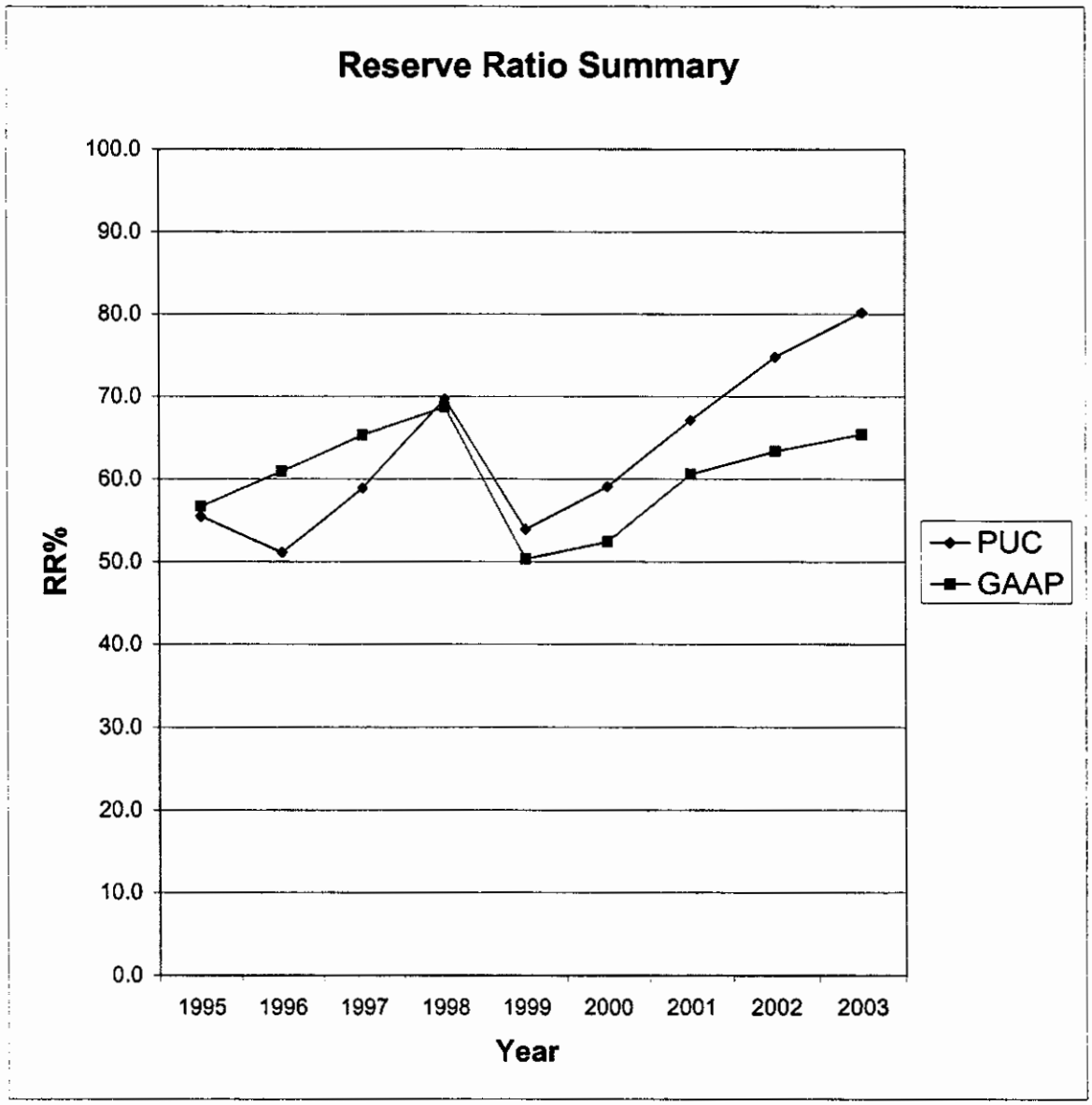
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2123.20
COMPANY COMM. EQ

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	13,134,120	4,384,700	33.4%
1984	15,371,396	6,741,446	43.9%
1985	19,170,352	8,951,421	46.7%
1986	20,639,046	10,661,375	51.7%
1987	23,022,677	12,851,956	55.8%
1988	25,232,000	15,819,896	62.7%
1989	28,976,566	18,305,431	63.2%
1990	29,693,798	19,505,959	65.7%
1991	31,965,926	20,945,818	65.5%
1992	36,131,494	25,268,913	69.9%
1993	39,203,610	28,485,813	72.7%
1994	15,050,577	9,236,433	61.4%
1995	16,803,167	9,320,133	55.5%
1996	16,151,086	8,248,453	51.1%
1997	16,585,919	9,761,905	58.9%
1998	11,209,558	7,809,246	69.7%
1999	14,993,525	8,081,803	53.9%
2000	14,144,327	8,363,485	59.1%
2001	14,006,810	9,394,020	67.1%
2002	13,676,511	10,232,851	74.8%
2003	11,484,864	9,208,810	80.2%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes computers, peripheral devices, and associated initial operating software, designed to perform general administrative information processing activities.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
10:51 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2124 COMPUTERS
CATEGORY: COMPUTERS
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	545,923	0.9133	0.46	3.04	3.54	154,178	468,834
*2002	1.5	974,811	0.8163	1.41	2.68	4.18	233,149	625,087
*2001	2.5	196,604	0.7197	2.17	2.46	4.96	39,674	97,419
*2000	3.5	1,196,418	0.7674	3.29	2.29	5.79	206,771	472,718
*1999	4.5	827,655	0.7294	4.24	2.10	6.60	125,432	263,212
*1998	5.5	1,329,795	0.6933	5.18	1.90	7.40	179,614	341,920
*1997	6.5	1,731,899	0.6651	6.13	1.71	8.21	210,967	360,615
*1996	7.5	2,973,430	0.6172	7.02	1.52	9.02	329,670	500,901
*1995	8.5	2,663,801	0.5756	7.89	1.34	9.84	270,823	361,809
1994	9.5	3,802,882	0.4911	8.57	1.23	9.18	414,392	511,549
1993	10.5	3,487,240	0.5473	9.69	1.04	10.26	339,819	353,785
1992	11.5	2,121,145	0.5050	10.58	0.87	11.01	192,571	166,884
1991	12.5	1,397,137	0.3893	11.10	0.71	11.38	122,793	87,607
1990	13.5	875,612	0.3053	11.57	0.59	11.75	74,548	43,950
1989	14.5	1,488,772	0.2212	11.86	0.50	11.97	124,388	62,194
1988	15.5	399,721	0.1509	12.05	0.50	12.12	32,971	16,486
TOTAL		26,012,845					3,051,761	4,734,971
NON-ELG V		13,572,509					1,301,483	1,242,454
ELG V		12,440,336					1,750,278	3,492,517

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	8.52388	10.42850	7.10763
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	1.55155	0.95464	1.99541

COMPUTED GROSS ADDS-ALL VINTS: 52,879,695
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.49193

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 5.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2124.00
COMPUTERS

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$66,688,667	2.1% (1)	$1,374,363	0.0% (1)	$10,237	2.0%
FUTURE	$26,012,845 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$92,701,512		$1,374,363		$10,237	
AVERAGE		1.5%		0.0%		1.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	1,214,504	183,324	0	0.0%	0	0.0%	0.0%
1981	1,171,092	390,389	0	0.0%	0	0.0%	0.0%
1982	2,076,678	0	0	0.0%	0	0.0%	0.0%
1983	5,403,203	0	0	0.0%	0	0.0%	0.0%
1984	12,900,940	35,538	7,635	21.5%	0	0.0%	21.5%
1985	20,482,034	356,998	574	0.2%	0	0.0%	0.2%
1986	23,572,377	136,792	66,857	48.9%	0	0.0%	48.9%
1987	36,089,528	129,919	17,283	13.3%	0	0.0%	13.3%
1988	36,788,255	858,728	331,797	38.6%	0	0.0%	38.6%
1989	40,802,138	1,186,250	167,262	14.1%	0	0.0%	14.1%
1990	42,088,953	1,055,758	337,762	32.0%	0	0.0%	32.0%
1991	45,804,380	0	10,656	0.0%	0	0.0%	0.0%
1992	54,624,934	190,739	30,443	16.0%	0	0.0%	16.0%
1993	21,146,447	39,554,513	179,614	0.5%	0	0.0%	0.5%
1994	28,462,015	268,367	73,357	27.3%	0	0.0%	27.3%
1995	32,125,541	279,721	20,015	7.2%	0	0.0%	7.2%
1996	36,176,549	120,934	8,716	7.2%	288	0.2%	7.0%
1997	38,525,123	134,404	37,295	27.7%	0	0.0%	27.7%
1998	38,687,075	53,187	0	0.0%	0	0.0%	0.0%
1999	39,175,007	762,909	0	0.0%	0	0.0%	0.0%
2000	40,054,698	510,209	85,097	16.7%	0	0.0%	16.7%
2001	39,314,050	1,061,576	0	0.0%	0	0.0%	0.0%
2002	43,691,956	884,476	0	0.0%	9,949	1.1%	-1.1%
2003	26,012,845	18,533,936	0	0.0%	0	0.0%	0.0%
		66,688,667	1,374,363	2.1%	10,237	0.0%	2.0%
1994-2003	10 year band	22,609,719	224,480	1.0%	10,237	0.0%	0.9%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	609,251	7,635	1.3%	0	0.0%	1.3%
1983	782,925	8,209	1.0%	0	0.0%	1.0%
1984	529,328	75,066	14.2%	0	0.0%	14.2%
1985	659,247	92,349	14.0%	0	0.0%	14.0%
1986	1,517,975	424,146	27.9%	0	0.0%	27.9%
1987	2,668,687	583,773	21.9%	0	0.0%	21.9%
1988	3,367,447	920,961	27.3%	0	0.0%	27.3%
1989	3,230,655	864,760	26.8%	0	0.0%	26.8%
1990	3,291,475	877,920	26.7%	0	0.0%	26.7%
1991	41,987,260	725,737	1.7%	0	0.0%	1.7%
1992	41,069,377	631,832	1.5%	0	0.0%	1.5%
1993	40,293,340	314,085	0.8%	0	0.0%	0.8%
1994	40,414,274	312,145	0.8%	288	0.0%	0.8%
1995	40,357,939	318,997	0.8%	288	0.0%	0.8%
1996	856,613	139,383	16.3%	288	0.0%	16.2%
1997	1,351,155	66,026	4.9%	288	0.0%	4.9%
1998	1,581,643	131,108	8.3%	288	0.0%	8.3%
1999	2,522,285	122,392	4.9%	0	0.0%	4.9%
2000	3,272,357	85,097	2.6%	9,949	0.3%	2.3%
2001	21,753,106	85,097	0.4%	9,949	0.0%	0.3%

2003 data is projected

VERIZON NORTHWEST INC.
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RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	1,214,504							
1981	1,171,092	1,192,798	390,389	0.3273				
1982	2,076,678	1,623,885	0	0.0000	81/83	6,556,624	390,389	0.0595
1983	5,403,203	3,739,941	0	0.0000	82/84	14,515,897	35,538	0.0024
1984	12,900,940	9,152,072	35,538	0.0039	83/85	29,583,499	392,536	0.0133
1985	20,482,034	16,691,487	356,998	0.0214	84/86	47,870,764	529,328	0.0111
1986	23,572,377	22,027,206	136,792	0.0062	85/87	68,549,645	623,709	0.0091
1987	36,089,528	29,830,953	129,919	0.0044	86/88	88,297,050	1,125,439	0.0127
1988	36,788,255	36,438,892	858,728	0.0236	87/89	105,065,041	2,174,897	0.0207
1989	40,802,138	38,795,197	1,186,250	0.0306	88/90	116,679,634	3,100,736	0.0266
1990	42,088,953	41,445,546	1,055,758	0.0255	89/91	124,187,409	2,242,008	0.0181
1991	45,804,380	43,946,667	0	0.0000	90/92	135,606,869	1,246,497	0.0092
1992	54,624,934	50,214,657	190,739	0.0038	91/93	132,047,014	39,745,252	0.3010
1993	21,146,447	37,885,691	39,554,513	1.0440	92/94	112,904,579	40,013,619	0.3544
1994	28,462,015	24,804,231	268,367	0.0108	93/95	92,983,700	40,102,601	0.4313
1995	32,125,541	30,293,778	279,721	0.0092	94/96	89,249,054	669,022	0.0075
1996	36,176,549	34,151,045	120,934	0.0035	95/97	101,795,659	535,059	0.0053
1997	38,525,123	37,350,836	134,404	0.0036	96/98	110,107,980	308,525	0.0028
1998	38,687,075	38,606,099	53,187	0.0014	97/99	114,887,976	950,500	0.0083
1999	39,175,007	38,931,041	762,909	0.0196	98/00	117,151,993	1,326,305	0.0113
2000	40,054,698	39,614,853	510,209	0.0129	99/01	118,230,268	2,334,694	0.0197
2001	39,314,050	39,684,374	1,061,576	0.0268	00/02	120,802,230	2,456,261	0.0203
2002	43,691,956	41,503,003	884,476	0.0213	01/03	116,039,778	20,479,988	0.1765
2003	26,012,845	34,852,401	18,533,936	0.5318				

2003 data is projected

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	219,867	183,324	0	1,214,504
1981	403,514	390,389	(56,537)	1,171,092
1982	538,691	0	366,895	2,076,678
1983	3,104,566	0	221,959	5,403,203
1984	7,528,315	35,538	4,960	12,900,940
1985	8,081,893	356,998	(143,801)	20,482,034
1986	3,234,345	136,792	(7,210)	23,572,377
1987	12,507,566	129,919	139,504	36,089,528
1988	1,586,398	858,728	(28,943)	36,788,255
1989	5,235,068	1,186,250	(34,935)	40,802,138
1990	2,153,540	1,055,758	189,033	42,088,953
1991	3,987,461	0	(272,034)	45,804,380
1992	3,613,517	190,739	5,397,776	54,624,934
1993	5,992,260	39,554,513	83,766	21,146,447
1994	6,980,763	268,367	603,172	28,462,015
1995	4,503,151	279,721	(559,904)	32,125,541
1996	3,789,844	120,934	382,098	36,176,549
1997	2,493,887	134,404	(10,909)	38,525,123
1998	1,479,945	53,187	(1,264,806)	38,687,075
1999	1,250,841	762,909	0	39,175,007
2000	1,338,883	510,209	51,016	40,054,698
2001	260,477	1,061,576	60,451	39,314,050
2002	3,911,675	884,476	1,350,705	43,691,956
2003	854,825	18,533,936	0	26,012,845

2003 data is projected

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ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	114,164	0	183,324	0	52,370	91,204
1981	109,806	0	390,389	0	128,177	(61,202)
1982	209,251	0	0	0	366,895	514,944
1983	452,278	0	0	0	40,116	1,007,338
1984	1,307,957	7,635	35,538	0	(540)	2,286,852
1985	2,575,757	574	356,998	0	715	4,506,900
1986	3,490,544	66,857	136,792	0	0	7,927,509
1987	3,826,751	17,283	129,919	0	3	11,641,627
1988	5,146,164	331,797	858,728	0	2,505	16,263,365
1989	4,773,243	167,262	1,186,250	0	336,628	20,354,248
1990	5,105,562	337,762	1,055,758	0	(150,456)	24,591,358
1991	3,448,943	10,656	0	0	(5,934)	28,045,023
1992	3,845,140	30,443	190,739	0	3,823,720	35,553,587
1993	1,354,165	179,614	39,554,513	0	59,280	(2,407,867)
1994	4,991,137	73,357	268,367	0	6,003	2,394,263
1995	3,838,597	20,015	279,721	0	5,008	6,015,632
1996	4,333,143	8,716	120,934	288	3,441,642	13,677,911
1997	4,816,576	37,295	134,404	0	2,376,030	20,773,408
1998	4,944,103	0	53,187	0	(908,345)	24,755,979
1999	5,025,897	0	762,909	0	(8,687)	29,010,280
2000	2,582,603	85,097	510,209	0	(53,335)	31,114,438
2001	2,581,316	0	1,061,576	0	105,696	32,739,874
2002	2,695,626	0	884,476	9,949	836,827	35,377,904
2003	2,408,827	0	18,533,936	0	3,008	19,255,803

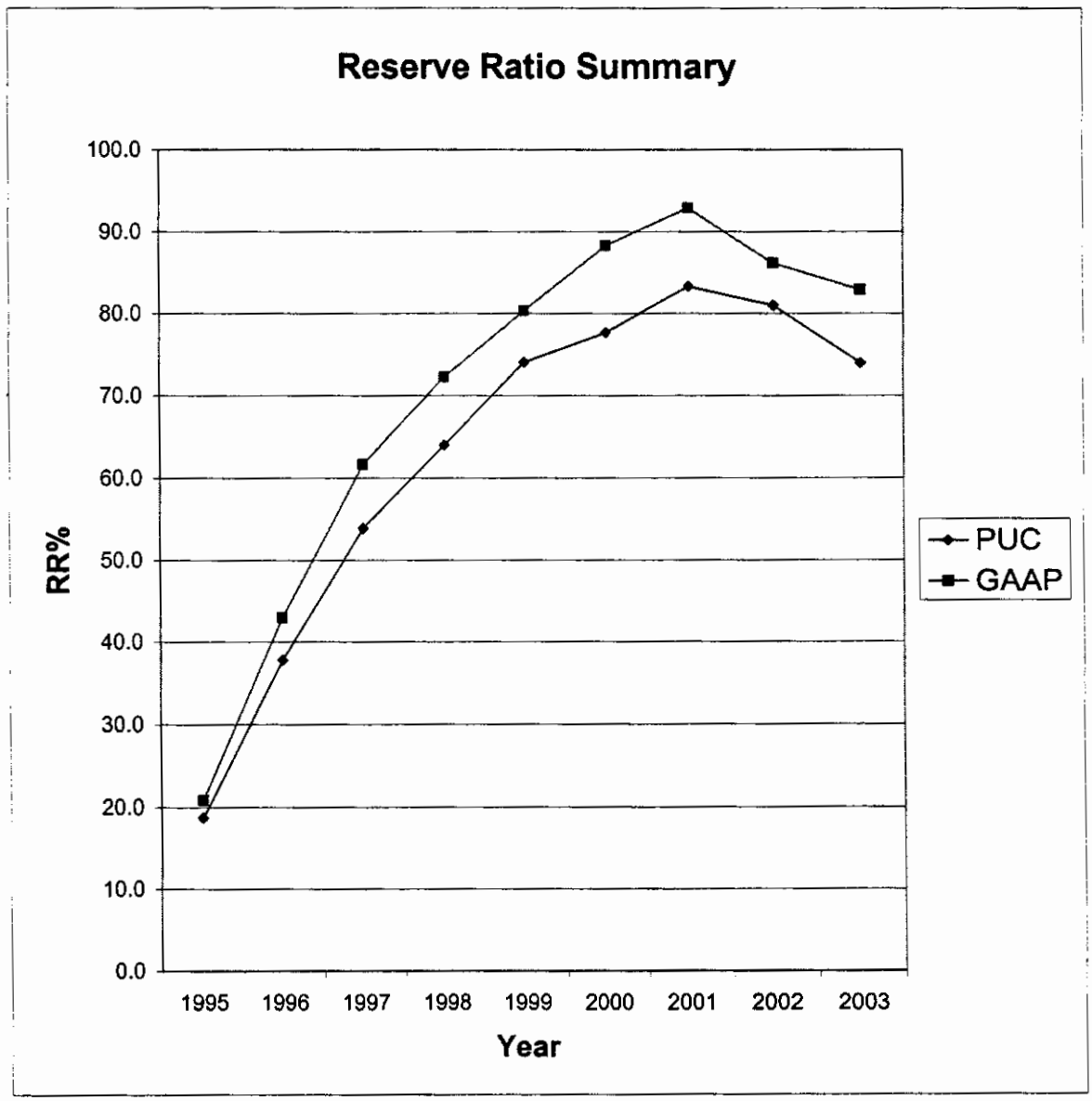
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2124.00
COMPUTERS

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	1,214,504	91,204	7.5%
1981	1,171,092	(61,202)	-5.2%
1982	2,076,678	514,944	24.8%
1983	5,403,203	1,007,338	18.6%
1984	12,900,940	2,286,852	17.7%
1985	20,482,034	4,506,900	22.0%
1986	23,572,377	7,927,509	33.6%
1987	36,089,528	11,641,627	32.3%
1988	36,788,255	16,263,365	44.2%
1989	40,802,138	20,354,248	49.9%
1990	42,088,953	24,591,358	58.4%
1991	45,804,380	28,045,023	61.2%
1992	54,624,934	35,553,587	65.1%
1993	21,146,447	(2,407,867)	-11.4%
1994	28,462,015	2,394,263	8.4%
1995	32,125,541	6,015,632	18.7%
1996	36,176,549	13,677,911	37.8%
1997	38,525,123	20,773,408	53.9%
1998	38,687,075	24,755,979	64.0%
1999	39,175,007	29,010,280	74.1%
2000	40,054,698	31,114,438	77.7%
2001	39,314,050	32,739,874	83.3%
2002	43,691,956	35,377,904	81.0%
2003	26,012,845	19,255,803	74.0%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all digital switching equipment and the associated AMRE (automatic message recording equipment).

In 1994, concentrator equipment was reclassified from the digital electronic switching account into the circuit account.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
10:56 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2212 DIGITAL SWITCHING
CATEGORY: DIGITAL SWITCHING
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	27,214,421	0.9977	0.50	7.86	8.36	3,256,590	25,586,126
*2002	1.5	25,202,834	0.9899	1.49	7.67	9.17	2,747,354	21,081,803
*2001	2.5	42,132,196	0.9800	2.48	7.33	9.83	4,286,708	31,415,427
*2000	3.5	34,626,546	0.7606	2.93	6.94	10.44	3,315,971	23,020,646
*1999	4.5	51,645,349	0.9628	4.24	6.55	11.05	4,675,559	30,605,336
*1998	5.5	41,307,960	0.8009	4.84	6.15	11.65	3,545,324	21,808,675
*1997	6.5	31,725,331	0.6610	5.33	5.77	12.27	2,586,600	14,912,430
*1996	7.5	17,035,956	0.8419	6.52	5.39	12.89	1,321,550	7,124,332
*1995	8.5	26,181,758	0.7041	7.07	5.03	13.53	1,935,039	9,733,925
1994	9.5	24,124,186	0.5652	7.49	5.53	10.61	2,272,877	12,567,934
1993	10.5	20,256,869	0.6575	8.37	5.07	11.70	1,730,622	8,777,601
1992	11.5	20,351,440	0.4340	8.52	4.65	10.53	1,931,849	8,979,909
1991	12.5	21,143,476	0.6466	9.61	4.26	12.36	1,710,660	7,281,884
1990	13.5	15,727,456	0.4544	9.85	3.90	11.62	1,353,922	5,273,894
1989	14.5	14,882,396	0.4361	10.36	3.56	11.91	1,249,670	4,451,333
1988	15.5	16,767,836	0.3606	10.69	3.26	11.86	1,413,403	4,600,910
1987	16.5	17,362,826	0.3845	11.22	2.97	12.36	1,404,213	4,174,960
1986	17.5	13,424,071	0.6087	12.37	2.71	14.03	957,021	2,597,628
1985	18.5	20,124,143	0.5729	13.11	2.48	14.53	1,384,938	3,430,515
1984	19.5	8,676,400	0.2325	12.90	2.26	13.42	646,441	1,460,895
1983	20.5	3,125,799	0.3998	13.76	2.06	14.58	214,370	441,938
1982	21.5	812,844	0.0636	13.31	1.88	13.43	60,518	113,816
1981	22.5	557,846	0.1087	13.56	1.72	13.75	40,566	69,614
1980	23.5	573,778	0.0793	13.65	1.57	13.77	41,663	65,265
1979	24.5	2,487,654	0.4545	15.09	1.43	15.74	158,032	226,133
1978/PRIOR		720,802	0.0583	15.34	1.17	15.56	46,324	54,081
TOTAL		498,192,173					44,287,784	249,857,008
NON-ELG V		201,119,822					16,617,089	64,568,309
ELG V		297,072,351					27,670,696	185,288,699

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	11.24897	12.10319	10.73599
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	5.64167	3.88566	6.69621

COMPUTED GROSS ADDS-ALL VINTS: 810,666,039
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.61455

ORIGINAL: c 1.133397400000 G -2.174551200000E-01 S +2.396884000000E-02
RESCALED: c 1.109988544519 G -2.174551200000E-01 S +1.997402747176E-02

* ELG VINTAGES, PROJECTION LIFE 12.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$295,003,311	10.7% (1)	$31,545,419	1.5% (1)	$4,329,885	9.2%
FUTURE	$498,192,173 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$793,195,484		$31,545,419		$4,329,885	
AVERAGE		4.0%		0.5%		3.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	11,286,392	0	0	0.0%	0	0.0%	0.0%
1981	16,068,295	0	0	0.0%	0	0.0%	0.0%
1982	26,501,106	52,794	0	0.0%	2,507	4.7%	-4.7%
1983	30,838,682	341,734	55,155	16.1%	934	0.3%	15.9%
1984	63,175,189	563,611	727	0.1%	3,775	0.7%	-0.5%
1985	98,070,091	137,274	0	0.0%	4,605	3.4%	-3.4%
1986	118,296,525	484,849	158,357	32.7%	3,891	0.8%	31.9%
1987	159,273,830	2,437,995	281,514	11.5%	36,806	1.5%	10.0%
1988	195,780,809	3,607,702	332,098	9.2%	48,683	1.3%	7.9%
1989	221,418,432	3,229,028	1,899,378	58.8%	105,666	3.3%	55.5%
1990	243,795,911	5,403,082	75,553	1.4%	0	0.0%	1.4%
1991	259,231,573	10,610,640	111,398	1.0%	170,974	1.6%	-0.6%
1992	337,099,257	1,201,790	6,407	0.5%	53,323	4.4%	-3.9%
1993	364,128,121	4,045,897	1,401,033	34.6%	83,752	2.1%	32.6%
1994	394,873,816	12,306,763	903,965	7.3%	291,146	2.4%	5.0%
1995	425,702,038	11,751,484	439,613	3.7%	194,603	1.7%	2.1%
1996	438,449,855	7,664,480	1,071,708	14.0%	74,907	1.0%	13.0%
1997	471,218,825	17,922,732	2,635,434	14.7%	116,432	0.6%	14.1%
1998	498,134,576	24,204,311	1,128,217	4.7%	180,085	0.7%	3.9%
1999	500,384,609	44,881,157	4,998,598	11.1%	409,578	0.9%	10.2%
2000	514,138,267	32,562,859	11,655,912	35.8%	0	0.0%	35.8%
2001	504,668,418	52,973,502	2,288,625	4.3%	635,121	1.2%	3.1%
2002	496,400,691	42,844,965	1,461,346	3.4%	967,109	2.3%	1.2%
2003	498,192,173	15,774,662	640,381	4.1%	945,988	6.0%	-1.9%
		295,003,311	31,545,419	10.7%	4,329,885	1.5%	9.2%
1994-2003	10 year band	262,886,915	27,223,799	10.4%	3,814,969	1.5%	8.9%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	958,139	55,882	5.8%	7,216	0.8%	5.1%
1983	1,095,413	55,882	5.1%	11,821	1.1%	4.0%
1984	1,580,262	214,239	13.6%	15,712	1.0%	12.6%
1985	3,965,463	495,753	12.5%	50,011	1.3%	11.2%
1986	7,231,431	772,696	10.7%	97,760	1.4%	9.3%
1987	9,896,848	2,671,347	27.0%	199,651	2.0%	25.0%
1988	15,162,656	2,746,900	18.1%	195,046	1.3%	16.8%
1989	25,288,447	2,699,941	10.7%	362,129	1.4%	9.2%
1990	24,052,242	2,424,834	10.1%	378,646	1.6%	8.5%
1991	24,490,437	3,493,769	14.3%	413,715	1.7%	12.6%
1992	33,568,172	2,498,356	7.4%	599,195	1.8%	5.7%
1993	39,916,574	2,862,416	7.2%	793,798	2.0%	5.2%
1994	36,970,414	3,822,726	10.3%	697,731	1.9%	8.5%
1995	53,691,356	6,451,753	12.0%	760,840	1.4%	10.6%
1996	73,849,770	6,178,937	8.4%	857,173	1.2%	7.2%
1997	106,424,164	10,273,570	9.7%	975,605	0.9%	8.7%
1998	127,235,539	21,489,869	16.9%	781,002	0.6%	16.3%
1999	172,544,561	22,706,786	13.2%	1,341,216	0.8%	12.4%
2000	197,466,794	21,532,698	10.9%	2,191,893	1.1%	9.8%
2001	189,037,145	21,044,862	11.1%	2,957,796	1.6%	9.6%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	11,286,392							
1981	16,068,295	13,677,344	0	0.0000				
1982	26,501,106	21,284,701	52,794	0.0025	81/83	63,631,938	394,528	0.0062
1983	30,838,682	28,669,894	341,734	0.0119	82/84	96,961,530	958,139	0.0099
1984	63,175,189	47,006,936	563,611	0.0120	83/85	156,299,470	1,042,619	0.0067
1985	98,070,091	80,622,640	137,274	0.0017	84/86	235,812,884	1,185,734	0.0050
1986	118,296,525	108,183,308	484,849	0.0045	85/87	327,591,126	3,060,118	0.0093
1987	159,273,830	138,785,178	2,437,995	0.0176	86/88	424,495,805	6,530,546	0.0154
1988	195,780,809	177,527,320	3,607,702	0.0203	87/89	524,912,118	9,274,725	0.0177
1989	221,418,432	208,599,621	3,229,028	0.0155	88/90	618,734,112	12,239,812	0.0198
1990	243,795,911	232,607,172	5,403,082	0.0232	89/91	692,720,534	19,242,750	0.0278
1991	259,231,573	251,513,742	10,610,640	0.0422	90/92	782,286,329	17,215,512	0.0220
1992	337,099,257	298,165,415	1,201,790	0.0040	91/93	900,292,846	15,858,327	0.0176
1993	364,128,121	350,613,689	4,045,897	0.0115	92/94	1,028,280,073	17,554,450	0.0171
1994	394,873,816	379,500,969	12,306,763	0.0324	93/95	1,140,402,585	28,104,144	0.0246
1995	425,702,038	410,287,927	11,751,484	0.0286	94/96	1,221,864,842	31,722,727	0.0260
1996	438,449,855	432,075,947	7,664,480	0.0177	95/97	1,297,198,214	37,338,696	0.0288
1997	471,218,825	454,834,340	17,922,732	0.0394	96/98	1,371,586,987	49,791,523	0.0363
1998	498,134,576	484,676,701	24,204,311	0.0499	97/99	1,438,770,633	87,008,200	0.0605
1999	500,384,609	499,259,593	44,881,157	0.0899	98/00	1,491,197,731	101,648,327	0.0682
2000	514,138,267	507,261,438	32,562,859	0.0642	99/01	1,515,924,373	130,417,518	0.0860
2001	504,668,418	509,403,343	52,973,502	0.1040	00/02	1,517,199,335	128,381,326	0.0846
2002	496,400,691	500,534,555	42,844,965	0.0856	01/03	1,507,234,329	111,593,129	0.0740
2003	498,192,173	497,296,432	15,774,662	0.0317				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	6,292,124	0	0	11,286,392
1981	4,781,903	0	0	16,068,295
1982	10,485,605	52,794	0	26,501,106
1983	4,679,310	341,734	0	30,838,682
1984	32,900,118	563,611	0	63,175,189
1985	35,032,176	137,274	0	98,070,091
1986	20,711,283	484,849	0	118,296,525
1987	43,415,300	2,437,995	0	159,273,830
1988	39,731,125	3,607,702	383,556	195,780,809
1989	28,021,006	3,229,028	845,645	221,418,432
1990	28,244,950	5,403,082	(464,389)	243,795,911
1991	22,604,027	10,610,640	3,442,275	259,231,573
1992	31,136,960	1,201,790	47,932,514	337,099,257
1993	26,433,998	4,045,897	4,640,763	364,128,121
1994	53,428,547	12,306,763	(10,376,089)	394,873,816
1995	37,257,835	11,751,484	5,321,871	425,702,038
1996	21,245,370	7,664,480	(833,073)	438,449,855
1997	49,610,748	17,922,732	1,080,954	471,218,825
1998	52,021,545	24,204,311	(901,483)	498,134,576
1999	46,757,585	44,881,157	373,605	500,384,609
2000	47,671,534	32,562,859	(1,355,016)	514,138,267
2001	42,381,755	52,973,502	1,121,898	504,668,418
2002	27,341,295	42,844,965	7,235,940	496,400,691
2003	11,727,160	15,774,662	5,838,984	498,192,173

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	677,184	0	0	0	0	827,012
1981	964,097	0	0	0	9,054	1,800,163
1982	1,694,402	0	52,794	2,507	18,241	3,457,505
1983	1,237,736	55,155	341,734	934	11	4,407,739
1984	1,585,723	727	563,611	3,775	8,137	5,434,940
1985	4,054,534	0	137,274	4,605	196,045	9,543,640
1986	7,378,663	158,357	484,849	3,891	0	16,591,920
1987	8,879,614	281,514	2,437,995	36,806	3,186,149	26,464,396
1988	11,187,548	332,098	3,607,702	48,683	(498,261)	33,829,396
1989	12,795,897	1,899,378	3,229,028	105,666	0	45,189,977
1990	14,248,536	75,553	5,403,082	0	157,418	54,268,402
1991	17,746,392	111,398	10,610,640	170,974	(143,189)	61,201,389
1992	19,847,392	6,407	1,201,790	53,323	2,718,573	82,518,648
1993	24,186,813	1,401,033	4,045,897	83,752	1,446,575	105,423,420
1994	26,677,875	903,965	12,306,763	291,146	(958,443)	119,448,908
1995	24,667,480	439,613	11,751,484	194,603	586,531	106,903,635
1996	25,871,517	1,071,708	7,664,480	74,907	6,183,645	132,291,118
1997	26,947,208	2,635,434	17,922,732	116,432	(580,274)	143,254,322
1998	29,297,778	1,128,217	24,204,311	180,085	5,341,526	154,637,447
1999	31,345,312	4,998,598	44,881,157	409,578	965,534	146,656,156
2000	39,502,250	11,655,912	32,562,859	0	2,337,697	167,589,156
2001	39,050,822	2,288,625	52,973,502	635,121	1,595,923	156,915,903
2002	38,730,711	1,461,346	42,844,965	967,109	3,120,054	156,415,939
2003	37,341,315	640,381	15,774,662	945,988	5,682,074	183,359,059

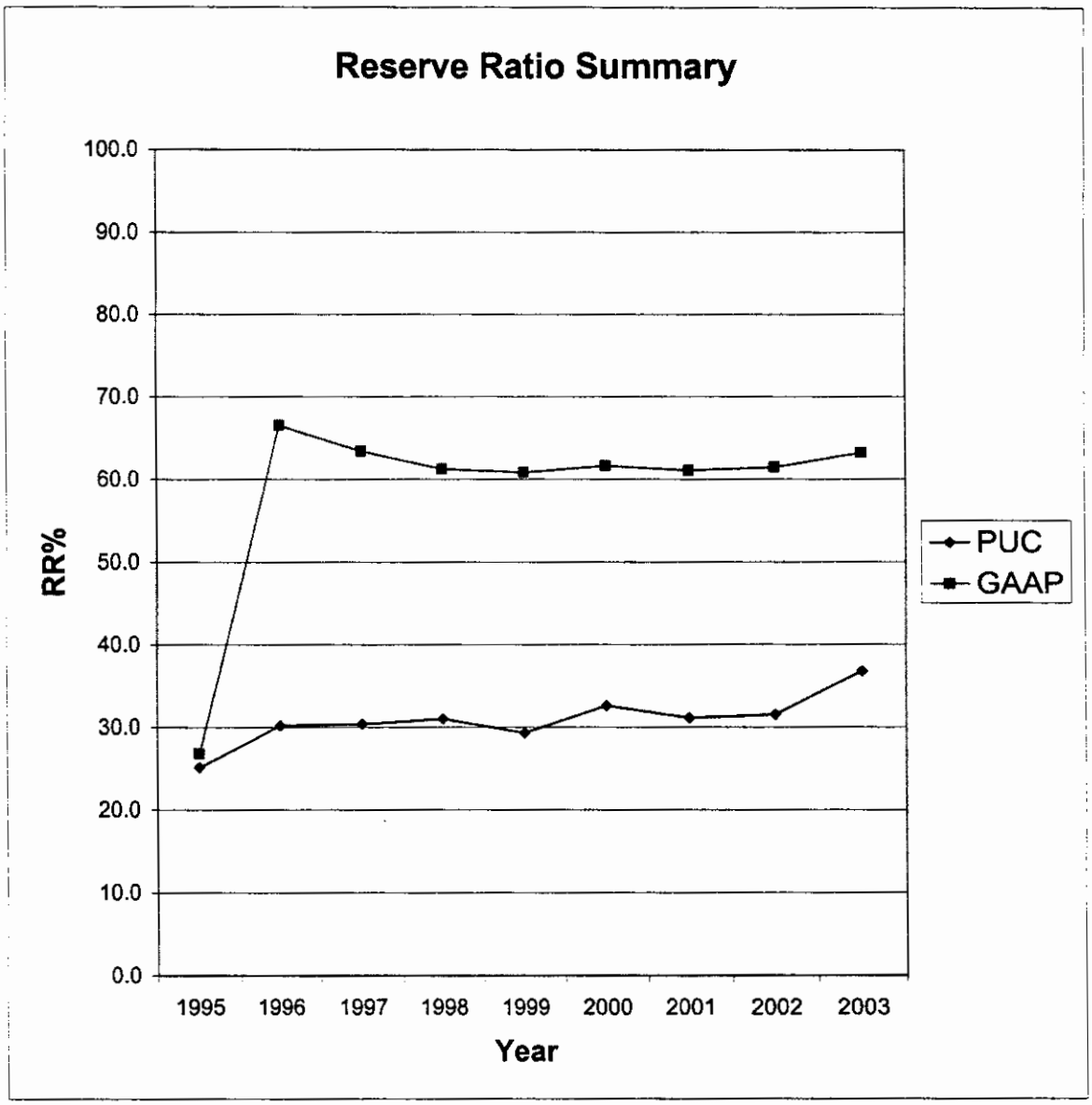
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2212.00
DIGITAL SWITCHING

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	11,286,392	827,012	7.3%
1981	16,068,295	1,800,163	11.2%
1982	26,501,106	3,457,505	13.0%
1983	30,838,682	4,407,739	14.3%
1984	63,175,189	5,434,940	8.6%
1985	98,070,091	9,543,640	9.7%
1986	118,296,525	16,591,920	14.0%
1987	159,273,830	26,464,396	16.6%
1988	195,780,809	33,829,396	17.3%
1989	221,418,432	45,189,977	20.4%
1990	243,795,911	54,268,402	22.3%
1991	259,231,573	61,201,389	23.6%
1992	337,099,257	82,518,648	24.5%
1993	364,128,121	105,423,420	29.0%
1994	394,873,816	119,448,908	30.2%
1995	425,702,038	106,903,635	25.1%
1996	438,449,855	132,291,118	30.2%
1997	471,218,825	143,254,322	30.4%
1998	498,134,576	154,637,447	31.0%
1999	500,384,609	146,656,156	29.3%
2000	514,138,267	167,589,156	32.6%
2001	504,668,418	156,915,903	31.1%
2002	496,400,691	156,415,939	31.5%
2003	498,192,173	183,359,059	36.8%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all operator systems equipment.

GENERAL

The Company proposes maintaining the existing Projection Life (P/Life) and Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
10:59 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2220 OPERATOR SYSTEMS
CATEGORY: OPERATOR SYSTEMS
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	2,112	0.9744	0.49	6.51	7.01	301	1,961
*2002	1.5	0	0.0000	0.00				
*2001	2.5	0	0.0000	0.00				
*2000	3.5	0	0.0000	0.00				
*1999	4.5	1,574	0.1099	0.34	5.41	9.91	159	859
*1998	5.5	9,650	0.2358	0.93	4.92	10.42	926	4,557
*1997	6.5	284	0.5798	2.60	4.44	10.94	26	115
*1996	7.5	651	0.0213	1.49	3.97	11.47	57	225
*1995	8.5	656	0.0043	1.47	3.52	12.02	55	192
1994	9.5	36,830	0.2432	2.83	3.47	3.67	10,022	34,757
1993	10.5	3,257	0.0042	2.11	3.00	2.13	1,532	4,600
1992	11.5	480	0.0651	2.72	2.59	2.88	166	431
1991	12.5	0	0.0000	0.00				
1990	13.5	10,951	0.0115	2.63	1.90	2.65	4,134	7,842
TOTAL		66,445					17,378	55,540
NON-ELG V		51,518					15,855	47,630
ELG V		14,927					1,523	7,910

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	3.82343	3.24933	9.79836
AVG REMAINING LIFE: TOT H/TOT G	3.19593	3.00411	5.19226

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 2,121,988
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.03131

USING IOWA CURVE: R1.5
* ELG VINTAGES, PROJECTION LIFE 10.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$20,223,368	0.4% (1)	$90,294	1.1% (1)	$231,972	-0.7%
FUTURE	$66,445 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$20,289,813		$90,294		$231,972	
AVERAGE		0.4%		1.1%		-0.7%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	6,762,055	12,290	0	0.0%	0	0.0%	0.0%
1981	4,166,166	3,335,215	0	0.0%	0	0.0%	0.0%
1982	4,938,321	25,245	0	0.0%	0	0.0%	0.0%
1983	6,128,619	0	0	0.0%	0	0.0%	0.0%
1984	7,378,721	72,436	7,550	10.4%	28,441	39.3%	-28.8%
1985	7,490,632	990,154	24,403	2.5%	29,320	3.0%	-0.5%
1986	9,264,402	836,709	0	0.0%	18,747	2.2%	-2.2%
1987	9,175,854	133,145	17,987	13.5%	1,763	1.3%	12.2%
1988	9,434,651	0	0	0.0%	0	0.0%	0.0%
1989	9,467,934	0	0	0.0%	126	0.0%	0.0%
1990	9,793,674	2,939,276	0	0.0%	6,616	0.2%	-0.2%
1991	9,514,297	485,838	1,170	0.2%	12,008	2.5%	-2.2%
1992	9,542,943	0	11,162	0.0%	65,387	0.0%	0.0%
1993	12,113,149	430,073	5,197	1.2%	8,053	1.9%	-0.7%
1994	10,770,964	1,299,585	326	0.0%	5,099	0.4%	-0.4%
1995	11,677,938	8,503	0	0.0%	0	0.0%	0.0%
1996	10,915,524	93,777	0	0.0%	43,720	46.6%	-46.6%
1997	4,165,298	6,030,044	0	0.0%	9,441	0.2%	-0.2%
1998	3,514,728	810,019	0	0.0%	0	0.0%	0.0%
1999	3,348,241	220,978	0	0.0%	0	0.0%	0.0%
2000	1,671,571	1,615,729	1,203	0.1%	538	0.0%	0.0%
2001	954,042	685,588	0	0.0%	2,607	0.4%	-0.4%
2002	930,247	27,200	21,296	78.3%	106	0.4%	77.9%
2003	66,445	171,564	0	0.0%	0	0.0%	0.0%
		20,223,368	90,294	0.4%	231,972	1.1%	-0.7%
1994-2003	10 year band	10,962,987	22,825	0.2%	61,511	0.6%	-0.4%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	3,445,186	7,550	0.2%	28,441	0.8%	-0.6%
1983	4,423,050	31,953	0.7%	57,761	1.3%	-0.6%
1984	1,924,544	31,953	1.7%	76,508	4.0%	-2.3%
1985	2,032,444	49,940	2.5%	78,271	3.9%	-1.4%
1986	2,032,444	49,940	2.5%	78,271	3.9%	-1.4%
1987	1,960,008	42,390	2.2%	49,956	2.5%	-0.4%
1988	3,909,130	17,987	0.5%	27,252	0.7%	-0.2%
1989	3,558,259	19,157	0.5%	20,513	0.6%	0.0%
1990	3,425,114	12,332	0.4%	84,137	2.5%	-2.1%
1991	3,855,187	17,529	0.5%	92,190	2.4%	-1.9%
1992	5,154,772	17,855	0.3%	97,163	1.9%	-1.5%
1993	2,223,999	17,855	0.8%	90,547	4.1%	-3.3%
1994	1,831,938	16,685	0.9%	122,259	6.7%	-5.8%
1995	7,861,982	5,523	0.1%	66,313	0.8%	-0.8%
1996	8,241,928	326	0.0%	58,260	0.7%	-0.7%
1997	7,163,321	0	0.0%	53,161	0.7%	-0.7%
1998	8,770,547	1,203	0.0%	53,699	0.6%	-0.6%
1999	9,362,358	1,203	0.0%	12,586	0.1%	-0.1%
2000	3,359,514	22,499	0.7%	3,251	0.1%	0.6%
2001	2,721,059	22,499	0.8%	3,251	0.1%	0.7%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	6,762,055							
1981	4,166,166	5,464,111	3,335,215	0.6104				
1982	4,938,321	4,552,244	25,245	0.0055	81/83	15,549,824	3,360,460	0.2161
1983	6,128,619	5,533,470	0	0.0000	82/84	16,839,384	97,681	0.0058
1984	7,378,721	6,753,670	72,436	0.0107	83/85	19,721,817	1,062,590	0.0539
1985	7,490,632	7,434,677	990,154	0.1332	84/86	22,565,864	1,899,299	0.0842
1986	9,264,402	8,377,517	836,709	0.0999	85/87	25,032,322	1,960,008	0.0783
1987	9,175,854	9,220,128	133,145	0.0144	86/88	26,902,898	969,854	0.0361
1988	9,434,651	9,305,253	0	0.0000	87/89	27,976,673	133,145	0.0048
1989	9,467,934	9,451,293	0	0.0000	88/90	28,387,349	2,939,276	0.1035
1990	9,793,674	9,630,804	2,939,276	0.3052	89/91	28,736,082	3,425,114	0.1192
1991	9,514,297	9,653,986	485,838	0.0503	90/92	28,813,410	3,425,114	0.1189
1992	9,542,943	9,528,620	0	0.0000	91/93	30,010,652	915,911	0.0305
1993	12,113,149	10,828,046	430,073	0.0397	92/94	31,798,723	1,729,658	0.0544
1994	10,770,964	11,442,057	1,299,585	0.1136	93/95	33,494,554	1,738,161	0.0519
1995	11,677,938	11,224,451	8,503	0.0008	94/96	33,963,239	1,401,865	0.0413
1996	10,915,524	11,296,731	93,777	0.0083	95/97	30,061,593	6,132,324	0.2040
1997	4,165,298	7,540,411	6,030,044	0.7997	96/98	22,677,155	6,933,840	0.3058
1998	3,514,728	3,840,013	810,019	0.2109	97/99	14,811,909	7,061,041	0.4767
1999	3,348,241	3,431,485	220,978	0.0644	98/00	9,781,404	2,646,726	0.2706
2000	1,671,571	2,509,906	1,615,729	0.6437	99/01	7,254,197	2,522,295	0.3477
2001	954,042	1,312,807	685,588	0.5222	00/02	4,764,857	2,328,517	0.4887
2002	930,247	942,145	27,200	0.0289	01/03	2,753,297	884,352	0.3212
2003	66,445	498,346	171,564	0.3443				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	1,648,013	12,290	86,195	6,762,055
1981	756,132	3,335,215	(16,806)	4,166,166
1982	797,400	25,245	0	4,938,321
1983	548,695	0	641,603	6,128,619
1984	163,066	72,436	1,159,472	7,378,721
1985	84,791	990,154	1,017,274	7,490,632
1986	249,942	836,709	2,360,537	9,264,402
1987	88,877	133,145	(44,280)	9,175,854
1988	228,053	0	30,744	9,434,651
1989	25,142	0	8,141	9,467,934
1990	3,091,801	2,939,276	173,215	9,793,674
1991	194,682	485,838	11,779	9,514,297
1992	167,897	0	(139,251)	9,542,943
1993	4,648,952	430,073	(1,648,673)	12,113,149
1994	588,379	1,299,585	(630,979)	10,770,964
1995	6,901	8,503	908,576	11,677,938
1996	0	93,777	(668,637)	10,915,524
1997	55,254	6,030,044	(775,436)	4,165,298
1998	133,117	810,019	26,332	3,514,728
1999	55,646	220,978	(1,155)	3,348,241
2000	20,071	1,615,729	(81,013)	1,671,571
2001	0	685,588	(31,941)	954,042
2002	0	27,200	3,405	930,247
2003	29,257	171,564	(721,495)	66,445

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	500,878	0	12,290	0	(115,953)	1,290,073
1981	308,296	0	3,335,215	0	87,727	(1,649,119)
1982	293,920	0	25,245	0	0	(1,380,444)
1983	567,531	0	0	0	480,717	(332,196)
1984	609,832	7,550	72,436	28,441	0	184,309
1985	663,217	24,403	990,154	29,320	0	(147,545)
1986	1,403,800	0	836,709	18,747	(4,863)	395,936
1987	1,535,221	17,987	133,145	1,763	0	1,814,236
1988	1,567,433	0	0	0	39,000	3,420,669
1989	2,028,845	0	0	126	0	5,449,388
1990	2,061,410	0	2,939,276	6,616	(657)	4,564,249
1991	1,973,255	1,170	485,838	12,008	(654)	6,040,174
1992	1,025,186	11,162	0	65,387	36,468	7,047,603
1993	955,610	5,197	430,073	8,053	(377,167)	7,193,117
1994	628,902	326	1,299,585	5,099	(3,907)	6,513,754
1995	406,538	0	8,503	0	(198,471)	8,505,223
1996	391,883	0	93,777	43,720	(30,517)	8,729,092
1997	158,133	0	6,030,044	9,441	(26,340)	2,821,400
1998	125,446	0	810,019	0	1,727	2,138,554
1999	130,568	0	220,978	0	24,098	2,072,242
2000	218,354	1,203	1,615,729	538	41,092	716,623
2001	107,668	0	685,588	2,607	3,776	139,872
2002	67,404	21,296	27,200	106	29,042	230,310
2003	18,244	0	171,564	0	(26,393)	50,597

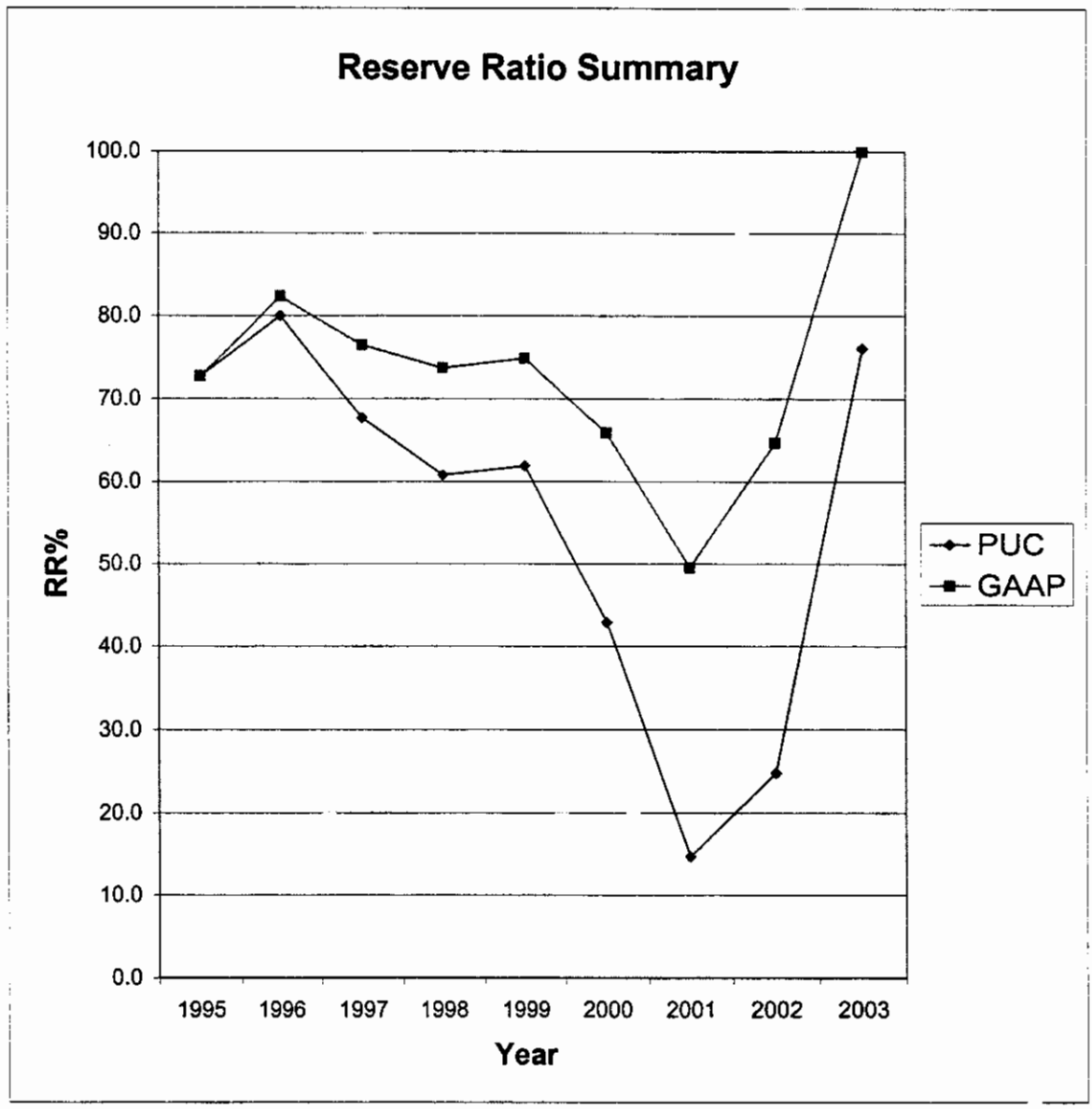
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2220.00
OPERATOR SYSTEMS

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	6,762,055	1,290,073	19.1%
1981	4,166,166	(1,649,119)	-39.6%
1982	4,938,321	(1,380,444)	-28.0%
1983	6,128,619	(332,196)	-5.4%
1984	7,378,721	184,309	2.5%
1985	7,490,632	(147,545)	-2.0%
1986	9,264,402	395,936	4.3%
1987	9,175,854	1,814,236	19.8%
1988	9,434,651	3,420,669	36.3%
1989	9,467,934	5,449,388	57.6%
1990	9,793,674	4,564,249	46.6%
1991	9,514,297	6,040,174	63.5%
1992	9,542,943	7,047,603	73.9%
1993	12,113,149	7,193,117	59.4%
1994	10,770,964	6,513,754	60.5%
1995	11,677,938	8,505,223	72.8%
1996	10,915,524	8,729,092	80.0%
1997	4,165,298	2,821,400	67.7%
1998	3,514,728	2,138,554	60.8%
1999	3,348,241	2,072,242	61.9%
2000	1,671,571	716,623	42.9%
2001	954,042	139,872	14.7%
2002	930,247	230,310	24.8%
2003	66,445	50,597	76.1%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all regulated cellular, noncellular, analog terrestrial microwave, and digital terrestrial microwave radio facilities and equipment.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:02 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2231 RADIO SYSTEMS
CATEGORY: RADIO SYSTEMS
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAINING LIFE	VINT AVG LIFE	AVERAGE LIFE	REMAINING LIFE
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	YEARS	YEARS	WEIGHTS	WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	240,636	0.9925	0.50	3.54	4.04	59,580	210,846
*2002	1.5	271,655	0.9822	1.49	3.06	4.56	59,617	182,230
*2001	2.5	316,945	0.5454	1.39	2.50	5.00	63,368	158,526
*2000	3.5	33,519	0.8378	2.70	1.97	5.47	6,129	12,067
*1999	4.5	433,402	0.4774	2.64	1.50	6.00	72,254	108,257
*1998	5.5	404,492	0.9023	4.30	1.12	6.62	61,135	68,248
*1997	6.5	49,434	0.3623	3.87	0.83	7.33	6,747	5,580
*1996	7.5	424,059	0.6151	4.96	0.60	8.10	52,345	31,469
*1995	8.5	352,850	0.8534	6.30	0.50	9.00	39,206	19,603
1994	9.5	244,646	0.2057	5.53	0.50	5.63	43,444	21,722
1993	10.5	900,686	0.6977	7.11	0.50	7.45	120,824	60,412
1992	11.5	772,470	0.2232	6.62	0.50	6.73	114,731	57,366
1991	12.5	731,132	0.6713	8.12	0.50	8.45	86,500	43,250
1990	13.5	407,248	0.2118	7.63	0.50	7.74	52,625	26,312
1989	14.5	436,367	0.3835	8.36	0.50	8.56	51,002	25,501
1988	15.5	314,031	0.5937	9.43	0.50	9.72	32,294	16,147
1987	16.5	511,980	0.5443	10.01	0.50	10.28	49,804	24,902
1986	17.5	470,191	0.2069	9.72	0.50	9.82	47,878	23,939
1985	18.5	427,259	0.2523	10.11	0.50	10.23	41,759	20,880
1984	19.5	88,961	0.0330	9.79	0.50	9.80	9,075	4,538
1983	20.5	30,533	0.0308	9.82	0.50	9.84	3,104	1,552
1982	21.5	117,007	0.0918	10.05	0.50	10.09	11,594	5,797
1981	22.5	214,362	0.0662	10.09	0.50	10.12	21,179	10,590
1980	23.5	110,443	0.0655	10.18	0.50	10.21	10,815	5,408
1979	24.5	49,597	0.0602	10.26	0.50	10.29	4,821	2,410
1978/PRIOR		184,105	0.0580	10.71	0.50	10.76	17,111	8,556
TOTAL		8,538,010					1,138,942	1,156,105
NON-ELG V		6,011,018					718,560	359,280
ELG V		2,526,992					420,382	796,825

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	7.49644	8.36537	6.01119
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	1.01507	0.50000	1.89548

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 33,145,846
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.25759

USING IOWA CURVE: R2.0
* ELG VINTAGES, PROJECTION LIFE 5.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2231.00
RADIO SYSTEMS

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$21,003,427	11.7% (1)	$2,466,376	3.5% (1)	$739,098	8.2%
FUTURE	$8,538,010 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$29,541,437		$2,466,376		$739,098	
AVERAGE		8.3%		2.5%		5.8%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	5,934,295	299,043	22,344	7.5%	14,510	4.9%	2.6%
1981	8,728,503	414,281	104,821	25.3%	5,300	1.3%	24.0%
1982	9,723,786	216,485	10,779	5.0%	13,712	6.3%	-1.4%
1983	10,409,645	203,106	12,684	6.2%	18,190	9.0%	-2.7%
1984	11,629,314	581,469	344,556	59.3%	25,556	4.4%	54.9%
1985	11,882,307	133,283	91,751	68.8%	15,160	11.4%	57.5%
1986	13,124,807	1,016,465	65,308	6.4%	30,126	3.0%	3.5%
1987	11,735,995	1,707,756	689,315	40.4%	41,976	2.5%	37.9%
1988	11,363,040	684,887	402,306	58.7%	15,831	2.3%	56.4%
1989	11,800,236	684,205	2,582	0.4%	42,941	6.3%	-5.9%
1990	13,512,983	195,141	2,402	1.2%	11,849	6.1%	-4.8%
1991	13,214,314	483,334	332	0.1%	31,223	6.5%	-6.4%
1992	16,154,899	737,130	12,096	1.6%	68,378	9.3%	-7.6%
1993	15,536,875	1,903,599	85,697	4.5%	39,260	2.1%	2.4%
1994	15,782,168	6,151	0	0.0%	44,386	721.6%	-721.6%
1995	15,792,696	1,013,356	982	0.1%	21,350	2.1%	-2.0%
1996	13,550,717	2,928,521	0	0.0%	52,485	1.8%	-1.8%
1997	12,410,736	1,190,594	299,825	25.2%	36,574	3.1%	22.1%
1998	10,471,617	2,200,876	136,735	6.2%	17,617	0.8%	5.4%
1999	10,450,004	1,006,823	0	0.0%	15,594	1.5%	-1.5%
2000	9,785,707	708,969	588	0.1%	13,995	2.0%	-1.9%
2001	9,245,393	1,167,608	0	0.0%	23,891	2.0%	-2.0%
2002	9,188,364	587,139	0	0.0%	33,037	5.6%	-5.6%
2003	8,538,010	933,206	181,273	19.4%	106,157	11.4%	8.0%
		21,003,427	2,466,376	11.7%	739,098	3.5%	8.2%
1994-2003	10 year band	11,743,243	619,403	5.3%	365,086	3.1%	2.2%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	1,714,384	495,184	28.9%	77,268	4.5%	24.4%
1983	1,548,624	564,591	36.5%	77,918	5.0%	31.4%
1984	2,150,808	525,078	24.4%	102,744	4.8%	19.6%
1985	3,642,079	1,203,614	33.0%	131,008	3.6%	29.5%
1986	4,123,860	1,593,236	38.6%	128,649	3.1%	35.5%
1987	4,226,596	1,251,262	29.6%	146,034	3.5%	26.1%
1988	4,288,454	1,161,913	27.1%	142,723	3.3%	23.8%
1989	3,755,323	1,096,937	29.2%	143,820	3.8%	25.4%
1990	2,784,697	419,718	15.1%	170,222	6.1%	9.0%
1991	4,003,409	103,109	2.6%	193,651	4.8%	-2.3%
1992	3,325,355	100,527	3.0%	195,096	5.9%	-2.8%
1993	4,143,570	99,107	2.4%	204,597	4.9%	-2.5%
1994	6,588,757	98,775	1.5%	225,859	3.4%	-1.9%
1995	7,042,221	386,504	5.5%	194,055	2.8%	2.7%
1996	7,339,498	437,542	6.0%	172,412	2.3%	3.6%
1997	8,340,170	437,542	5.2%	143,620	1.7%	3.5%
1998	8,035,783	437,148	5.4%	136,265	1.7%	3.7%
1999	6,274,870	437,148	7.0%	107,671	1.7%	5.3%
2000	5,671,415	137,323	2.4%	104,134	1.8%	0.6%
2001	4,403,745	181,861	4.1%	192,674	4.4%	-0.2%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2231.00
RADIO SYSTEMS

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	5,934,295							
1981	8,728,503	7,331,399	414,281	0.0565				
1982	9,723,786	9,226,145	216,485	0.0235	81/83	26,624,259	833,872	0.0313
1983	10,409,645	10,066,716	203,106	0.0202	82/84	30,312,340	1,001,060	0.0330
1984	11,629,314	11,019,480	581,469	0.0528	83/85	32,842,006	917,858	0.0279
1985	11,882,307	11,755,811	133,283	0.0113	84/86	35,278,847	1,731,217	0.0491
1986	13,124,807	12,503,557	1,016,465	0.0813	85/87	36,689,769	2,857,504	0.0779
1987	11,735,995	12,430,401	1,707,756	0.1374	86/88	36,483,476	3,409,108	0.0934
1988	11,363,040	11,549,518	684,887	0.0593	87/89	35,561,557	3,076,848	0.0865
1989	11,800,236	11,581,638	684,205	0.0591	88/90	35,787,765	1,564,233	0.0437
1990	13,512,983	12,656,610	195,141	0.0154	89/91	37,601,896	1,362,680	0.0362
1991	13,214,314	13,363,649	483,334	0.0362	90/92	40,704,865	1,415,605	0.0348
1992	16,154,899	14,684,607	737,130	0.0502	91/93	43,894,142	3,124,063	0.0712
1993	15,536,875	15,845,887	1,903,599	0.1201	92/94	46,190,015	2,646,880	0.0573
1994	15,782,168	15,659,522	6,151	0.0004	93/95	47,292,841	2,923,106	0.0618
1995	15,792,696	15,787,432	1,013,356	0.0642	94/96	46,118,660	3,948,028	0.0856
1996	13,550,717	14,671,707	2,928,521	0.1996	95/97	43,439,865	5,132,471	0.1182
1997	12,410,736	12,980,727	1,190,594	0.0917	96/98	39,093,610	6,319,991	0.1617
1998	10,471,617	11,441,177	2,200,876	0.1924	97/99	34,882,714	4,398,293	0.1261
1999	10,450,004	10,460,811	1,006,823	0.0962	98/00	32,019,843	3,916,668	0.1223
2000	9,785,707	10,117,856	708,969	0.0701	99/01	30,094,216	2,883,400	0.0958
2001	9,245,393	9,515,550	1,167,608	0.1227	00/02	28,850,284	2,463,716	0.0854
2002	9,188,364	9,216,879	587,139	0.0637	01/03	27,595,616	2,687,953	0.0974
2003	8,538,010	8,863,187	933,206	0.1053				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2231.00
RADIO SYSTEMS

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($)	PLANT RETIRED ($)	ADJUST-MENTS ($)	PLANT IN SERVICE DEC. 31 ($)
	A	B	C	D
1980	1,664,669	299,043	91,507	5,934,295
1981	3,195,458	414,281	13,031	8,728,503
1982	1,235,403	216,485	(23,635)	9,723,786
1983	949,882	203,106	(60,917)	10,409,645
1984	1,887,305	581,469	(86,167)	11,629,314
1985	343,003	133,283	43,273	11,882,307
1986	2,208,672	1,016,465	50,293	13,124,807
1987	371,085	1,707,756	(52,141)	11,735,995
1988	264,592	684,887	47,340	11,363,040
1989	562,825	684,205	558,576	11,800,236
1990	2,073,722	195,141	(165,834)	13,512,983
1991	204,321	483,334	(19,656)	13,214,314
1992	3,180,414	737,130	497,301	16,154,899
1993	1,228,024	1,903,599	57,551	15,536,875
1994	229,646	6,151	21,798	15,782,168
1995	328,080	1,013,356	695,804	15,792,696
1996	991,849	2,928,521	(305,307)	13,550,717
1997	245,053	1,190,594	(194,440)	12,410,736
1998	274,555	2,200,876	(12,798)	10,471,617
1999	904,005	1,006,823	81,205	10,450,004
2000	37,177	708,969	7,495	9,785,707
2001	578,727	1,167,608	48,567	9,245,393
2002	275,426	587,139	254,682	9,188,364
2003	353,679	933,206	(70,827)	8,538,010

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2231.00
RADIO SYSTEMS

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	391,639	22,344	299,043	14,510	(8,622)	1,392,248
1981	471,258	104,821	414,281	5,300	0	1,548,746
1982	622,470	10,779	216,485	13,712	0	1,951,798
1983	685,698	12,684	203,106	18,190	0	2,428,884
1984	769,042	344,556	581,469	25,556	0	2,935,457
1985	842,609	91,751	133,283	15,160	21,117	3,742,491
1986	1,127,081	65,308	1,016,465	30,126	386	3,888,675
1987	1,190,646	689,315	1,707,756	41,976	0	4,018,904
1988	1,089,077	402,306	684,887	15,831	(237,291)	4,572,278
1989	908,022	2,582	684,205	42,941	0	4,755,736
1990	1,005,842	2,402	195,141	11,849	(14,039)	5,542,951
1991	1,035,649	332	483,334	31,223	(4,400)	6,059,975
1992	1,054,707	12,096	737,130	68,378	(1,267)	6,320,003
1993	1,136,165	85,697	1,903,599	39,260	16,636	5,615,642
1994	1,308,979	0	6,151	44,386	12,783	6,886,867
1995	1,182,363	982	1,013,356	21,350	4,438	6,723,598
1996	1,072,331	0	2,928,521	52,485	414,357	5,229,280
1997	906,477	299,825	1,190,594	36,574	116,596	5,325,010
1998	842,107	136,735	2,200,876	17,617	268,462	4,353,821
1999	757,824	0	1,006,823	15,594	102,366	4,191,594
2000	1,421,363	588	708,969	13,995	105,896	4,996,480
2001	1,328,278	0	1,167,608	23,891	45,964	5,179,223
2002	1,291,359	0	587,139	33,037	308,445	6,158,851
2003	1,227,717	181,273	933,206	106,157	23,119	6,551,597

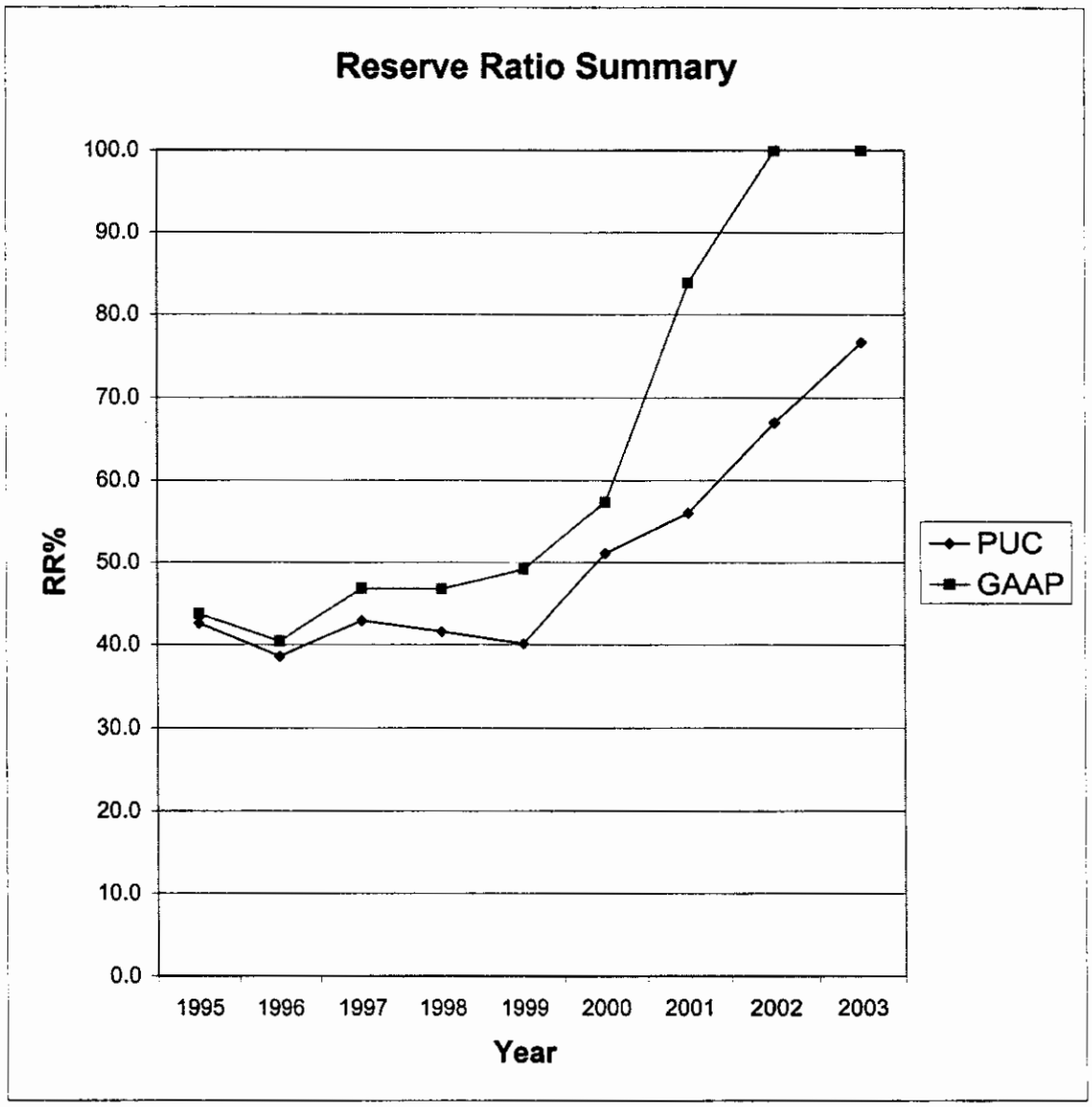
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2231.00
RADIO SYSTEMS

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	5,934,295	1,392,248	23.5%
1981	8,728,503	1,548,746	17.7%
1982	9,723,786	1,951,798	20.1%
1983	10,409,645	2,428,884	23.3%
1984	11,629,314	2,935,457	25.2%
1985	11,882,307	3,742,491	31.5%
1986	13,124,807	3,888,675	29.6%
1987	11,735,995	4,018,904	34.2%
1988	11,363,040	4,572,278	40.2%
1989	11,800,236	4,755,736	40.3%
1990	13,512,983	5,542,951	41.0%
1991	13,214,314	6,059,975	45.9%
1992	16,154,899	6,320,003	39.1%
1993	15,536,875	5,615,642	36.1%
1994	15,782,168	6,886,867	43.6%
1995	15,792,696	6,723,598	42.6%
1996	13,550,717	5,229,280	38.6%
1997	12,410,736	5,325,010	42.9%
1998	10,471,617	4,353,821	41.6%
1999	10,450,004	4,191,594	40.1%
2000	9,785,707	4,996,480	51.1%
2001	9,245,393	5,179,223	56.0%
2002	9,188,364	6,158,851	67.0%
2003	8,538,010	6,551,597	76.7%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes a variety of central office equipment used for amplification, modulation, coding, regeneration, testing, balancing, pair gain, and control.

In 1994, concentrator equipment was re-classified from the digital switching account into the circuit account.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:07 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2232 CIRCUIT EQUIPMENT
CATEGORY: CIRCUIT EQUIPMENT
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	43,168,235	0.9885	0.49	5.61	6.11	7,069,127	39,633,672
*2002	1.5	66,137,713	0.9748	1.49	5.22	6.72	9,837,916	51,380,839
*2001	2.5	61,016,930	0.9716	2.49	4.86	7.36	8,287,534	40,298,094
*2000	3.5	55,059,301	0.7563	2.94	4.58	8.08	6,810,847	31,221,337
*1999	4.5	52,100,312	0.8865	4.08	4.38	8.88	5,866,262	25,702,133
*1998	5.5	43,644,935	0.6659	4.45	4.22	9.72	4,492,011	18,938,875
*1997	6.5	30,709,322	0.5849	4.97	4.04	10.54	2,913,485	11,771,671
*1996	7.5	31,591,595	0.8734	6.38	3.85	11.35	2,782,686	10,721,450
*1995	8.5	18,248,856	0.6999	6.90	3.66	12.16	1,500,862	5,491,527
1994	9.5	19,905,313	0.4667	7.07	4.07	8.97	2,218,209	9,035,168
1993	10.5	20,157,656	0.7862	8.49	3.78	11.46	1,758,400	6,640,179
1992	11.5	13,904,704	0.4628	8.54	3.50	10.16	1,368,896	4,784,335
1991	12.5	14,637,951	0.7243	9.85	3.23	12.19	1,201,054	3,877,087
1990	13.5	10,476,745	0.7165	10.74	2.97	12.87	814,120	2,421,362
1989	14.5	11,016,297	0.4733	10.98	2.73	12.28	897,316	2,451,711
1988	15.5	7,825,322	0.5564	11.86	2.50	13.26	590,322	1,476,648
1987	16.5	7,638,301	0.2979	11.88	2.28	12.56	608,134	1,387,029
1986	17.5	5,007,692	0.2095	12.05	2.07	12.48	401,280	830,481
1985	18.5	3,771,522	0.2088	12.36	1.87	12.75	295,747	552,174
1984	19.5	1,766,856	0.1474	12.50	1.67	12.75	138,567	231,772
1983	20.5	1,634,542	0.1342	12.72	1.49	12.92	126,519	188,129
1982	21.5	1,059,750	0.0776	12.77	1.31	12.87	82,363	107,796
1981	22.5	1,352,336	0.0667	12.88	1.14	12.96	104,357	118,766
1980	23.5	1,514,133	0.0651	13.01	0.98	13.08	115,779	113,209
1979	24.5	1,251,060	0.0860	13.25	0.81	13.32	93,934	76,528
1978/PRIOR		1,166,367	0.0282	13.41	0.59	13.44	86,805	50,936
TOTAL		525,763,746					60,462,531	269,502,909
NON-ELG V		124,086,547					10,901,802	34,343,310
ELG V		401,677,199					49,560,730	235,159,599

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	8.69570	11.38221	8.10475
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	4.45735	3.15024	4.74488

COMPUTED GROSS ADDS-ALL VINTS: 861,602,197
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.61022

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 9.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$343,446,267	19.5% (1)	$66,927,646	3.7% (1)	$12,730,339	15.8%
FUTURE	$525,763,746 (2)	5.0%	$26,288,187	0.0%	$0	5.0%
TOTAL	$869,210,013		$93,215,833		$12,730,339	
AVERAGE		10.7%		1.5%		9.2%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	78,264,296	1,453,589	223,856	15.4%	39,990	2.8%	12.6%
1981	94,418,701	2,587,564	238,060	9.2%	85,887	3.3%	5.9%
1982	102,336,636	4,894,565	1,011,140	20.7%	162,957	3.3%	17.3%
1983	108,803,467	3,984,343	983,980	24.7%	164,824	4.1%	20.6%
1984	110,562,123	8,394,839	741,052	8.8%	178,288	2.1%	6.7%
1985	123,064,148	3,580,415	968,979	27.1%	256,799	7.2%	19.9%
1986	138,392,506	7,212,966	497,374	6.9%	248,704	3.4%	3.4%
1987	155,526,646	6,132,981	1,955,588	31.9%	251,978	4.1%	27.8%
1988	159,849,737	7,462,507	856,759	11.5%	387,728	5.2%	6.3%
1989	175,697,354	5,203,904	673,564	12.9%	231,304	4.4%	8.5%
1990	184,953,331	3,654,028	218,813	6.0%	0	0.0%	6.0%
1991	192,176,882	10,507,231	1,805,694	17.2%	680,857	6.5%	10.7%
1992	209,592,222	23,476,007	0	0.0%	971,532	4.1%	-4.1%
1993	225,165,315	9,358,769	741,287	7.9%	757,121	8.1%	-0.2%
1994	260,718,881	5,918,629	704,596	11.9%	695,543	11.8%	0.2%
1995	282,209,866	8,671,333	1,358,199	15.7%	317,176	3.7%	12.0%
1996	300,318,738	17,072,888	4,925,470	28.8%	609,836	3.6%	25.3%
1997	330,144,574	21,757,119	3,670,495	16.9%	352,396	1.6%	15.3%
1998	358,280,223	35,626,001	2,280,428	6.4%	442,655	1.2%	5.2%
1999	389,096,121	27,607,941	4,179,652	15.1%	740,391	2.7%	12.5%
2000	430,199,138	36,576,971	7,958,461	21.8%	38,502	0.1%	21.7%
2001	454,644,790	28,359,973	6,976,109	24.6%	1,906,067	6.7%	17.9%
2002	513,524,092	37,732,312	10,421,550	27.6%	1,657,528	4.4%	23.2%
2003	525,763,746	26,219,392	13,536,540	51.6%	1,552,276	5.9%	45.7%
		343,446,267	66,927,646	19.5%	12,730,339	3.7%	15.8%
1994-2003	10 year band	245,542,559	56,011,500	22.8%	8,312,370	3.4%	19.4%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	21,314,900	3,198,088	15.0%	631,946	3.0%	12.0%
1983	23,441,726	3,943,211	16.8%	848,755	3.6%	13.2%
1984	28,067,128	4,202,525	15.0%	1,011,572	3.6%	11.4%
1985	29,305,544	5,146,973	17.6%	1,100,593	3.8%	13.8%
1986	32,783,708	5,019,752	15.3%	1,323,497	4.0%	11.3%
1987	29,592,773	4,952,264	16.7%	1,376,513	4.7%	12.1%
1988	29,666,386	4,202,098	14.2%	1,119,714	3.8%	10.4%
1989	32,960,651	5,510,418	16.7%	1,551,867	4.7%	12.0%
1990	50,303,677	3,554,830	7.1%	2,271,421	4.5%	2.6%
1991	52,199,939	3,439,358	6.6%	2,640,814	5.1%	1.5%
1992	52,914,664	3,470,390	6.6%	3,105,053	5.9%	0.7%
1993	57,931,969	4,609,776	8.0%	3,422,229	5.9%	2.0%
1994	64,497,626	7,729,552	12.0%	3,351,208	5.2%	6.8%
1995	62,778,738	11,400,047	18.2%	2,732,072	4.4%	13.8%
1996	89,045,970	12,939,188	14.5%	2,417,606	2.7%	11.8%
1997	110,735,282	16,414,244	14.8%	2,462,454	2.2%	12.6%
1998	138,640,920	23,014,506	16.6%	2,183,780	1.6%	15.0%
1999	149,928,005	25,065,145	16.7%	3,480,011	2.3%	14.4%
2000	165,903,198	31,816,200	19.2%	4,785,143	2.9%	16.3%
2001	156,496,589	43,072,312	27.5%	5,894,764	3.8%	23.8%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	78,264,296							
1981	94,418,701	86,341,499	2,587,564	0.0300				
1982	102,336,636	98,377,669	4,894,565	0.0498	81/83	290,289,219	11,466,472	0.0395
1983	108,803,467	105,570,052	3,984,343	0.0377	82/84	313,630,515	17,273,747	0.0551
1984	110,562,123	109,682,795	8,394,839	0.0765	83/85	332,065,982	15,959,597	0.0481
1985	123,064,148	116,813,136	3,580,415	0.0307	84/86	357,224,258	19,188,220	0.0537
1986	138,392,506	130,728,327	7,212,966	0.0552	85/87	394,501,039	16,926,362	0.0429
1987	155,526,646	146,959,576	6,132,981	0.0417	86/88	435,376,095	20,808,454	0.0478
1988	159,849,737	157,688,192	7,462,507	0.0473	87/89	472,421,313	18,799,392	0.0398
1989	175,697,354	167,773,546	5,203,904	0.0310	88/90	505,787,080	16,320,439	0.0323
1990	184,953,331	180,325,343	3,654,028	0.0203	89/91	536,663,995	19,365,163	0.0361
1991	192,176,882	188,565,107	10,507,231	0.0557	90/92	569,775,001	37,637,266	0.0661
1992	209,592,222	200,884,552	23,476,007	0.1169	91/93	606,828,427	43,342,007	0.0714
1993	225,165,315	217,378,769	9,358,769	0.0431	92/94	661,205,419	38,753,405	0.0586
1994	260,718,881	242,942,098	5,918,629	0.0244	93/95	731,785,240	23,948,731	0.0327
1995	282,209,866	271,464,374	8,671,333	0.0319	94/96	805,670,774	31,662,850	0.0393
1996	300,318,738	291,264,302	17,072,888	0.0586	95/97	877,960,332	47,501,340	0.0541
1997	330,144,574	315,231,656	21,757,119	0.0690	96/98	950,708,357	74,456,008	0.0783
1998	358,280,223	344,212,399	35,626,001	0.1035	97/99	1,033,132,227	84,991,061	0.0823
1999	389,096,121	373,688,172	27,607,941	0.0739	98/00	1,127,548,200	99,810,913	0.0885
2000	430,199,138	409,647,630	36,576,971	0.0893	99/01	1,225,757,766	92,544,885	0.0755
2001	454,644,790	442,421,964	28,359,973	0.0641	00/02	1,336,154,035	102,669,256	0.0768
2002	513,524,092	484,084,441	37,732,312	0.0779	01/03	1,446,150,324	92,311,677	0.0638
2003	525,763,746	519,643,919	26,219,392	0.0505				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	21,669,635	1,453,589	86,581	78,264,296
1981	18,441,641	2,587,564	300,328	94,418,701
1982	13,468,847	4,894,565	(656,347)	102,336,636
1983	9,767,224	3,984,343	683,950	108,803,467
1984	9,604,861	8,394,839	548,634	110,562,123
1985	15,863,442	3,580,415	218,998	123,064,148
1986	23,881,310	7,212,966	(1,339,986)	138,392,506
1987	23,986,510	6,132,981	(719,389)	155,526,646
1988	7,942,942	7,462,507	3,842,656	159,849,737
1989	11,729,153	5,203,904	9,322,368	175,697,354
1990	13,826,138	3,654,028	(916,133)	184,953,331
1991	16,032,961	10,507,231	1,697,821	192,176,882
1992	20,800,463	23,476,007	20,090,884	209,592,222
1993	23,642,610	9,358,769	1,289,252	225,165,315
1994	30,158,850	5,918,629	11,313,345	260,718,881
1995	25,847,671	8,671,333	4,314,647	282,209,866
1996	31,751,099	17,072,888	3,430,661	300,318,738
1997	51,707,518	21,757,119	(124,563)	330,144,574
1998	60,903,779	35,626,001	2,857,871	358,280,223
1999	54,153,082	27,607,941	4,270,757	389,096,121
2000	79,137,250	36,576,971	(1,457,262)	430,199,138
2001	54,524,175	28,359,973	(1,718,550)	454,644,790
2002	85,465,410	37,732,312	11,146,203	513,524,092
2003	37,089,027	26,219,392	1,370,019	525,763,746

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	4,321,227	223,856	1,453,589	39,990	(61,722)	15,242,938
1981	4,693,316	238,060	2,587,564	85,887	(397,093)	17,103,770
1982	5,685,246	1,011,140	4,894,565	162,957	870,272	19,612,906
1983	6,763,230	983,980	3,984,343	164,824	224,463	23,435,412
1984	7,404,597	741,052	8,394,839	178,288	3,943	23,011,877
1985	8,064,855	968,979	3,580,415	256,799	455,146	28,663,643
1986	10,225,679	497,374	7,212,966	248,704	49,782	31,974,808
1987	12,363,588	1,955,588	6,132,981	251,978	0	39,909,025
1988	13,065,494	856,759	7,462,507	387,728	(817,369)	45,163,674
1989	14,093,137	673,564	5,203,904	231,304	0	54,495,167
1990	15,060,529	218,813	3,654,028	0	453,727	66,574,208
1991	16,155,821	1,805,694	10,507,231	680,857	212,953	73,560,588
1992	14,843,097	0	23,476,007	971,532	2,773,320	66,729,466
1993	17,731,795	741,287	9,358,769	757,121	445,154	75,531,812
1994	22,987,235	704,596	5,918,629	695,543	2,003,867	94,613,338
1995	21,332,282	1,358,199	8,671,333	317,176	(56,762)	92,872,224
1996	22,477,004	4,925,470	17,072,888	609,836	5,144,116	107,736,090
1997	24,254,605	3,670,495	21,757,119	352,396	603,920	114,155,595
1998	27,373,981	2,280,428	35,626,001	442,655	1,175,930	108,917,278
1999	29,634,575	4,179,652	27,607,941	740,391	(1,076,519)	113,306,654
2000	43,366,974	7,958,461	36,576,971	38,502	1,481,206	129,497,821
2001	46,107,856	6,976,109	28,359,973	1,906,067	2,001,674	154,317,420
2002	51,702,562	10,421,550	37,732,312	1,657,528	6,387,471	183,439,165
2003	53,301,599	13,536,540	26,219,392	1,552,276	2,601,281	225,106,917

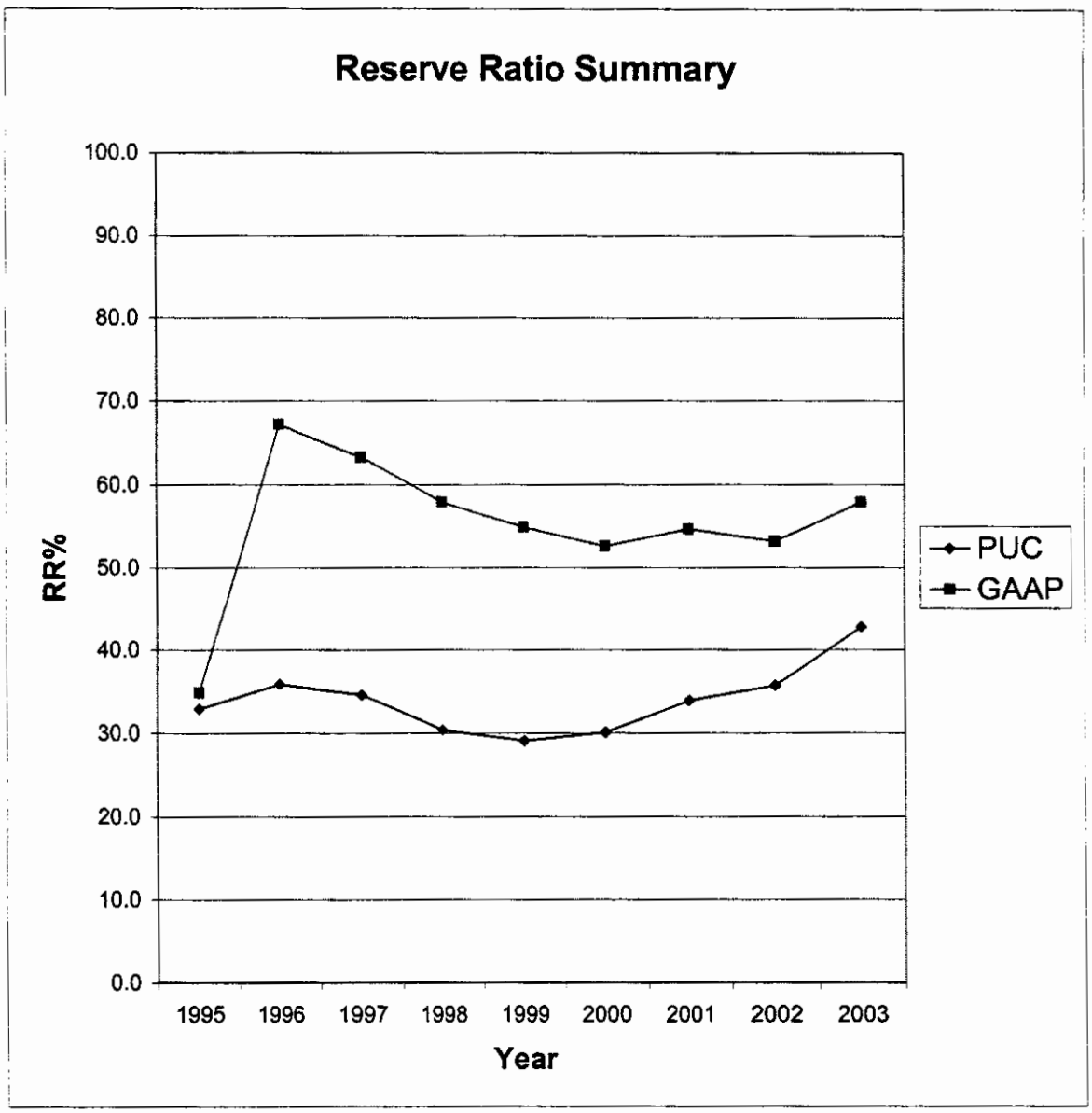
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2232.00
CIRCUIT EQUIPMENT

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	78,264,296	15,242,938	19.5%
1981	94,418,701	17,103,770	18.1%
1982	102,336,636	19,612,906	19.2%
1983	108,803,467	23,435,412	21.5%
1984	110,562,123	23,011,877	20.8%
1985	123,064,148	28,663,643	23.3%
1986	138,392,506	31,974,808	23.1%
1987	155,526,646	39,909,025	25.7%
1988	159,849,737	45,163,674	28.3%
1989	175,697,354	54,495,167	31.0%
1990	184,953,331	66,574,208	36.0%
1991	192,176,882	73,560,588	38.3%
1992	209,592,222	66,729,466	31.8%
1993	225,165,315	75,531,812	33.5%
1994	260,718,881	94,613,338	36.3%
1995	282,209,866	92,872,224	32.9%
1996	300,318,738	107,736,090	35.9%
1997	330,144,574	114,155,595	34.6%
1998	358,280,223	108,917,278	30.4%
1999	389,096,121	113,306,654	29.1%
2000	430,199,138	129,497,821	30.1%
2001	454,644,790	154,317,420	33.9%
2002	513,524,092	183,439,165	35.7%
2003	525,763,746	225,106,917	42.8%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes other non-cpe terminal equipment not specifically assigned to other accounts, and such items as specialized communications equipment provided to meet the needs of the disabled, over-voltage protection equipment, multiplexing equipment to deliver multiple channels to customers, etc.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:09 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2362 OTHER TERMINAL EQPT
CATEGORY: OTHER TERMINAL EQUIPMENT
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	447,824	0.9566	0.48	5.27	5.77	77,589	409,030
*2002	1.5	438,335	0.8851	1.44	5.19	6.69	65,511	340,068
*2001	2.5	595,336	0.8405	2.40	4.83	7.33	81,225	392,273
*2000	3.5	591,995	0.7895	3.33	4.38	7.88	75,170	328,901
*1999	4.5	1,119,039	0.7374	4.24	3.89	8.39	133,356	518,935
*1998	5.5	1,591,818	0.7369	5.29	3.41	8.91	178,663	609,170
*1997	6.5	1,177,777	0.6822	6.20	2.95	9.45	124,632	367,669
*1996	7.5	1,145,663	0.6521	7.18	2.53	10.03	114,269	288,642
*1995	8.5	1,053,529	0.5825	8.02	2.15	10.65	98,960	212,371
1994	9.5	672,879	0.5196	8.81	1.97	9.83	68,418	134,545
1993	10.5	455,797	0.5274	9.83	1.62	10.69	42,648	69,299
1992	11.5	1,011,089	0.4217	10.45	1.33	11.01	91,861	121,803
1991	12.5	4,627,456	0.3143	10.87	1.06	11.20	413,130	438,051
1990	13.5	25,477	0.0271	10.20	0.84	10.23	2,492	2,085
1989	14.5	22,396	0.0328	10.30	0.63	10.32	2,170	1,375
TOTAL		14,976,410					1,570,094	4,234,215
NON-ELG V		6,815,094					620,718	767,157
ELG V		8,161,316					949,376	3,467,058

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	9.53854	10.97937	8.59650
AVG REMAINING LIFE: TOT H/TOT G	2.69679	1.23592	3.65193

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 32,294,737
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.46374

USING IOWA CURVE: R1.5
* ELG VINTAGES, PROJECTION LIFE 8.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$12,511,645	0.2% (1)	$22,473	23.2% (1)	$2,906,663	-23.1%
FUTURE	$14,976,410 (2)	0.0%	$0	0.0%	$0	0.0%
TOTAL	$27,488,055		$22,473		$2,906,663	
AVERAGE		0.1%		10.6%		-10.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	5,692,534	0	0	0.0%	2,202,100	0.0%	0.0%
1984	6,466,672	0	0	0.0%	0	0.0%	0.0%
1985	7,534,739	0	0	0.0%	0	0.0%	0.0%
1986	7,360,511	63,559	4,999	7.9%	53	0.1%	7.8%
1987	7,287,963	199,119	1,819	0.9%	0	0.0%	0.9%
1988	7,538,185	76,221	3,227	4.2%	0	0.0%	4.2%
1989	8,217,273	0	3,147	0.0%	0	0.0%	0.0%
1990	9,164,252	0	5,731	0.0%	0	0.0%	0.0%
1991	10,571,310	32,883	1,454	4.4%	0	0.0%	4.4%
1992	13,643,228	0	0	0.0%	0	0.0%	0.0%
1993	14,220,289	0	2,087	0.0%	0	0.0%	0.0%
1994	15,163,567	15,677	0	0.0%	0	0.0%	0.0%
1995	16,925,114	0	0	0.0%	0	0.0%	0.0%
1996	18,501,034	142,190	0	0.0%	235	0.2%	-0.2%
1997	19,815,883	677,214	0	0.0%	4,731	0.7%	-0.7%
1998	22,083,912	0	0	0.0%	10,173	0.0%	0.0%
1999	23,534,993	67,467	0	0.0%	38,829	57.6%	-57.6%
2000	24,031,608	269,277	0	0.0%	223,133	82.9%	-82.9%
2001	24,744,638	30,676	0	0.0%	74,689	243.5%	-243.5%
2002	25,209,363	55,265	9	0.0%	152,313	275.6%	-275.6%
2003	14,976,410	10,882,097	0	0.0%	200,407	1.8%	-1.8%
		12,511,645	22,473	0.2%	2,906,663	23.2%	-23.1%
1994-2003	10 year band	12,139,863	9	0.0%	704,510	5.8%	-5.8%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	0	0	0.0%	2,202,100	0.0%	0.0%
1983	0	0	0.0%	2,202,100	0.0%	0.0%
1984	63,559	4,999	7.9%	2,202,153	3464.7%	-3456.9%
1985	262,678	6,818	2.6%	2,202,153	838.3%	-835.8%
1986	338,899	10,045	3.0%	53	0.0%	2.9%
1987	338,899	13,192	3.9%	53	0.0%	3.9%
1988	338,899	18,923	5.6%	53	0.0%	5.6%
1989	308,223	15,378	5.0%	0	0.0%	5.0%
1990	109,104	13,559	12.4%	0	0.0%	12.4%
1991	32,883	12,419	37.8%	0	0.0%	37.8%
1992	48,560	9,272	19.1%	0	0.0%	19.1%
1993	48,560	3,541	7.3%	0	0.0%	7.3%
1994	157,867	2,087	1.3%	235	0.1%	1.2%
1995	835,081	2,087	0.2%	4,966	0.6%	-0.3%
1996	835,081	0	0.0%	15,139	1.8%	-1.8%
1997	886,871	0	0.0%	53,968	6.1%	-6.1%
1998	1,156,148	0	0.0%	277,101	24.0%	-24.0%
1999	1,044,634	0	0.0%	351,555	33.7%	-33.7%
2000	422,685	9	0.0%	499,137	118.1%	-118.1%
2001	11,304,782	9	0.0%	689,371	6.1%	-6.1%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	2,846,267	0	0.0000
1983	5,692,534	2,846,267	0	0.0000	82/84	8,925,870	0	0.0000
1984	6,466,672	6,079,603	0	0.0000	83/85	15,926,576	0	0.0000
1985	7,534,739	7,000,706	0	0.0000	84/86	20,527,934	63,559	0.0031
1986	7,360,511	7,447,625	63,559	0.0085	85/87	21,772,568	262,678	0.0121
1987	7,287,963	7,324,237	199,119	0.0272	86/88	22,184,936	338,899	0.0153
1988	7,538,185	7,413,074	76,221	0.0103	87/89	22,615,040	275,340	0.0122
1989	8,217,273	7,877,729	0	0.0000	88/90	23,981,566	76,221	0.0032
1990	9,164,252	8,690,763	0	0.0000	89/91	26,436,273	32,883	0.0012
1991	10,571,310	9,867,781	32,883	0.0033	90/92	30,665,813	32,883	0.0011
1992	13,643,228	12,107,269	0	0.0000	91/93	35,906,809	32,883	0.0009
1993	14,220,289	13,931,759	0	0.0000	92/94	40,730,956	15,677	0.0004
1994	15,163,567	14,691,928	15,677	0.0011	93/95	44,668,027	15,677	0.0004
1995	16,925,114	16,044,341	0	0.0000	94/96	48,449,343	157,867	0.0033
1996	18,501,034	17,713,074	142,190	0.0080	95/97	52,915,873	819,404	0.0155
1997	19,815,883	19,158,459	677,214	0.0353	96/98	57,821,430	819,404	0.0142
1998	22,083,912	20,949,898	0	0.0000	97/99	62,917,809	744,681	0.0118
1999	23,534,993	22,809,453	67,467	0.0030	98/00	67,542,651	336,744	0.0050
2000	24,031,608	23,783,301	269,277	0.0113	99/01	70,980,876	367,420	0.0052
2001	24,744,638	24,388,123	30,676	0.0013	00/02	73,148,424	355,218	0.0049
2002	25,209,363	24,977,001	55,265	0.0022	01/03	69,458,010	10,968,038	0.1579
2003	14,976,410	20,092,887	10,882,097	0.5416				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	(103,632)	5,692,534
1984	369,984	0	404,154	6,466,672
1985	1,069,734	0	(1,667)	7,534,739
1986	220,717	63,559	(331,386)	7,360,511
1987	576,389	199,119	(449,818)	7,287,963
1988	561,350	76,221	(234,907)	7,538,185
1989	777,650	0	(98,562)	8,217,273
1990	966,814	0	(19,835)	9,164,252
1991	1,440,909	32,883	(968)	10,571,310
1992	2,455,340	0	616,578	13,643,228
1993	506,135	0	70,926	14,220,289
1994	1,187,742	15,677	(228,787)	15,163,567
1995	1,760,733	0	813	16,925,114
1996	1,817,499	142,190	(99,389)	18,501,034
1997	1,748,445	677,214	243,618	19,815,883
1998	2,268,142	0	(113)	22,083,912
1999	1,518,435	67,467	113	23,534,993
2000	765,768	269,277	125	24,031,608
2001	743,705	30,676	1	24,744,638
2002	519,990	55,265	0	25,209,363
2003	649,144	10,882,097	0	14,976,410

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	2,202,100	0	1,358,634
1984	843,466	0	0	0	0	2,202,100
1985	954,874	0	0	0	0	3,156,974
1986	1,302,857	4,999	63,559	53	0	4,401,218
1987	1,327,755	1,819	199,119	0	0	5,531,673
1988	1,360,681	3,227	76,221	0	177	6,819,537
1989	350,731	3,147	0	0	954	7,174,369
1990	391,995	5,731	0	0	0	7,572,095
1991	259,551	1,454	32,883	0	(1,527)	7,798,690
1992	447,774	0	0	0	444,445	8,690,909
1993	503,038	2,087	0	0	117,356	9,313,390
1994	784,618	0	15,677	0	(38,225)	10,044,106
1995	1,253,151	0	0	0	704	10,444,700
1996	1,373,971	0	142,190	235	(945,030)	10,731,216
1997	1,470,504	0	677,214	4,731	13,835	11,533,610
1998	1,618,367	0	0	10,173	375,035	13,516,839
1999	1,804,711	0	67,467	38,829	(375,036)	14,840,218
2000	3,108,727	0	269,277	223,133	126	17,456,660
2001	2,996,289	0	30,676	74,689	0	20,347,584
2002	3,073,888	9	55,265	152,313	0	23,213,903
2003	2,634,334	0	10,882,097	200,407	2	14,765,735

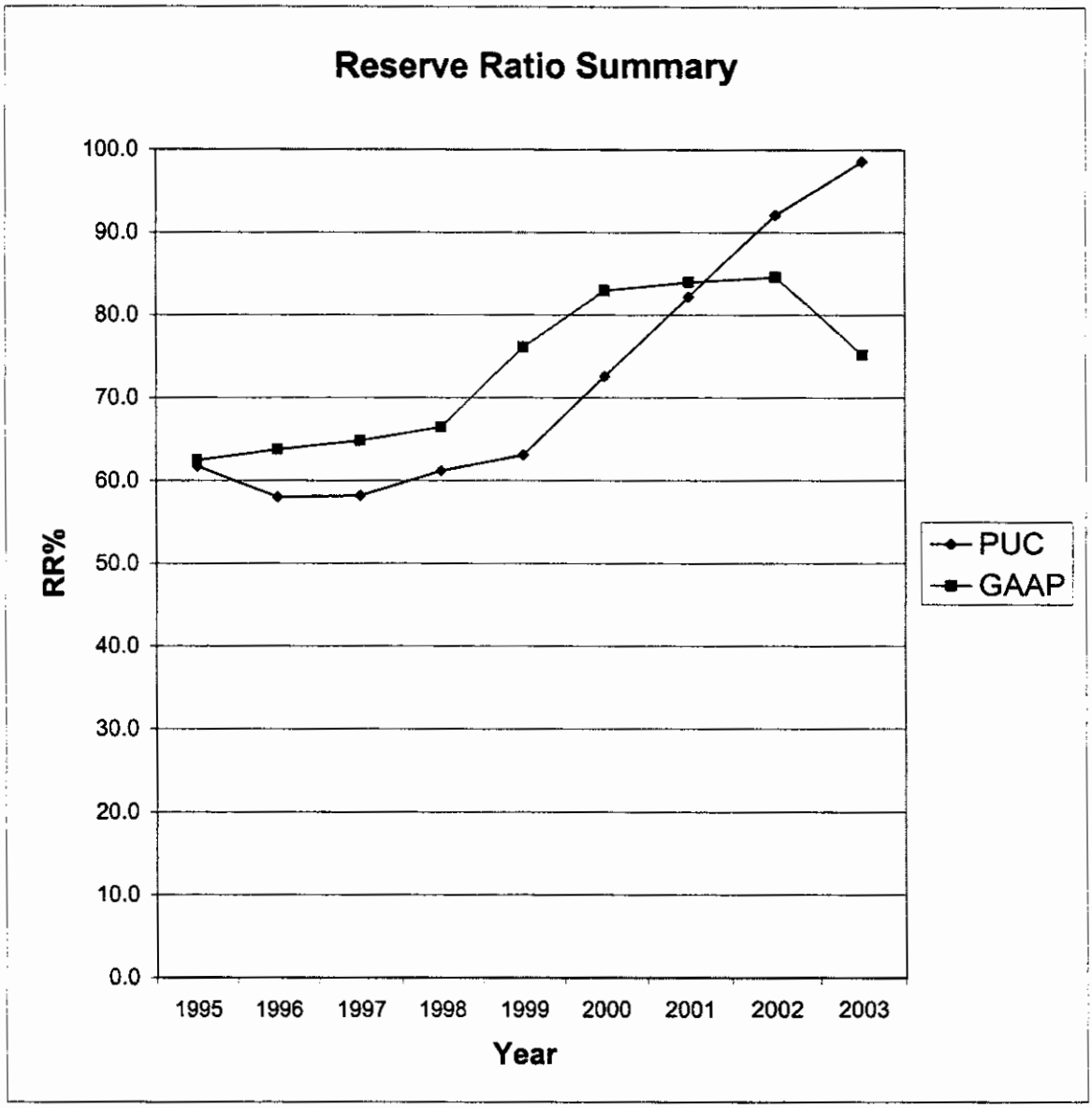
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2362.00
OTHER TERMINAL EQ

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	5,692,534	1,358,634	23.9%
1984	6,466,672	2,202,100	34.1%
1985	7,534,739	3,156,974	41.9%
1986	7,360,511	4,401,218	59.8%
1987	7,287,963	5,531,673	75.9%
1988	7,538,185	6,819,537	90.5%
1989	8,217,273	7,174,369	87.3%
1990	9,164,252	7,572,095	82.6%
1991	10,571,310	7,798,690	73.8%
1992	13,643,228	8,690,909	63.7%
1993	14,220,289	9,313,390	65.5%
1994	15,163,567	10,044,106	66.2%
1995	16,925,114	10,444,700	61.7%
1996	18,501,034	10,731,216	58.0%
1997	19,815,883	11,533,610	58.2%
1998	22,083,912	13,516,839	61.2%
1999	23,534,993	14,840,218	63.1%
2000	24,031,608	17,456,660	72.6%
2001	24,744,638	20,347,584	82.2%
2002	25,209,363	23,213,903	92.1%
2003	14,976,410	14,765,735	98.6%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes poles, crossarms, guys, towers (not associated with buildings), materials used in the construction of pole lines, and the cost of clearing pole line routes.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:11 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2411 POLES
CATEGORY: POLES
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	2,562,088	0.9993	0.50	13.95	14.45	177,249	2,473,464
*2002	1.5	2,601,110	0.9929	1.49	14.85	16.35	159,057	2,362,525
*2001	2.5	2,385,088	0.9858	2.48	15.35	17.85	133,608	2,051,068
*2000	3.5	2,848,239	0.9607	3.42	15.67	19.17	148,586	2,328,188
*1999	4.5	1,681,447	0.9647	4.40	15.88	20.38	82,494	1,310,222
*1998	5.5	1,736,870	0.9604	5.37	16.03	21.53	80,668	1,293,194
*1997	6.5	1,535,915	0.8944	6.18	16.13	22.63	67,871	1,094,756
*1996	7.5	1,403,913	0.8435	6.97	16.19	23.69	59,256	959,494
*1995	8.5	966,364	0.8167	7.76	16.23	24.73	39,081	634,171
1994	9.5	1,093,367	0.4983	7.79	24.50	20.00	54,678	1,339,816
1993	10.5	1,455,484	0.7202	8.86	24.07	26.19	55,574	1,337,643
1992	11.5	1,770,170	0.7925	9.78	23.65	28.53	62,056	1,467,634
1991	12.5	1,527,440	0.8881	10.84	23.24	31.48	48,522	1,127,794
1990	13.5	1,110,955	0.7649	11.43	22.85	28.91	38,432	878,058
1989	14.5	1,163,042	0.8647	12.47	22.46	31.90	36,464	818,978
1988	15.5	1,103,142	0.7316	13.03	22.08	29.18	37,805	834,716
1987	16.5	1,046,415	0.6696	13.62	21.71	28.15	37,166	806,732
1986	17.5	924,935	0.8138	14.69	21.34	32.05	28,858	615,792
1985	18.5	827,203	0.6123	15.01	20.98	27.85	29,699	623,015
1984	19.5	909,366	0.6954	15.86	20.62	30.20	30,110	620,954
1983	20.5	1,172,179	0.8677	17.02	20.27	34.62	33,862	686,511
1982	21.5	793,901	0.5407	17.09	19.93	27.86	28,493	567,896
1981	22.5	1,217,556	0.6802	18.02	19.59	31.34	38,846	761,137
1980	23.5	1,511,893	0.4848	18.22	19.26	27.55	54,869	1,056,885
1979	24.5	542,601	0.4322	18.59	18.94	26.77	20,266	383,739
1978/PRIOR		10,048,646	0.3908	23.95	16.00	32.23	311,754	4,988,105
TOTAL		45,939,329					1,895,326	33,422,487
NON-ELG V		28,218,295					947,455	18,915,406
ELG V		17,721,034					947,871	14,507,081

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	24.23822	29.78325	18.69562
AVG REMAINING LIFE: TOT H/TOT G	17.63416	19.96444	15.30491

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 71,210,229
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.64512

USING IOWA CURVE: L0.0
* ELG VINTAGES, PROJECTION LIFE 30.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2411.00
POLES

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$8,782,582	8.0% (1)	$704,493	148.6% (1)	$13,052,228	-140.6%
FUTURE	$45,939,329 (2)	0.0%	$0	150.0%	$68,908,994	-150.0%
TOTAL	$54,721,911		$704,493		$81,961,222	
AVERAGE		1.3%		149.8%		-148.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	12,022,463	330,922	4,995	1.5%	195,193	59.0%	-57.5%
1981	13,143,411	235,365	6,859	2.9%	235,113	99.9%	-97.0%
1982	14,042,063	251,923	28,338	11.2%	297,320	118.0%	-106.8%
1983	14,933,917	182,164	7,300	4.0%	243,013	133.4%	-129.4%
1984	15,706,370	235,481	6,467	2.7%	193,151	82.0%	-79.3%
1985	16,532,910	215,167	3,745	1.7%	305,947	142.2%	-140.4%
1986	17,167,746	264,576	2,414	0.9%	293,106	110.8%	-109.9%
1987	18,309,022	247,226	20,040	8.1%	321,030	129.9%	-121.7%
1988	19,173,854	343,569	2,566	0.7%	295,511	86.0%	-85.3%
1989	20,012,546	319,799	5,554	1.7%	301,249	94.2%	-92.5%
1990	21,013,944	291,172	27,315	9.4%	295,504	101.5%	-92.1%
1991	21,882,422	738,165	74,680	10.1%	343,513	46.5%	-36.4%
1992	27,990,621	379,662	66,529	17.5%	360,500	95.0%	-77.4%
1993	29,586,445	454,197	2,460	0.5%	358,917	79.0%	-78.5%
1994	31,516,216	295,946	0	0.0%	379,504	128.2%	-128.2%
1995	32,673,145	166,301	21,702	13.0%	316,364	190.2%	-177.2%
1996	34,088,874	272,503	42,765	15.7%	603,907	221.6%	-205.9%
1997	35,287,716	382,219	111,971	29.3%	706,716	184.9%	-155.6%
1998	36,921,979	197,639	32,263	16.3%	747,583	378.3%	-361.9%
1999	38,512,054	173,997	61,404	35.3%	1,038,616	596.9%	-561.6%
2000	41,302,003	217,665	20,873	9.6%	1,380,627	634.3%	-624.7%
2001	43,150,026	606,965	57,947	9.5%	1,393,070	229.5%	-220.0%
2002	45,242,976	545,043	57,716	10.6%	1,171,541	214.9%	-204.4%
2003	45,939,329	1,434,916	38,590	2.7%	1,275,233	88.9%	-86.2%
		8,782,582	704,493	8.0%	13,052,228	148.6%	-140.6%
1994-2003	10 year band	4,293,194	445,231	10.4%	9,013,161	209.9%	-199.6%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
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POLES

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	1,235,855	53,959	4.4%	1,163,790	94.2%	-89.8%
1983	1,120,100	52,709	4.7%	1,274,544	113.8%	-109.1%
1984	1,149,311	48,264	4.2%	1,332,537	115.9%	-111.7%
1985	1,144,614	39,966	3.5%	1,356,247	118.5%	-115.0%
1986	1,306,019	35,232	2.7%	1,408,745	107.9%	-105.2%
1987	1,390,337	34,319	2.5%	1,516,843	109.1%	-106.6%
1988	1,466,342	57,889	3.9%	1,506,400	102.7%	-98.8%
1989	1,939,931	130,155	6.7%	1,556,807	80.3%	-73.5%
1990	2,072,367	176,644	8.5%	1,596,277	77.0%	-68.5%
1991	2,182,995	176,538	8.1%	1,659,683	76.0%	-67.9%
1992	2,159,142	170,984	7.9%	1,737,938	80.5%	-72.6%
1993	2,034,271	165,371	8.1%	1,758,798	86.5%	-78.3%
1994	1,568,609	133,456	8.5%	2,019,192	128.7%	-120.2%
1995	1,571,166	178,898	11.4%	2,365,408	150.6%	-139.2%
1996	1,314,608	208,701	15.9%	2,754,074	209.5%	-193.6%
1997	1,192,659	270,105	22.6%	3,413,186	286.2%	-263.5%
1998	1,244,023	269,276	21.6%	4,477,449	359.9%	-338.3%
1999	1,578,485	284,458	18.0%	5,266,612	333.6%	-315.6%
2000	1,741,309	230,203	13.2%	5,731,437	329.1%	-315.9%
2001	2,978,586	236,530	7.9%	6,259,087	210.1%	-202.2%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2411.00
POLES

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	12,022,463							
1981	13,143,411	12,582,937	235,365	0.0187				
1982	14,042,063	13,592,737	251,923	0.0185	81/83	40,663,664	669,452	0.0165
1983	14,933,917	14,487,990	182,164	0.0126	82/84	43,400,871	669,568	0.0154
1984	15,706,370	15,320,144	235,481	0.0154	83/85	45,927,774	632,812	0.0138
1985	16,532,910	16,119,640	215,167	0.0133	84/86	48,290,112	715,224	0.0148
1986	17,167,746	16,850,328	264,576	0.0157	85/87	50,708,352	726,969	0.0143
1987	18,309,022	17,738,384	247,226	0.0139	86/88	53,330,150	855,371	0.0160
1988	19,173,854	18,741,438	343,569	0.0183	87/89	56,073,022	910,594	0.0162
1989	20,012,546	19,593,200	319,799	0.0163	88/90	58,847,883	954,540	0.0162
1990	21,013,944	20,513,245	291,172	0.0142	89/91	61,554,628	1,349,136	0.0219
1991	21,882,422	21,448,183	738,165	0.0344	90/92	66,897,950	1,408,999	0.0211
1992	27,990,621	24,936,522	379,662	0.0152	91/93	75,173,238	1,572,024	0.0209
1993	29,586,445	28,788,533	454,197	0.0158	92/94	84,276,385	1,129,805	0.0134
1994	31,516,216	30,551,331	295,946	0.0097	93/95	91,434,544	916,444	0.0100
1995	32,673,145	32,094,681	166,301	0.0052	94/96	96,027,021	734,750	0.0077
1996	34,088,874	33,381,010	272,503	0.0082	95/97	100,163,985	821,023	0.0082
1997	35,287,716	34,688,295	382,219	0.0110	96/98	104,174,152	852,361	0.0082
1998	36,921,979	36,104,848	197,639	0.0055	97/99	108,510,159	753,855	0.0069
1999	38,512,054	37,717,017	173,997	0.0046	98/00	113,728,893	589,301	0.0052
2000	41,302,003	39,907,029	217,665	0.0055	99/01	119,850,060	998,627	0.0083
2001	43,150,026	42,226,015	606,965	0.0144	00/02	126,329,544	1,369,673	0.0108
2002	45,242,976	44,196,501	545,043	0.0123	01/03	132,013,668	2,586,924	0.0196
2003	45,939,329	45,591,153	1,434,916	0.0315				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2411.00
POLES

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($)	PLANT RETIRED ($)	ADJUST-MENTS ($)	PLANT IN SERVICE DEC. 31 ($)
	A	B	C	D
1980	1,265,212	330,922	(34,613)	12,022,463
1981	939,798	235,365	416,515	13,143,411
1982	913,888	251,923	236,687	14,042,063
1983	953,847	182,164	120,171	14,933,917
1984	839,219	235,481	168,715	15,706,370
1985	696,176	215,167	345,531	16,532,910
1986	847,799	264,576	51,613	17,167,746
1987	1,202,715	247,226	185,787	18,309,022
1988	978,982	343,569	229,419	19,173,854
1989	934,288	319,799	224,203	20,012,546
1990	1,150,002	291,172	142,568	21,013,944
1991	1,399,883	738,165	206,760	21,882,422
1992	1,615,546	379,662	4,872,315	27,990,621
1993	1,960,773	454,197	89,248	29,586,445
1994	1,331,392	295,946	894,325	31,516,216
1995	1,227,787	166,301	95,443	32,673,145
1996	1,580,072	272,503	108,160	34,088,874
1997	1,637,612	382,219	(56,551)	35,287,716
1998	1,834,466	197,639	(2,564)	36,921,979
1999	1,767,550	173,997	(3,478)	38,512,054
2000	3,007,437	217,665	177	41,302,003
2001	2,454,331	606,965	657	43,150,026
2002	2,649,347	545,043	(11,352)	45,242,976
2003	2,142,860	1,434,916	(11,591)	45,939,329

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2411.00
POLES

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	657,820	4,995	330,922	195,193	296,755	2,642,023
1981	721,991	6,859	235,365	235,113	0	2,900,395
1982	781,788	28,338	251,923	297,320	26	3,161,304
1983	1,069,018	7,300	182,164	243,013	0	3,812,445
1984	1,168,966	6,467	235,481	193,151	110	4,559,356
1985	1,253,363	3,745	215,167	305,947	7,910	5,303,260
1986	1,412,915	2,414	264,576	293,106	0	6,160,907
1987	1,978,863	20,040	247,226	321,030	44,894	7,636,448
1988	2,055,673	2,566	343,569	295,511	0	9,055,607
1989	2,192,853	5,554	319,799	301,249	0	10,632,966
1990	2,259,569	27,315	291,172	295,504	(409)	12,332,765
1991	2,373,891	74,680	738,165	343,513	7,889	13,707,547
1992	1,721,202	66,529	379,662	360,500	2,187,406	16,942,522
1993	2,215,422	2,460	454,197	358,917	54,094	18,401,384
1994	2,192,779	0	295,946	379,504	249,510	20,168,223
1995	1,994,715	21,702	166,301	316,364	(600)	15,612,777
1996	2,063,533	42,765	272,503	603,907	(1,678,085)	15,164,580
1997	2,137,451	111,971	382,219	706,716	34,226	16,359,293
1998	2,214,408	32,263	197,639	747,583	14,398	17,675,140
1999	2,345,020	61,404	173,997	1,038,616	(14,898)	18,854,053
2000	2,785,201	20,873	217,665	1,380,627	180	20,062,015
2001	2,941,301	57,947	606,965	1,393,070	(132)	21,061,096
2002	3,108,911	57,716	545,043	1,171,541	727	22,511,866
2003	3,168,515	38,590	1,434,916	1,275,233	0	23,008,822

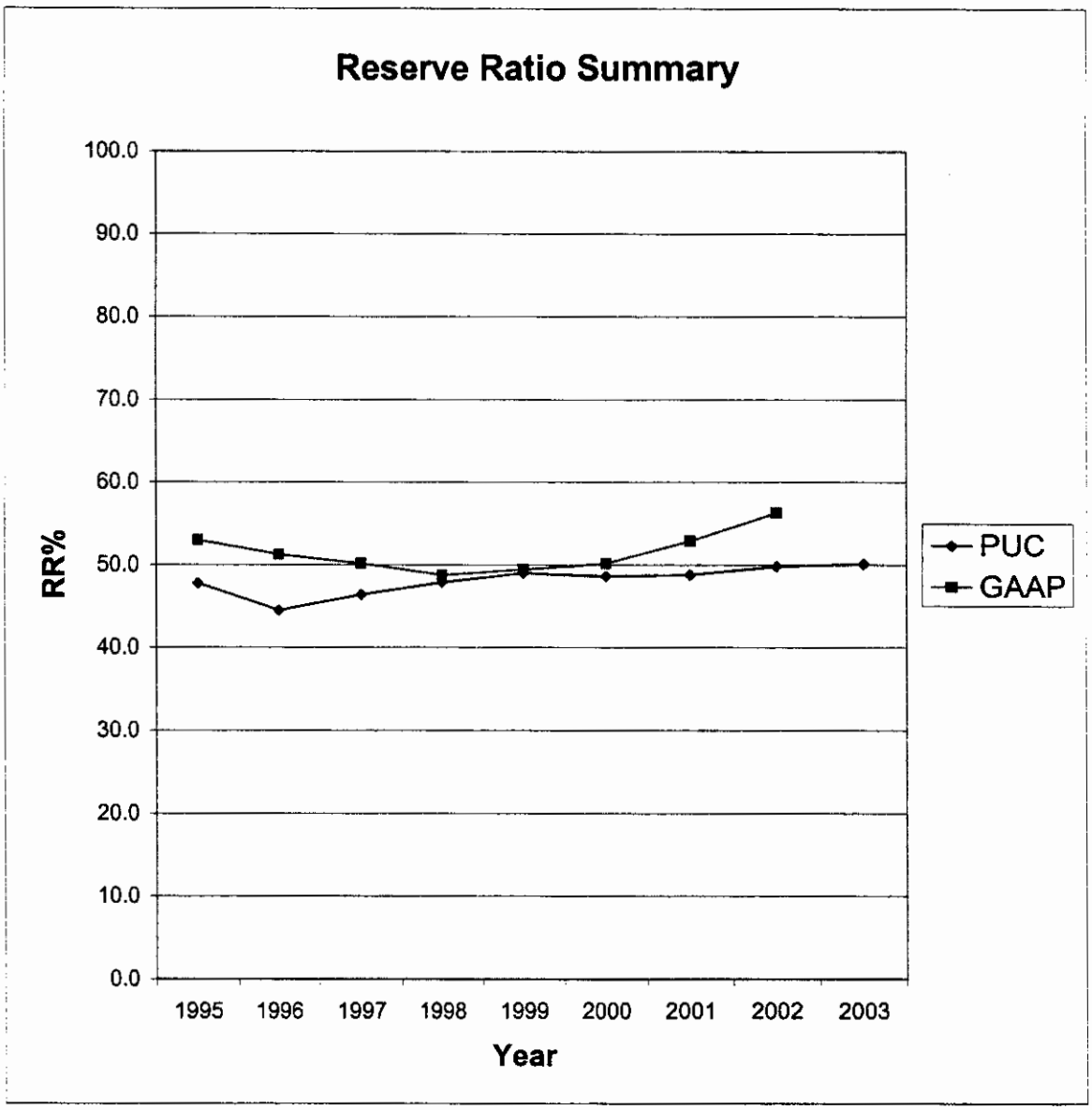
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2411.00
POLES

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	12,022,463	2,642,023	22.0%
1981	13,143,411	2,900,395	22.1%
1982	14,042,063	3,161,304	22.5%
1983	14,933,917	3,812,445	25.5%
1984	15,706,370	4,559,356	29.0%
1985	16,532,910	5,303,260	32.1%
1986	17,167,746	6,160,907	35.9%
1987	18,309,022	7,636,448	41.7%
1988	19,173,854	9,055,607	47.2%
1989	20,012,546	10,632,966	53.1%
1990	21,013,944	12,332,765	58.7%
1991	21,882,422	13,707,547	62.6%
1992	27,990,621	16,942,522	60.5%
1993	29,586,445	18,401,384	62.2%
1994	31,516,216	20,168,223	64.0%
1995	32,673,145	15,612,777	47.8%
1996	34,088,874	15,164,580	44.5%
1997	35,287,716	16,359,293	46.4%
1998	36,921,979	17,675,140	47.9%
1999	38,512,054	18,854,053	49.0%
2000	41,302,003	20,062,015	48.6%
2001	43,150,026	21,061,096	48.8%
2002	45,242,976	22,511,866	49.8%
2003	45,939,329	23,008,822	50.1%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all aerial metallic cable, and drop and block wires served by such cable. It also includes the cost of other material used in the construction of such plant, and the cost of permits and privileges for the construction of aerial cable facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:16 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2421.1 AER CBL - METALLIC
CATEGORY: AERIAL CABLE - METALLIC
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2004 AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAINING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	5,450,711	0.9984	0.50	10.03	10.53	517,579	5,191,921
*2002	1.5	5,133,255	0.9956	1.50	9.74	11.24	456,723	4,448,170
*2001	2.5	7,540,635	0.9942	2.49	9.34	11.84	636,712	5,948,854
*2000	3.5	8,720,402	0.6641	2.66	8.96	12.46	699,960	6,270,543
*1999	4.5	6,940,983	0.9580	4.07	8.61	13.11	529,295	4,559,157
*1998	5.5	8,221,081	0.9639	5.06	8.32	13.82	595,005	4,948,554
*1997	6.5	9,174,287	0.9568	6.01	8.07	14.57	629,782	5,080,706
*1996	7.5	7,750,508	0.9787	7.03	7.86	15.36	504,594	3,966,054
*1995	8.5	2,512,882	0.2914	6.29	7.68	16.18	155,277	1,193,026
1994	9.5	3,401,911	0.3367	6.70	9.78	9.99	340,511	3,330,893
1993	10.5	5,689,869	0.3207	6.99	9.40	10.01	568,488	5,342,221
1992	11.5	5,044,921	0.4235	7.58	9.03	11.40	442,387	3,992,832
1991	12.5	8,287,868	0.7722	8.88	8.67	15.58	532,112	4,611,585
1990	13.5	8,818,728	0.7986	9.74	8.32	16.38	538,344	4,478,719
1989	14.5	8,127,502	0.7622	10.45	7.98	16.54	491,395	3,923,110
1988	15.5	6,742,898	0.9136	11.61	7.66	18.61	362,412	2,775,523
1987	16.5	6,853,176	0.8205	12.29	7.34	18.32	374,127	2,747,493
1986	17.5	6,942,236	0.7858	13.04	7.04	18.57	373,760	2,630,769
1985	18.5	6,519,523	0.7615	13.77	6.74	18.91	344,779	2,324,742
1984	19.5	5,141,413	0.4342	13.73	6.46	16.53	311,065	2,008,188
1983	20.5	3,909,135	0.7994	15.09	6.18	20.03	195,162	1,205,543
1982	21.5	4,089,418	0.6530	15.54	5.91	19.39	210,864	1,245,440
1981	22.5	7,522,329	0.8058	16.59	5.64	21.13	355,948	2,008,628
1980	23.5	6,751,628	0.6447	17.00	5.39	20.47	329,756	1,776,447
1979	24.5	7,931,280	0.6418	17.65	5.14	20.94	378,700	1,945,821
1978/PRIOR		47,102,579	0.4700	22.27	3.44	24.41	1,929,982	6,640,276
TOTAL		210,321,158					12,804,718	94,595,213
NON-ELG V		148,876,414					8,079,791	52,988,228
ELG V		61,444,744					4,724,927	41,606,985

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	16.42529	18.42578	13.00438
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	7.38753	6.55812	8.80585

COMPUTED GROSS ADDS-ALL VINTS: 333,929,092
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.62984

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 16.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2421.10
AERIAL CABLE - METALLIC

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$60,093,980	12.0% (1)	$7,186,341	33.2% (1)	$19,949,895	-21.2%
FUTURE	$210,321,158 (2)	5.0%	$10,516,058	32.0%	$67,302,771	-27.0%
TOTAL	$270,415,138		$17,702,399		$87,252,666	
AVERAGE		6.5%		32.3%		-25.8%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	55,205,397	1,332,075	640,041	48.0%	503,465	37.8%	10.3%
1981	61,060,782	1,454,197	563,899	38.8%	468,099	32.2%	6.6%
1982	64,283,028	1,149,698	407,027	35.4%	539,649	46.9%	-11.5%
1983	66,780,865	808,681	206,527	25.5%	417,196	51.6%	-26.1%
1984	73,212,169	919,124	180,544	19.6%	430,485	46.8%	-27.2%
1985	78,937,463	1,416,685	151,175	10.7%	750,712	53.0%	-42.3%
1986	84,586,396	1,817,202	283,528	15.6%	923,016	50.8%	-35.2%
1987	89,152,260	2,657,311	206,575	7.8%	935,382	35.2%	-27.4%
1988	92,994,221	2,632,403	235,316	8.9%	832,511	31.6%	-22.7%
1989	96,782,367	2,406,383	380,098	15.8%	820,765	34.1%	-18.3%
1990	104,375,986	2,269,392	395,157	17.4%	1,131,258	49.8%	-32.4%
1991	111,132,926	3,098,714	476,630	15.4%	1,100,468	35.5%	-20.1%
1992	146,893,681	3,080,346	704,415	22.9%	1,132,532	36.8%	-13.9%
1993	156,572,270	4,946,738	122,017	2.5%	1,228,575	24.8%	-22.4%
1994	163,706,408	3,015,774	593,536	19.7%	931,331	30.9%	-11.2%
1995	171,673,348	1,788,162	591,732	33.1%	556,183	31.1%	2.0%
1996	177,724,749	1,928,602	598,527	31.0%	693,675	36.0%	-4.9%
1997	184,998,532	2,521,012	354,597	14.1%	776,262	30.8%	-16.7%
1998	190,542,857	3,044,267	8,470	0.3%	713,043	23.4%	-23.1%
1999	195,241,478	2,635,910	21,621	0.8%	850,431	32.3%	-31.4%
2000	201,587,299	6,922,773	10,702	0.2%	970,321	14.0%	-13.9%
2001	204,357,650	4,898,467	47,184	1.0%	1,355,723	27.7%	-26.7%
2002	207,738,130	1,644,161	2,348	0.1%	866,088	52.7%	-52.5%
2003	210,321,158	1,705,903	4,675	0.3%	1,022,725	60.0%	-59.7%
		60,093,980	7,186,341	12.0%	19,949,895	33.2%	-21.2%
1994-2003	10 year band	30,105,031	2,233,392	7.4%	8,735,782	29.0%	-21.6%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	5,663,775	1,998,038	35.3%	2,358,894	41.6%	-6.4%
1983	5,748,385	1,509,172	26.3%	2,606,141	45.3%	-19.1%
1984	6,111,390	1,228,801	20.1%	3,061,058	50.1%	-30.0%
1985	7,619,003	1,028,349	13.5%	3,456,791	45.4%	-31.9%
1986	9,442,725	1,057,138	11.2%	3,872,106	41.0%	-29.8%
1987	10,929,984	1,256,692	11.5%	4,262,386	39.0%	-27.5%
1988	11,782,691	1,500,674	12.7%	4,642,932	39.4%	-26.7%
1989	13,064,203	1,693,776	13.0%	4,820,384	36.9%	-23.9%
1990	13,487,238	2,191,616	16.2%	5,017,534	37.2%	-21.0%
1991	15,801,573	2,078,317	13.2%	5,413,598	34.3%	-21.1%
1992	16,410,964	2,291,755	14.0%	5,524,164	33.7%	-19.7%
1993	15,929,734	2,488,330	15.6%	4,949,089	31.1%	-15.4%
1994	14,759,622	2,610,227	17.7%	4,542,296	30.8%	-13.1%
1995	14,200,288	2,260,409	15.9%	4,186,026	29.5%	-13.6%
1996	12,297,817	2,146,862	17.5%	3,670,494	29.8%	-12.4%
1997	11,917,953	1,574,947	13.2%	3,589,594	30.1%	-16.9%
1998	17,052,564	993,917	5.8%	4,003,732	23.5%	-17.7%
1999	20,022,429	442,574	2.2%	4,665,780	23.3%	-21.1%
2000	19,145,578	90,325	0.5%	4,755,606	24.8%	-24.4%
2001	17,807,214	86,530	0.5%	5,065,288	28.4%	-28.0%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.10
AERIAL CABLE - METALLIC

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	55,205,397							
1981	61,060,782	58,133,090	1,454,197	0.0250				
1982	64,283,028	62,671,905	1,149,698	0.0183	81/83	186,336,941	3,412,576	0.0183
1983	66,780,865	65,531,947	808,681	0.0123	82/84	198,200,369	2,877,503	0.0145
1984	73,212,169	69,996,517	919,124	0.0131	83/85	211,603,280	3,144,490	0.0149
1985	78,937,463	76,074,816	1,416,685	0.0186	84/86	227,833,263	4,153,011	0.0182
1986	84,586,396	81,761,930	1,817,202	0.0222	85/87	244,706,074	5,891,198	0.0241
1987	89,152,260	86,869,328	2,657,311	0.0306	86/88	259,704,498	7,106,916	0.0274
1988	92,994,221	91,073,241	2,632,403	0.0289	87/89	272,830,863	7,696,097	0.0282
1989	96,782,367	94,888,294	2,406,383	0.0254	88/90	286,540,711	7,308,178	0.0255
1990	104,375,986	100,579,177	2,269,392	0.0226	89/91	303,221,927	7,774,489	0.0256
1991	111,132,926	107,754,456	3,098,714	0.0288	90/92	337,346,936	8,448,452	0.0250
1992	146,893,681	129,013,304	3,080,346	0.0239	91/93	388,500,735	11,125,798	0.0286
1993	156,572,270	151,732,976	4,946,738	0.0326	92/94	440,885,618	11,042,858	0.0250
1994	163,706,408	160,139,339	3,015,774	0.0188	93/95	479,562,193	9,750,674	0.0203
1995	171,673,348	167,689,878	1,788,162	0.0107	94/96	502,528,266	6,732,538	0.0134
1996	177,724,749	174,699,049	1,928,602	0.0110	95/97	523,750,567	6,237,776	0.0119
1997	184,998,532	181,361,641	2,521,012	0.0139	96/98	543,831,384	7,493,881	0.0138
1998	190,542,857	187,770,695	3,044,267	0.0162	97/99	562,024,503	8,201,189	0.0146
1999	195,241,478	192,892,168	2,635,910	0.0137	98/00	579,077,251	12,602,950	0.0218
2000	201,587,299	198,414,389	6,922,773	0.0349	99/01	594,279,031	14,457,150	0.0243
2001	204,357,650	202,972,475	4,898,467	0.0241	00/02	607,434,753	13,465,401	0.0222
2002	207,738,130	206,047,890	1,644,161	0.0080	01/03	618,050,009	8,248,531	0.0133
2003	210,321,158	209,029,644	1,705,903	0.0082				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.10
AERIAL CABLE - METALLIC

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	8,775,681	1,332,075	8,109	55,205,397
1981	7,202,751	1,454,197	106,831	61,060,782
1982	4,224,615	1,149,698	147,329	64,283,028
1983	3,304,924	808,681	1,594	66,780,865
1984	4,758,993	919,124	2,591,435	73,212,169
1985	3,800,868	1,416,685	3,341,111	78,937,463
1986	7,496,357	1,817,202	(30,222)	84,586,396
1987	7,269,087	2,657,311	(45,912)	89,152,260
1988	6,205,622	2,632,403	268,742	92,994,221
1989	5,657,476	2,406,383	537,053	96,782,367
1990	9,833,407	2,269,392	29,604	104,375,986
1991	10,158,852	3,098,714	(303,198)	111,132,926
1992	10,280,138	3,080,346	28,560,963	146,893,681
1993	13,929,625	4,946,738	695,702	156,572,270
1994	10,149,287	3,015,774	625	163,706,408
1995	8,638,447	1,788,162	1,116,655	171,673,348
1996	8,030,199	1,928,602	(50,196)	177,724,749
1997	9,815,390	2,521,012	(20,595)	184,998,532
1998	8,577,967	3,044,267	10,625	190,542,857
1999	7,272,509	2,635,910	62,022	195,241,478
2000	8,857,094	6,922,773	4,411,497	201,587,299
2001	7,642,638	4,898,467	26,180	204,357,650
2002	5,030,519	1,644,161	(5,878)	207,738,130
2003	4,092,280	1,705,903	196,651	210,321,158

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.10
AERIAL CABLE - METALLIC

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	2,543,858	640,041	1,332,075	503,465	44,750	9,584,083
1981	2,832,539	563,899	1,454,197	468,099	(58,094)	11,000,131
1982	3,066,146	407,027	1,149,698	539,649	610	12,784,567
1983	3,744,287	206,527	808,681	417,196	0	15,509,504
1984	4,200,068	180,544	919,124	430,485	650,129	19,190,636
1985	4,664,949	151,175	1,416,685	750,712	4,804	21,844,167
1986	4,801,635	283,528	1,817,202	923,016	0	24,189,112
1987	5,460,726	206,575	2,657,311	935,382	0	26,263,720
1988	5,723,961	235,316	2,632,403	832,511	(158,039)	28,600,044
1989	7,203,621	380,098	2,406,383	820,765	0	32,956,615
1990	7,584,792	395,157	2,269,392	1,131,258	186	37,536,100
1991	8,541,472	476,630	3,098,714	1,100,468	44,699	42,399,719
1992	8,537,676	704,415	3,080,346	1,132,532	19,004,064	66,432,996
1993	11,072,147	122,017	4,946,738	1,228,575	317,399	71,769,246
1994	11,076,464	593,536	3,015,774	931,331	(583,712)	78,908,429
1995	9,581,688	591,732	1,788,162	556,183	8,477	75,904,986
1996	9,929,807	598,527	1,928,602	693,675	(196,980)	83,614,063
1997	10,303,788	354,597	2,521,012	776,262	72,931	91,048,105
1998	10,463,216	8,470	3,044,267	713,043	91,797	97,854,278
1999	9,654,429	21,621	2,635,910	850,431	(15,100)	104,028,887
2000	10,115,013	10,702	6,922,773	970,321	4,463,541	110,725,049
2001	10,198,183	47,184	4,898,467	1,355,723	122	114,716,348
2002	10,448,946	2,348	1,644,161	866,088	(1,125)	122,656,272
2003	10,463,570	4,675	1,705,903	1,022,725	62,397	130,458,286

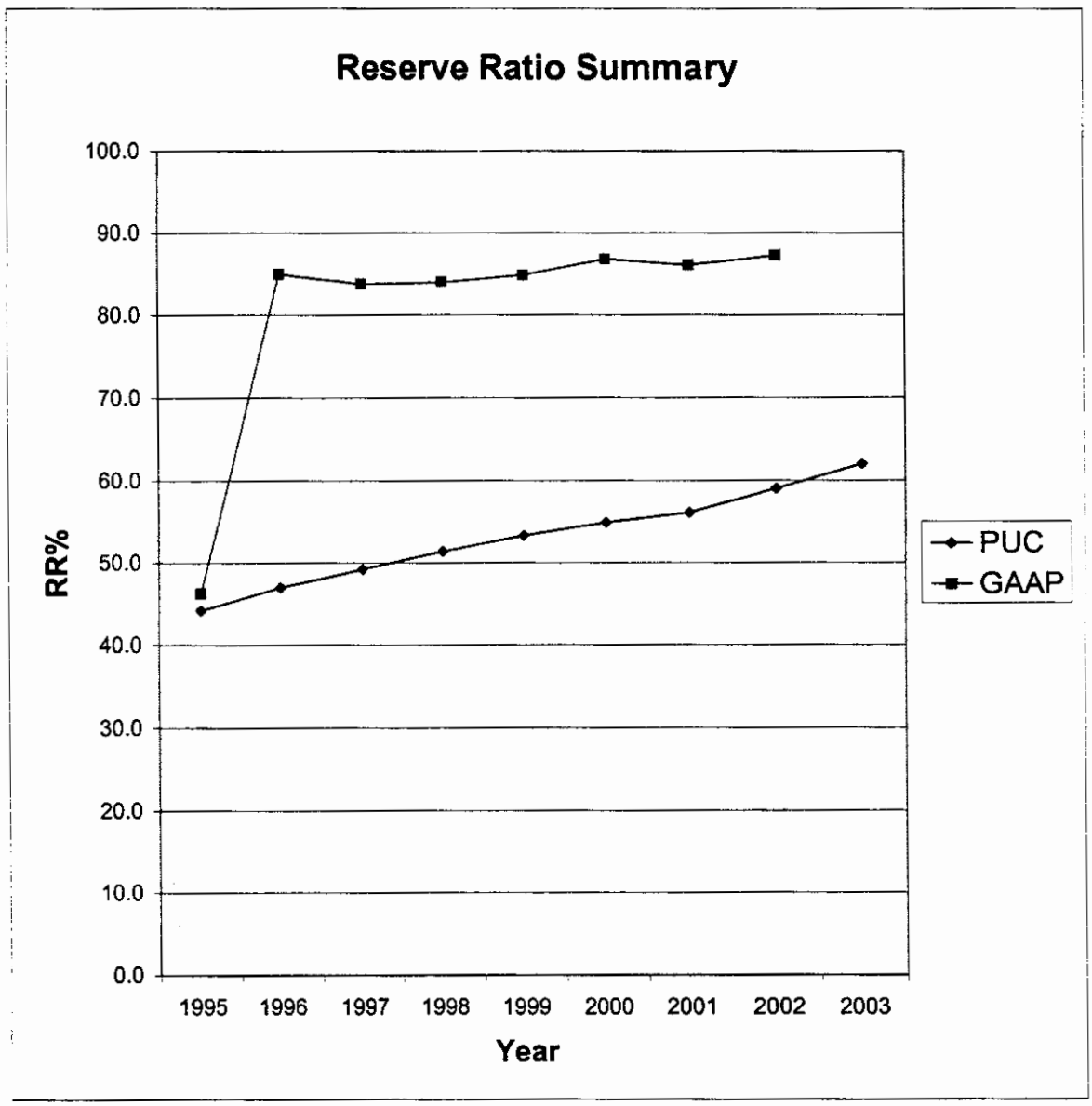
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.10
AERIAL CABLE - METALLIC

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	55,205,397	9,584,083	17.4%
1981	61,060,782	11,000,131	18.0%
1982	64,283,028	12,784,567	19.9%
1983	66,780,865	15,509,504	23.2%
1984	73,212,169	19,190,636	26.2%
1985	78,937,463	21,844,167	27.7%
1986	84,586,396	24,189,112	28.6%
1987	89,152,260	26,263,720	29.5%
1988	92,994,221	28,600,044	30.8%
1989	96,782,367	32,956,615	34.1%
1990	104,375,986	37,536,100	36.0%
1991	111,132,926	42,399,719	38.2%
1992	146,893,681	66,432,996	45.2%
1993	156,572,270	71,769,246	45.8%
1994	163,706,408	78,908,429	48.2%
1995	171,673,348	75,904,986	44.2%
1996	177,724,749	83,614,063	47.0%
1997	184,998,532	91,048,105	49.2%
1998	190,542,857	97,854,278	51.4%
1999	195,241,478	104,028,887	53.3%
2000	201,587,299	110,725,049	54.9%
2001	204,357,650	114,716,348	56.1%
2002	207,738,130	122,656,272	59.0%
2003	210,321,158	130,458,286	62.0%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes aerial fiber, and the cost of other materials used in the construction of such plant. It also includes the cost of permits and privileges for the construction of aerial fiber facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:18 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2421.2 AER CBL - NON MET
CATEGORY: AERIAL CABLE - NON METAL
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	1,213,460	0.9991	0.50	12.53	13.03	93,123	1,166,899
*2002	1.5	891,295	0.9981	1.50	12.31	13.81	64,549	794,472
*2001	2.5	1,268,862	0.9965	2.50	11.93	14.43	87,950	1,048,987
*2000	3.5	999,943	0.9818	3.46	11.53	15.03	66,534	767,073
*1999	4.5	352,108	0.9962	4.48	11.15	15.65	22,498	250,867
*1998	5.5	750,380	0.9933	5.47	10.81	16.31	46,021	497,266
*1997	6.5	677,402	0.9808	6.43	10.50	17.00	39,852	418,364
*1996	7.5	489,503	0.8767	7.17	10.23	17.73	27,609	282,432
*1995	8.5	705,921	0.9268	8.17	10.00	18.50	38,163	381,538
1994	9.5	468,885	0.9215	9.09	13.22	21.27	22,044	291,466
1993	10.5	302,090	0.6909	9.43	12.78	18.27	16,538	211,393
1992	11.5	720,871	0.7982	10.40	12.37	20.28	35,553	439,901
1991	12.5	1,020,527	0.7695	11.13	11.98	20.35	50,141	600,825
1990	13.5	487,205	0.9277	12.31	11.60	23.07	21,115	244,999
1989	14.5	914,502	0.6535	12.55	11.23	19.89	45,976	516,487
1988	15.5	509,711	0.5593	12.97	10.87	19.05	26,751	290,913
1987	16.5	307,761	0.7805	14.09	10.53	22.31	13,795	145,195
1986	17.5	104,593	0.3582	13.82	10.18	17.47	5,988	60,990
1985	18.5	520,543	0.9028	15.55	9.85	24.45	21,293	209,805
1984	19.5	51,226	0.5079	15.47	9.53	20.31	2,522	24,037
1983	20.5	263,834	0.4701	15.89	9.22	20.22	13,045	120,212
1982	21.5	0	0.0000	0.00				
1981	22.5	2,531	0.4596	16.34	8.61	20.30	125	1,073
1980	23.5	21,630	0.4212	16.71	8.32	20.21	1,070	8,901
TOTAL		13,044,783					762,257	8,774,096
NON-ELG V		5,695,909					275,958	3,166,199
ELG V		7,348,874					486,299	5,607,897

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	17.11338	20.64052	15.11184
AVG REMAINING LIFE: TOT H/TOT G	11.51069	11.47350	11.53179

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 15,512,026
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.84095

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 20.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$626,233	18.0% (1)	$112,872	6.6% (1)	$41,375	11.4%
FUTURE	$13,044,783 (2)	0.0%	$0	5.0%	$652,239	-5.0%
TOTAL	$13,671,016		$112,872		$693,614	
AVERAGE		0.8%		5.1%		-4.3%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

VERIZON NORTHWEST INC.
WASHINGTON
2421.20
AERIAL CBL - NONMETAL

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0	0.0%	0	0.0%	0.0%
1985	168,965	0	0	0.0%	924	0.0%	0.0%
1986	466,228	0	0	0.0%	0	0.0%	0.0%
1987	867,634	0	0	0.0%	0	0.0%	0.0%
1988	1,102,113	11,121	0	0.0%	50	0.4%	-0.4%
1989	1,531,269	0	0	0.0%	0	0.0%	0.0%
1990	1,866,572	11,564	0	0.0%	4,144	35.8%	-35.8%
1991	2,843,947	15,402	0	0.0%	2,262	14.7%	-14.7%
1992	4,833,098	0	28,134	0.0%	184	0.0%	0.0%
1993	5,456,963	200,891	45,807	22.8%	539	0.3%	22.5%
1994	5,872,999	101,914	0	0.0%	1,451	1.4%	-1.4%
1995	6,705,365	5,885	0	0.0%	1,697	28.8%	-28.8%
1996	7,201,795	0	0	0.0%	1,395	0.0%	0.0%
1997	7,915,089	24,158	0	0.0%	5,944	24.6%	-24.6%
1998	8,677,085	2,551	0	0.0%	4,467	175.1%	-175.1%
1999	9,034,453	6,549	0	0.0%	433	6.6%	-6.6%
2000	9,939,585	94,437	0	0.0%	2,116	2.2%	-2.2%
2001	11,200,525	56,646	0	0.0%	7,202	12.7%	-12.7%
2002	12,046,555	55,636	36,438	65.5%	0	0.0%	65.5%
2003	13,044,783	39,479	2,493	6.3%	8,567	21.7%	-15.4%
		626,233	112,872	18.0%	41,375	6.6%	11.4%
1994-2003	10 year band	387,255	38,931	10.1%	33,272	8.6%	1.5%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0.0%	924	0.0%	0.0%
1984	0	0	0.0%	924	0.0%	0.0%
1985	0	0	0.0%	924	0.0%	0.0%
1986	11,121	0	0.0%	974	8.8%	-8.8%
1987	11,121	0	0.0%	974	8.8%	-8.8%
1988	22,685	0	0.0%	4,194	18.5%	-18.5%
1989	38,087	0	0.0%	6,456	17.0%	-17.0%
1990	38,087	28,134	73.9%	6,640	17.4%	56.4%
1991	227,857	73,941	32.5%	7,129	3.1%	29.3%
1992	329,771	73,941	22.4%	8,580	2.6%	19.8%
1993	324,092	73,941	22.8%	6,133	1.9%	20.9%
1994	308,690	73,941	24.0%	5,266	1.7%	22.2%
1995	332,848	45,807	13.8%	11,026	3.3%	10.4%
1996	134,508	0	0.0%	14,954	11.1%	-11.1%
1997	39,143	0	0.0%	13,936	35.6%	-35.6%
1998	127,695	0	0.0%	14,355	11.2%	-11.2%
1999	184,341	0	0.0%	20,162	10.9%	-10.9%
2000	215,819	36,438	16.9%	14,218	6.6%	10.3%
2001	252,747	38,931	15.4%	18,318	7.2%	8.2%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.20
AERIAL CBL - NONMETAL

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	0	0	0.0000
1983	0	0	0	0.0000	82/84	0	0	0.0000
1984	0	0	0	0.0000	83/85	84,483	0	0.0000
1985	168,965	84,483	0	0.0000	84/86	402,079	0	0.0000
1986	466,228	317,597	0	0.0000	85/87	1,069,010	0	0.0000
1987	867,634	666,931	0	0.0000	86/88	1,969,401	11,121	0.0056
1988	1,102,113	984,874	11,121	0.0113	87/89	2,968,496	11,121	0.0037
1989	1,531,269	1,316,691	0	0.0000	88/90	4,000,485	22,685	0.0057
1990	1,866,572	1,698,921	11,564	0.0068	89/91	5,370,871	26,966	0.0050
1991	2,843,947	2,355,260	15,402	0.0065	90/92	7,892,703	26,966	0.0034
1992	4,833,098	3,838,523	0	0.0000	91/93	11,338,813	216,293	0.0191
1993	5,456,963	5,145,031	200,891	0.0390	92/94	14,648,534	302,805	0.0207
1994	5,872,999	5,664,981	101,914	0.0180	93/95	17,099,194	308,690	0.0181
1995	6,705,365	6,289,182	5,885	0.0009	94/96	18,907,743	107,799	0.0057
1996	7,201,795	6,953,580	0	0.0000	95/97	20,801,204	30,043	0.0014
1997	7,915,089	7,558,442	24,158	0.0032	96/98	22,808,109	26,709	0.0012
1998	8,677,085	8,296,087	2,551	0.0003	97/99	24,710,298	33,258	0.0013
1999	9,034,453	8,855,769	6,549	0.0007	98/00	26,638,875	103,537	0.0039
2000	9,939,585	9,487,019	94,437	0.0100	99/01	28,912,843	157,632	0.0055
2001	11,200,525	10,570,055	56,646	0.0054	00/02	31,680,614	206,719	0.0065
2002	12,046,555	11,623,540	55,636	0.0048	01/03	34,739,264	151,761	0.0044
2003	13,044,783	12,545,669	39,479	0.0031				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.20
AERIAL CBL - NONMETAL

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	0	0
1984	0	0	0	0
1985	164,402	0	4,563	168,965
1986	297,263	0	0	466,228
1987	401,406	0	0	867,634
1988	100,811	11,121	144,789	1,102,113
1989	180,803	0	248,353	1,531,269
1990	346,867	11,564	0	1,866,572
1991	760,924	15,402	231,853	2,843,947
1992	479,416	0	1,509,735	4,833,098
1993	845,055	200,891	(20,299)	5,456,963
1994	517,950	101,914	0	5,872,999
1995	772,210	5,885	66,041	6,705,365
1996	500,804	0	(4,374)	7,201,795
1997	737,510	24,158	(58)	7,915,089
1998	768,996	2,551	(4,449)	8,677,085
1999	359,784	6,549	4,133	9,034,453
2000	1,000,546	94,437	(977)	9,939,585
2001	1,296,112	56,646	21,474	11,200,525
2002	901,643	55,636	21	12,046,555
2003	975,696	39,479	62,011	13,044,783

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.20
AERIAL CBL - NONMETAL

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	0	0	0
1984	0	0	0	0	0	0
1985	11,841	0	0	924	0	10,917
1986	16,349	0	0	0	0	27,266
1987	42,063	0	0	0	(3)	69,326
1988	51,619	0	11,121	50	0	109,774
1989	68,634	0	0	0	0	178,408
1990	88,890	0	11,564	4,144	0	251,590
1991	106,855	0	15,402	2,262	140,480	481,261
1992	233,812	28,134	0	184	371,928	1,114,951
1993	279,299	45,807	200,891	539	(13,436)	1,225,191
1994	290,603	0	101,914	1,451	392,970	1,805,399
1995	221,390	0	5,885	1,697	1,861	1,335,215
1996	250,099	0	0	1,395	(477,552)	1,106,367
1997	269,545	0	24,158	5,944	2,447	1,348,257
1998	294,299	0	2,551	4,467	(141)	1,635,397
1999	360,991	0	6,549	433	113	1,989,519
2000	477,892	0	94,437	2,116	47	2,370,904
2001	498,932	0	56,646	7,202	0	2,805,988
2002	541,614	36,438	55,636	0	326	3,328,730
2003	587,171	2,493	39,479	8,567	198	3,870,546

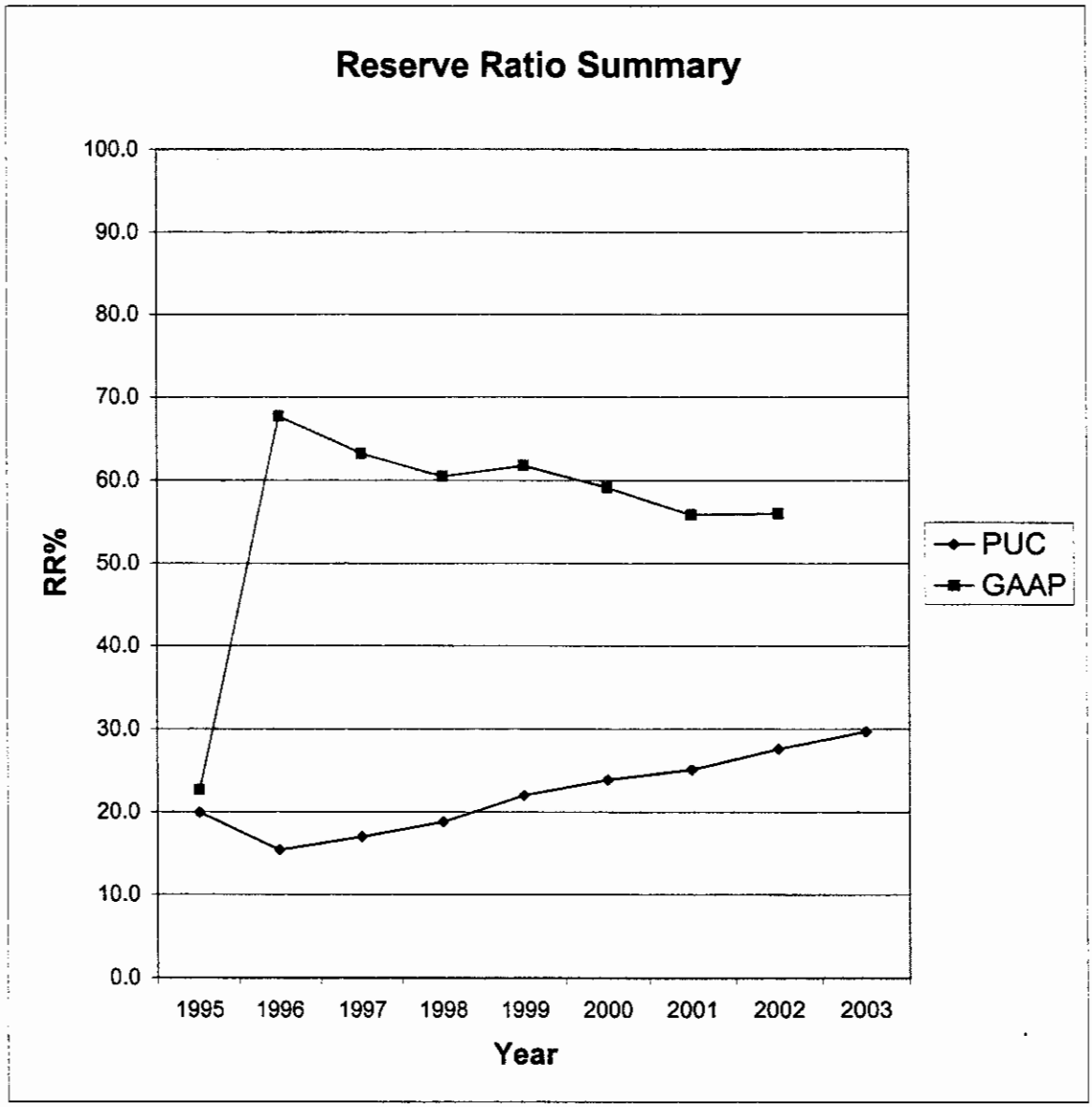
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2421.20
AERIAL CBL - NONMETAL

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	0	0	0.0%
1984	0	0	0.0%
1985	168,965	10,917	6.5%
1986	466,228	27,266	5.8%
1987	867,634	69,326	8.0%
1988	1,102,113	109,774	10.0%
1989	1,531,269	178,408	11.7%
1990	1,866,572	251,590	13.5%
1991	2,843,947	481,261	16.9%
1992	4,833,098	1,114,951	23.1%
1993	5,456,963	1,225,191	22.5%
1994	5,872,999	1,805,399	30.7%
1995	6,705,365	1,335,215	19.9%
1996	7,201,795	1,106,367	15.4%
1997	7,915,089	1,348,257	17.0%
1998	8,677,085	1,635,397	18.8%
1999	9,034,453	1,989,519	22.0%
2000	9,939,585	2,370,904	23.9%
2001	11,200,525	2,805,988	25.1%
2002	12,046,555	3,328,730	27.6%
2003	13,044,783	3,870,546	29.7%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all underground metallic cable installed in conduit and other material used in the construction of such plant. The cost of pumping water out of manholes and ducts in connection with construction work, and the cost of permits and privileges for the construction of underground cable facilities shall be included in the account chargeable with such construction.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:26 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2422.1 UNDRGRD CBL - MET
CATEGORY: UNDERGRD CBL - METALLIC
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	12,958,879	0.9992	0.50	11.95	12.45	1,040,588	12,438,585
*2002	1.5	12,236,305	0.9981	1.50	12.00	13.50	906,544	10,876,489
*2001	2.5	13,393,953	0.9978	2.50	11.67	14.17	945,443	11,030,345
*2000	3.5	15,717,134	0.9963	3.50	11.21	14.71	1,068,371	11,977,836
*1999	4.5	10,067,492	0.9702	4.44	10.70	15.20	662,394	7,086,721
*1998	5.5	12,426,875	0.9836	5.44	10.16	15.66	793,687	8,061,594
*1997	6.5	11,871,418	0.9935	6.45	9.60	16.10	737,280	7,079,097
*1996	7.5	8,452,770	0.9507	7.35	9.04	16.54	511,017	4,620,141
*1995	8.5	4,933,643	0.3997	6.92	8.48	16.98	290,519	2,464,230
1994	9.5	12,722,304	0.9511	8.71	9.21	17.47	728,155	6,707,818
1993	10.5	11,149,680	0.8364	9.38	8.51	16.50	675,755	5,751,826
1992	11.5	9,244,058	0.9165	10.42	7.84	17.61	525,019	4,115,896
1991	12.5	11,256,133	0.8468	11.17	7.20	17.27	651,890	4,691,690
1990	13.5	8,030,415	0.5393	11.25	6.59	14.81	542,361	3,571,913
1989	14.5	6,580,926	0.8933	12.70	6.01	18.06	364,310	2,188,582
1988	15.5	5,716,827	0.7538	13.25	5.46	17.37	329,194	1,798,433
1987	16.5	7,339,412	0.8583	14.27	4.95	18.52	396,274	1,963,003
1986	17.5	6,829,715	0.8850	15.21	4.48	19.18	356,122	1,595,293
1985	18.5	5,793,082	0.7380	15.74	4.04	18.72	309,464	1,250,386
1984	19.5	2,358,412	0.5336	15.98	3.64	17.92	131,637	478,526
1983	20.5	3,947,038	0.8618	17.35	3.26	20.16	195,784	638,507
1982	21.5	2,732,259	0.7006	17.81	2.92	19.86	137,593	401,149
1981	22.5	6,361,028	0.7946	18.77	2.59	20.83	305,440	792,032
1980	23.5	9,171,792	0.7848	19.56	2.29	21.35	429,538	982,970
1979	24.5	9,314,715	0.8547	20.53	2.00	22.23	418,933	835,935
1978/PRIOR		36,962,626	0.5280	24.93	0.86	25.55	1,446,707	1,250,247
TOTAL		257,568,891					14,900,019	114,649,242
NON-ELG V		155,510,422					7,944,175	39,014,205
ELG V		102,058,469					6,955,844	75,635,037

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	17.28648	19.57540	14.67233
AVG REMAINING LIFE: TOT H/TOT G	7.69457	4.91105	10.87360

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 328,159,008
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.78489

USING IOWA CURVE: R2.0
* ELG VINTAGES, PROJECTION LIFE 17.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2422.10
UNDERGRD CBL - METALLIC

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$30,306,326	4.5% (1)	$1,357,283	24.8% (1)	$7,510,990	-20.3%
FUTURE	$257,568,891 (2)	2.0%	$5,151,378	24.0%	$61,816,534	-22.0%
TOTAL	$287,875,217		$6,508,661		$69,327,524	
AVERAGE		2.3%		24.1%		-21.8%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	42,090,226	357,217	107,308	30.0%	189,203	53.0%	-22.9%
1981	49,806,246	179,797	29,843	16.6%	107,086	59.6%	-43.0%
1982	53,310,594	203,148	68,248	33.6%	105,377	51.9%	-18.3%
1983	57,605,510	229,817	8,157	3.5%	58,673	25.5%	-22.0%
1984	61,399,181	517,688	219	0.0%	79,174	15.3%	-15.3%
1985	66,377,850	278,162	1,920	0.7%	147,665	53.1%	-52.4%
1986	73,754,857	334,231	20,919	6.3%	157,188	47.0%	-40.8%
1987	81,908,514	371,200	119,980	32.3%	180,205	48.5%	-16.2%
1988	88,829,764	563,698	50,280	8.9%	186,191	33.0%	-24.1%
1989	94,852,474	1,090,215	44,730	4.1%	300,795	27.6%	-23.5%
1990	107,934,507	1,112,733	200,234	18.0%	376,646	33.8%	-15.9%
1991	119,721,126	998,326	245,604	24.6%	317,705	31.8%	-7.2%
1992	133,303,858	746,902	237,982	31.9%	315,274	42.2%	-10.3%
1993	145,140,123	1,571,968	45,229	2.9%	242,214	15.4%	-12.5%
1994	157,770,669	777,082	50	0.0%	265,504	34.2%	-34.2%
1995	171,608,776	888,382	0	0.0%	199,404	22.4%	-22.4%
1996	179,754,835	781,238	12,446	1.6%	187,419	24.0%	-22.4%
1997	189,303,374	1,087,812	93,205	8.6%	209,578	19.3%	-10.7%
1998	201,061,775	905,128	15	0.0%	242,194	26.8%	-26.8%
1999	210,980,104	491,992	23,048	4.7%	332,933	67.7%	-63.0%
2000	225,316,818	1,384,288	18,642	1.3%	854,734	61.7%	-60.4%
2001	235,825,288	12,568,834	1,338	0.0%	896,050	7.1%	-7.1%
2002	247,037,052	1,079,510	18,738	1.7%	789,104	73.1%	-71.4%
2003	257,568,891	1,786,958	9,148	0.5%	770,674	43.1%	-42.6%
		30,306,326	1,357,283	4.5%	7,510,990	24.8%	-20.3%
1994-2003	10 year band	21,751,224	176,630	0.8%	4,747,594	21.8%	-21.0%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	1,487,667	213,775	14.4%	539,513	36.3%	-21.9%
1983	1,408,612	108,387	7.7%	497,975	35.4%	-27.7%
1984	1,563,046	99,463	6.4%	548,077	35.1%	-28.7%
1985	1,731,098	151,195	8.7%	622,905	36.0%	-27.2%
1986	2,064,979	193,318	9.4%	750,423	36.3%	-27.0%
1987	2,637,506	237,829	9.0%	972,044	36.9%	-27.8%
1988	3,472,077	436,143	12.6%	1,201,025	34.6%	-22.0%
1989	4,136,172	660,828	16.0%	1,361,542	32.9%	-16.9%
1990	4,511,874	778,830	17.3%	1,496,611	33.2%	-15.9%
1991	5,520,144	773,779	14.0%	1,552,634	28.1%	-14.1%
1992	5,207,011	729,099	14.0%	1,517,343	29.1%	-15.1%
1993	4,982,660	528,865	10.6%	1,340,101	26.9%	-16.3%
1994	4,765,572	295,707	6.2%	1,209,815	25.4%	-19.2%
1995	5,106,482	150,930	3.0%	1,104,119	21.6%	-18.7%
1996	4,439,642	105,716	2.4%	1,104,099	24.9%	-22.5%
1997	4,154,552	128,714	3.1%	1,171,528	28.2%	-25.1%
1998	4,650,458	147,356	3.2%	1,826,858	39.3%	-36.1%
1999	16,438,054	136,248	0.8%	2,535,489	15.4%	-14.6%
2000	16,429,752	61,781	0.4%	3,115,015	19.0%	-18.6%
2001	17,311,582	70,914	0.4%	3,643,495	21.0%	-20.6%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.10
UNDERGRD CBL - METALLIC

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	42,090,226							
1981	49,806,246	45,948,236	179,797	0.0039				
1982	53,310,594	51,558,420	203,148	0.0039	81/83	152,964,708	612,762	0.0040
1983	57,605,510	55,458,052	229,817	0.0041	82/84	166,518,818	950,653	0.0057
1984	61,399,181	59,502,346	517,688	0.0087	83/85	178,848,913	1,025,667	0.0057
1985	66,377,850	63,888,516	278,162	0.0044	84/86	193,457,215	1,130,081	0.0058
1986	73,754,857	70,066,354	334,231	0.0048	85/87	211,786,555	983,593	0.0046
1987	81,908,514	77,831,686	371,200	0.0048	86/88	233,267,178	1,269,129	0.0054
1988	88,829,764	85,369,139	563,698	0.0066	87/89	255,041,944	2,025,113	0.0079
1989	94,852,474	91,841,119	1,090,215	0.0119	88/90	278,603,749	2,766,646	0.0099
1990	107,934,507	101,393,491	1,112,733	0.0110	89/91	307,062,426	3,201,274	0.0104
1991	119,721,126	113,827,817	998,326	0.0088	90/92	341,733,799	2,857,961	0.0084
1992	133,303,858	126,512,492	746,902	0.0059	91/93	379,562,299	3,317,196	0.0087
1993	145,140,123	139,221,991	1,571,968	0.0113	92/94	417,189,879	3,095,952	0.0074
1994	157,770,669	151,455,396	777,082	0.0051	93/95	455,367,109	3,237,432	0.0071
1995	171,608,776	164,689,723	888,382	0.0054	94/96	491,826,924	2,446,702	0.0050
1996	179,754,835	175,681,806	781,238	0.0044	95/97	524,900,633	2,757,432	0.0053
1997	189,303,374	184,529,105	1,087,812	0.0059	96/98	555,393,485	2,774,178	0.0050
1998	201,061,775	195,182,575	905,128	0.0046	97/99	585,732,619	2,484,932	0.0042
1999	210,980,104	206,020,940	491,992	0.0024	98/00	619,351,975	2,781,408	0.0045
2000	225,316,818	218,148,461	1,384,288	0.0063	99/01	654,740,454	14,445,114	0.0221
2001	235,825,288	230,571,053	12,568,834	0.0545	00/02	690,150,684	15,032,632	0.0218
2002	247,037,052	241,431,170	1,079,510	0.0045	01/03	724,305,195	15,435,302	0.0213
2003	257,568,891	252,302,972	1,786,958	0.0071				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.10
UNDERGRD CBL - METALLIC

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	10,685,243	357,217	282,084	42,090,226
1981	7,550,527	179,797	345,290	49,806,246
1982	3,525,807	203,148	181,689	53,310,594
1983	4,409,473	229,817	115,260	57,605,510
1984	4,305,776	517,688	5,583	61,399,181
1985	1,885,812	278,162	3,371,019	66,377,850
1986	7,733,661	334,231	(22,423)	73,754,857
1987	8,483,268	371,200	41,589	81,908,514
1988	4,862,157	563,698	2,622,791	88,829,764
1989	4,942,907	1,090,215	2,170,018	94,852,474
1990	14,015,171	1,112,733	179,595	107,934,507
1991	14,480,938	998,326	(1,695,993)	119,721,126
1992	10,494,528	746,902	3,835,106	133,303,858
1993	10,781,172	1,571,968	2,627,061	145,140,123
1994	13,480,394	777,082	(72,766)	157,770,669
1995	12,381,808	888,382	2,344,681	171,608,776
1996	8,889,408	781,238	37,889	179,754,835
1997	12,329,315	1,087,812	(1,692,964)	189,303,374
1998	12,640,083	905,128	23,446	201,061,775
1999	10,392,654	491,992	17,667	210,980,104
2000	15,720,230	1,384,288	773	225,316,818
2001	13,417,559	12,568,834	9,659,745	235,825,288
2002	12,285,441	1,079,510	5,835	247,037,052
2003	11,114,877	1,786,958	1,203,920	257,568,891

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.10
UNDERGRD CBL - METALLIC

ACCOUNT RESERVE SUMMARY

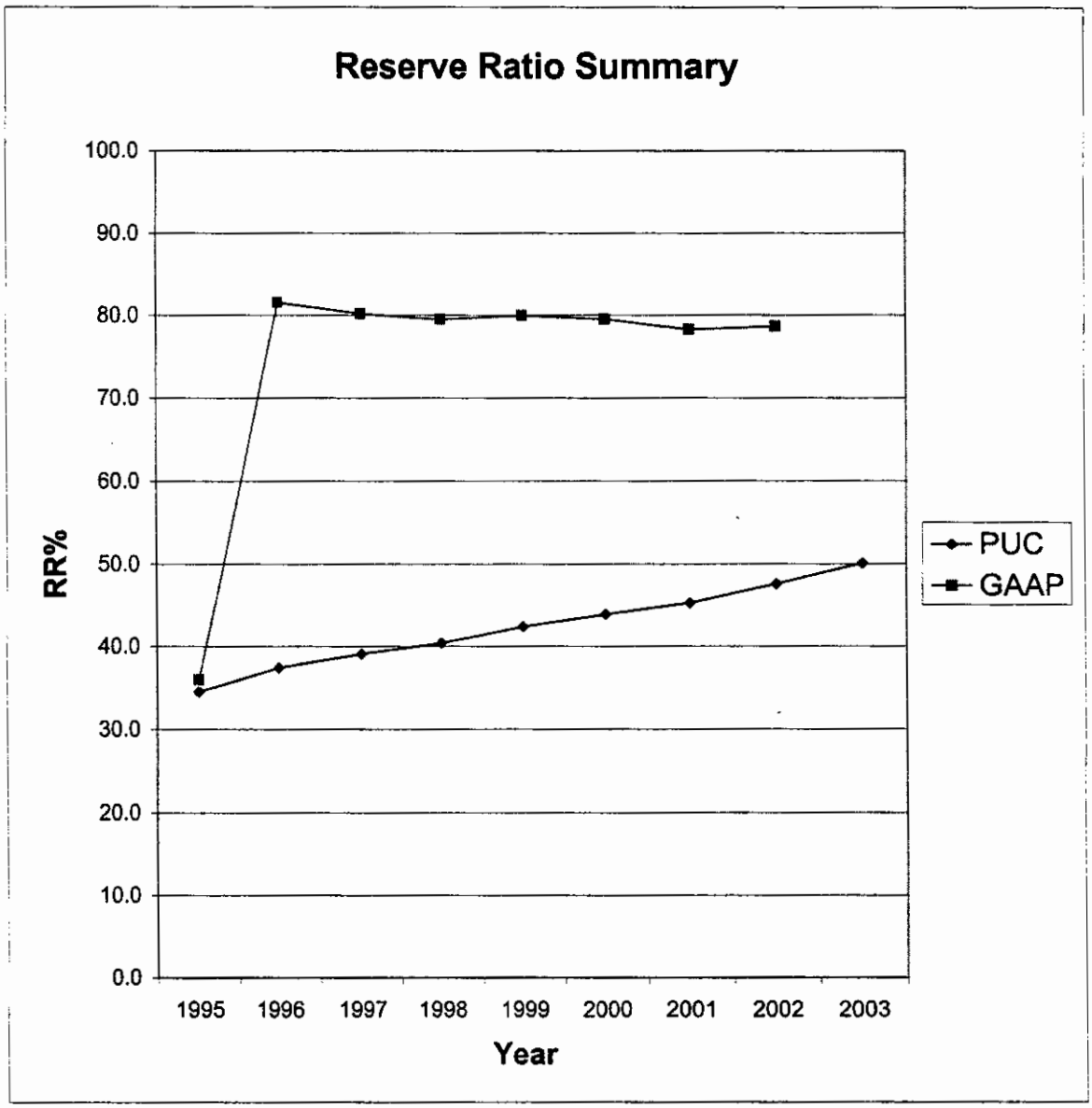
YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	1,319,548	107,308	357,217	189,203	56,569	6,106,267
1981	1,622,283	29,843	179,797	107,086	17,474	7,488,984
1982	1,791,191	68,248	203,148	105,377	0	9,039,898
1983	2,150,054	8,157	229,817	58,673	0	10,909,619
1984	2,386,624	219	517,688	79,174	0	12,699,600
1985	2,594,058	1,920	278,162	147,665	(46,666)	14,823,085
1986	3,285,203	20,919	334,231	157,188	0	17,637,788
1987	4,593,856	119,980	371,200	180,205	0	21,800,219
1988	4,964,719	50,280	563,698	186,191	(55,017)	26,010,312
1989	5,248,917	44,730	1,090,215	300,795	0	29,912,949
1990	5,730,002	200,234	1,112,733	376,646	54	34,353,860
1991	7,005,650	245,604	998,326	317,705	(825,120)	39,463,963
1992	6,730,815	237,982	746,902	315,274	1,775,653	47,146,237
1993	7,292,268	45,229	1,571,968	242,214	0	52,669,552
1994	7,450,444	50	777,082	265,504	1,541,946	60,619,406
1995	7,111,762	0	888,382	199,404	43,598	59,252,487
1996	7,558,412	12,446	781,238	187,419	1,363,100	67,217,788
1997	7,895,978	93,205	1,087,812	209,578	15,330	73,924,911
1998	8,402,419	15	905,128	242,194	53,369	81,233,392
1999	9,086,472	23,048	491,992	332,933	(35,977)	89,482,010
2000	11,541,874	18,642	1,384,288	854,734	1,272	98,804,776
2001	11,965,576	1,338	12,568,834	896,050	9,567,203	106,874,009
2002	12,570,172	18,738	1,079,510	789,104	(2)	117,594,307
2003	13,101,153	9,148	1,786,958	770,674	820,397	128,967,373

2003 data is projected

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	42,090,226	6,106,267	14.5%
1981	49,806,246	7,488,984	15.0%
1982	53,310,594	9,039,898	17.0%
1983	57,605,510	10,909,619	18.9%
1984	61,399,181	12,699,600	20.7%
1985	66,377,850	14,823,085	22.3%
1986	73,754,857	17,637,788	23.9%
1987	81,908,514	21,800,219	26.6%
1988	88,829,764	26,010,312	29.3%
1989	94,852,474	29,912,949	31.5%
1990	107,934,507	34,353,860	31.8%
1991	119,721,126	39,463,963	33.0%
1992	133,303,858	47,146,237	35.4%
1993	145,140,123	52,669,552	36.3%
1994	157,770,669	60,619,406	38.4%
1995	171,608,776	59,252,487	34.5%
1996	179,754,835	67,217,788	37.4%
1997	189,303,374	73,924,911	39.1%
1998	201,061,775	81,233,392	40.4%
1999	210,980,104	89,482,010	42.4%
2000	225,316,818	98,804,776	43.9%
2001	235,825,288	106,874,009	45.3%
2002	247,037,052	117,594,307	47.6%
2003	257,568,891	128,967,373	50.1%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes underground fiber, and the cost of other materials used in the construction of such plant. It also includes the cost of permits and privileges for the construction of underground fiber facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:30 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2422.2 UNDRGRD - NON MET
CATEGORY: UNDERGRD CBL - NON METAL
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	4,113,216	0.9994	0.50	12.53	13.03	315,655	3,955,389
*2002	1.5	3,409,236	0.9984	1.50	12.31	13.81	246,902	3,038,883
*2001	2.5	3,878,426	0.9973	2.50	11.93	14.43	268,829	3,206,352
*2000	3.5	2,592,382	0.7046	2.76	11.53	15.03	172,492	1,988,659
*1999	4.5	2,366,304	0.9600	4.12	11.15	15.65	151,196	1,685,924
*1998	5.5	2,161,161	0.9710	5.12	10.81	16.31	132,544	1,432,170
*1997	6.5	2,349,974	0.9783	6.12	10.50	17.00	138,250	1,451,347
*1996	7.5	1,572,864	0.9814	7.12	10.23	17.73	88,714	907,507
*1995	8.5	1,308,669	0.8239	7.72	10.00	18.50	70,748	707,312
1994	9.5	2,774,536	0.8380	8.59	13.22	19.67	141,053	1,865,036
1993	10.5	1,757,098	0.8271	9.42	12.78	19.99	87,893	1,123,466
1992	11.5	1,058,304	0.6705	9.88	12.37	18.17	58,241	720,629
1991	12.5	3,995,001	0.6362	10.48	11.98	18.10	220,712	2,644,715
1990	13.5	3,039,324	0.6180	11.08	11.60	18.25	166,516	1,932,103
1989	14.5	836,218	0.8018	12.20	11.23	21.20	39,438	443,039
1988	15.5	1,378,205	0.8983	13.26	10.87	23.03	59,834	650,680
1987	16.5	1,361,247	0.7986	13.94	10.53	22.35	60,906	641,041
1986	17.5	636,477	0.8907	15.01	10.18	24.09	26,426	269,143
1985	18.5	1,478,464	0.3540	14.57	9.85	18.06	81,864	806,609
1984	19.5	742,776	0.7045	15.84	9.53	22.55	32,935	313,872
1983	20.5	30,642	0.1790	15.24	9.22	16.89	1,815	16,723
1982	21.5	57,061	0.1790	15.43	8.91	17.02	3,352	29,863
1981	22.5	27,618	0.2383	15.77	8.61	17.82	1,550	13,341
1980	23.5	97,850	0.4118	16.47	8.32	19.89	4,919	40,908
TOTAL		43,023,053					2,572,785	29,884,712
NON-ELG V		19,270,821					987,455	11,511,170
ELG V		23,752,232					1,585,330	18,373,543

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	16.72236	19.51564	14.98251
AVG REMAINING LIFE: TOT H/TOT G	11.61570	11.65741	11.58973

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 54,664,473
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.78704

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 20.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$2,925,457	24.7% (1)	$723,988	12.0% (1)	$352,360	12.7%
FUTURE	$43,023,053 (2)	5.0%	$2,151,153	15.0%	$6,453,458	-10.0%
TOTAL	$45,948,510		$2,875,141		$6,805,818	
AVERAGE		6.3%		14.8%		-8.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0	0.0%	0	0.0%	0.0%
1985	4,450,922	0	0	0.0%	453	0.0%	0.0%
1986	5,160,362	0	0	0.0%	0	0.0%	0.0%
1987	6,976,893	0	0	0.0%	4,196	0.0%	0.0%
1988	7,597,457	133,118	4	0.0%	1,132	0.9%	-0.8%
1989	8,370,827	0	0	0.0%	4,453	0.0%	0.0%
1990	13,296,468	225,036	0	0.0%	8,623	3.8%	-3.8%
1991	16,868,367	518,030	0	0.0%	13,879	2.7%	-2.7%
1992	18,205,029	193,527	239,164	123.6%	5,436	2.8%	120.8%
1993	17,804,886	309,844	388,642	125.4%	3,767	1.2%	124.2%
1994	21,332,778	0	0	0.0%	13,071	0.0%	0.0%
1995	23,217,799	9,274	0	0.0%	9,138	98.5%	-98.5%
1996	24,923,593	2,039	6,926	339.7%	24,417	1197.5%	-857.8%
1997	27,408,142	125,798	22,971	18.3%	8,667	6.9%	11.4%
1998	29,707,251	12,513	24,218	193.5%	10,588	84.6%	108.9%
1999	31,165,173	87,501	1,540	1.8%	21,873	25.0%	-23.2%
2000	34,762,857	324,141	181	0.1%	25,441	7.8%	-7.8%
2001	38,512,263	197,537	38,901	19.7%	75,232	38.1%	-18.4%
2002	41,437,556	453,306	1,441	0.3%	44,498	9.8%	-9.5%
2003	43,023,053	333,793	0	0.0%	77,496	23.2%	-23.2%
		2,925,457	723,988	24.7%	352,360	12.0%	12.7%
1994-2003	10 year band	1,545,902	96,178	6.2%	310,421	20.1%	-13.9%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0.0%	453	0.0%	0.0%
1984	0	0	0.0%	453	0.0%	0.0%
1985	0	0	0.0%	4,649	0.0%	0.0%
1986	133,118	4	0.0%	5,781	4.3%	-4.3%
1987	133,118	4	0.0%	10,234	7.7%	-7.7%
1988	358,154	4	0.0%	18,404	5.1%	-5.1%
1989	876,184	4	0.0%	32,283	3.7%	-3.7%
1990	1,069,711	239,168	22.4%	33,523	3.1%	19.2%
1991	1,246,437	627,806	50.4%	36,158	2.9%	47.5%
1992	1,246,437	627,806	50.4%	44,776	3.6%	46.8%
1993	1,030,675	627,806	60.9%	45,291	4.4%	56.5%
1994	514,684	634,732	123.3%	55,829	10.8%	112.5%
1995	446,955	418,539	93.6%	59,060	13.2%	80.4%
1996	149,624	54,115	36.2%	65,881	44.0%	-7.9%
1997	237,125	55,655	23.5%	74,683	31.5%	-8.0%
1998	551,992	55,836	10.1%	90,986	16.5%	-6.4%
1999	747,490	87,811	11.7%	141,801	19.0%	-7.2%
2000	1,074,998	66,281	6.2%	177,632	16.5%	-10.4%
2001	1,396,278	42,063	3.0%	244,540	17.5%	-14.5%

2003 data is projected

VERIZON NORTHWEST INC.
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UNDERGRD CBL - NONMETAL

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	0	0	0.0000
1983	0	0	0	0.0000	82/84	0	0	0.0000
1984	0	0	0	0.0000	83/85	2,225,461	0	0.0000
1985	4,450,922	2,225,461	0	0.0000	84/86	7,031,103	0	0.0000
1986	5,160,362	4,805,642	0	0.0000	85/87	13,099,731	0	0.0000
1987	6,976,893	6,068,628	0	0.0000	86/88	18,161,445	133,118	0.0073
1988	7,597,457	7,287,175	133,118	0.0183	87/89	21,339,945	133,118	0.0062
1989	8,370,827	7,984,142	0	0.0000	88/90	26,104,965	358,154	0.0137
1990	13,296,468	10,833,648	225,036	0.0208	89/91	33,900,207	743,066	0.0219
1991	16,868,367	15,082,418	518,030	0.0343	90/92	43,452,763	936,593	0.0216
1992	18,205,029	17,536,698	193,527	0.0110	91/93	50,624,073	1,021,401	0.0202
1993	17,804,886	18,004,958	309,844	0.0172	92/94	55,110,488	503,371	0.0091
1994	21,332,778	19,568,832	0	0.0000	93/95	59,849,078	319,118	0.0053
1995	23,217,799	22,275,289	9,274	0.0004	94/96	65,914,817	11,313	0.0002
1996	24,923,593	24,070,696	2,039	0.0001	95/97	72,511,852	137,111	0.0019
1997	27,408,142	26,165,868	125,798	0.0048	96/98	78,794,260	140,350	0.0018
1998	29,707,251	28,557,697	12,513	0.0004	97/99	85,159,776	225,812	0.0027
1999	31,165,173	30,436,212	87,501	0.0029	98/00	91,957,924	424,155	0.0046
2000	34,762,857	32,964,015	324,141	0.0098	99/01	100,037,787	609,179	0.0061
2001	38,512,263	36,637,560	197,537	0.0054	00/02	109,576,485	974,984	0.0089
2002	41,437,556	39,974,910	453,306	0.0113	01/03	118,842,774	984,636	0.0083
2003	43,023,053	42,230,305	333,793	0.0079				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.20
UNDERGRD CBL - NONMETAL

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	0	0
1984	0	0	0	0
1985	3,642,804	0	808,118	4,450,922
1986	709,440	0	0	5,160,362
1987	1,673,044	0	143,487	6,976,893
1988	365,223	133,118	388,459	7,597,457
1989	361,246	0	412,124	8,370,827
1990	5,145,510	225,036	5,167	13,296,468
1991	2,300,436	518,030	1,789,493	16,868,367
1992	1,113,022	193,527	417,167	18,205,029
1993	1,472,575	309,844	(1,562,874)	17,804,886
1994	3,528,672	0	(780)	21,332,778
1995	1,699,049	9,274	195,246	23,217,799
1996	1,710,398	2,039	(2,565)	24,923,593
1997	2,611,935	125,798	(1,588)	27,408,142
1998	2,372,157	12,513	(60,535)	29,707,251
1999	1,514,879	87,501	30,544	31,165,173
2000	3,924,253	324,141	(2,427)	34,762,857
2001	4,066,076	197,537	(119,133)	38,512,263
2002	3,439,537	453,306	(60,936)	41,437,556
2003	1,919,477	333,793	(187)	43,023,053

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.20
UNDERGRD CBL - NONMETAL

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	0	0	0
1984	0	0	0	0	0	0
1985	214,808	0	0	453	0	262,227
1986	226,663	0	0	0	0	488,890
1987	274,690	0	0	4,196	0	759,384
1988	330,064	4	133,118	1,132	(1,792)	953,410
1989	343,644	0	0	4,453	0	1,292,601
1990	403,770	0	225,036	8,623	0	1,462,712
1991	724,874	0	518,030	13,879	1,186,069	2,841,746
1992	778,247	239,164	193,527	5,436	198,140	3,858,334
1993	911,167	388,642	309,844	3,767	(163,936)	4,680,596
1994	888,309	0	0	13,071	(1,536,800)	4,019,034
1995	863,910	0	9,274	9,138	101	3,113,345
1996	938,505	6,926	2,039	24,417	(454,206)	3,578,114
1997	1,028,871	22,971	125,798	8,667	7,045	4,502,536
1998	1,108,820	24,218	12,513	10,588	(3,247)	5,609,226
1999	1,268,451	1,540	87,501	21,873	1,703	6,771,546
2000	1,607,948	181	324,141	25,441	662	8,030,756
2001	1,733,536	38,901	197,537	75,232	250	9,530,674
2002	1,857,460	1,441	453,306	44,498	1	10,891,770
2003	1,971,545	0	333,793	77,496	1,516	12,453,542

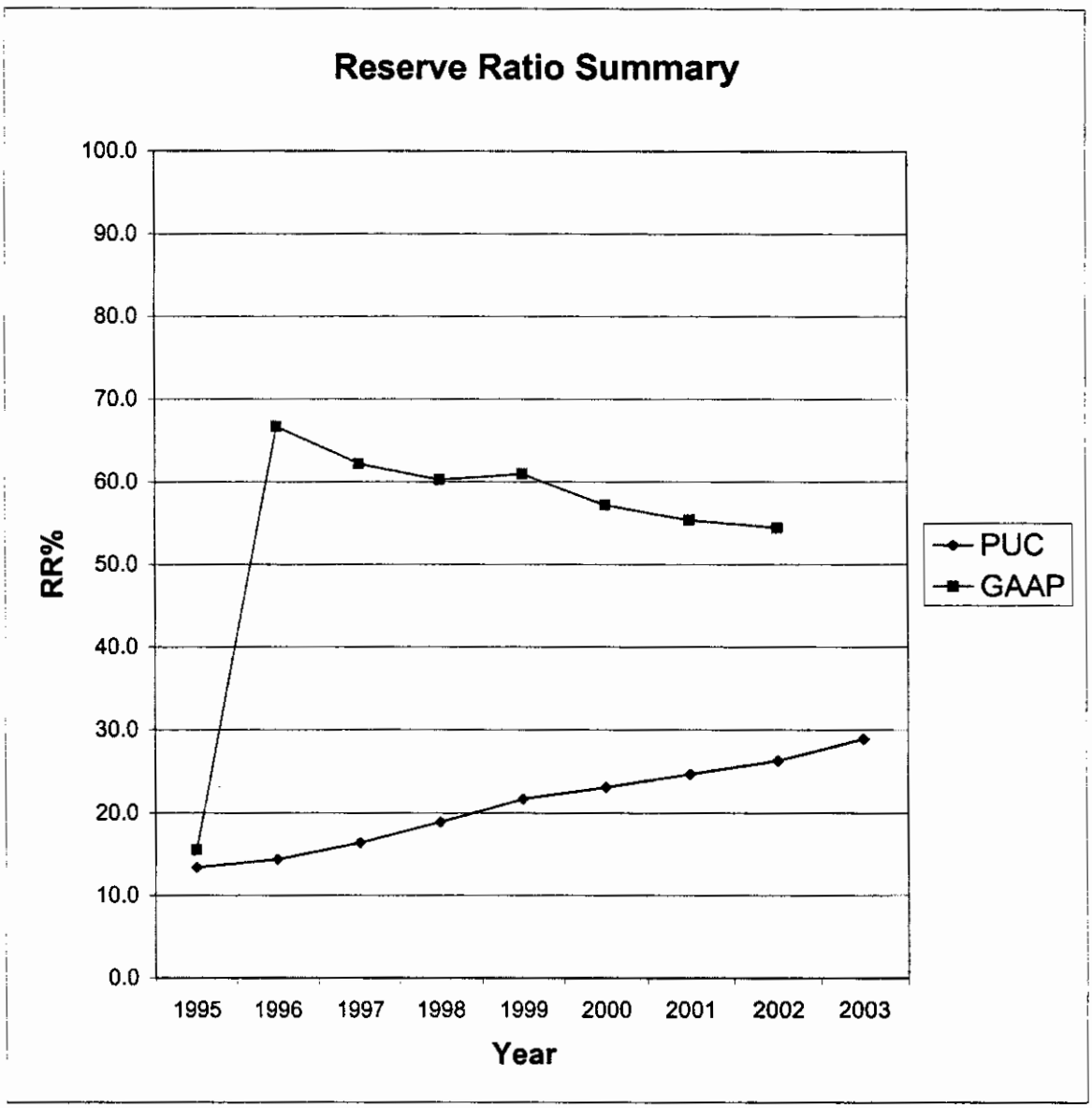
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2422.20
UNDERGRD CBL - NONMETAL

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	0	0	0.0%
1984	0	0	0.0%
1985	4,450,922	262,227	5.9%
1986	5,160,362	488,890	9.5%
1987	6,976,893	759,384	10.9%
1988	7,597,457	953,410	12.5%
1989	8,370,827	1,292,601	15.4%
1990	13,296,468	1,462,712	11.0%
1991	16,868,367	2,841,746	16.8%
1992	18,205,029	3,858,334	21.2%
1993	17,804,886	4,680,596	26.3%
1994	21,332,778	4,019,034	18.8%
1995	23,217,799	3,113,345	13.4%
1996	24,923,593	3,578,114	14.4%
1997	27,408,142	4,502,536	16.4%
1998	29,707,251	5,609,226	18.9%
1999	31,165,173	6,771,546	21.7%
2000	34,762,857	8,030,756	23.1%
2001	38,512,263	9,530,674	24.7%
2002	41,437,556	10,891,770	26.3%
2003	43,023,053	12,453,542	28.9%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes all buried metallic cable, and drop and block wires served by such cable. It also includes the cost of other material used in the construction of such plant, cost of trenching and burying cable, and the cost of permits and privileges for the construction of buried cable facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:35 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2423.1 BUR CBL - METALLIC
CATEGORY: BURIED CABLE - METALLIC
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	10,922,282	0.9984	0.50	13.73	14.23	767,483	10,538,540
*2002	1.5	10,789,813	0.9967	1.50	12.85	14.35	751,906	9,661,953
*2001	2.5	15,451,327	0.9965	2.50	12.05	14.55	1,062,224	12,795,768
*2000	3.5	20,324,090	0.9862	3.47	11.30	14.80	1,372,928	15,518,841
*1999	4.5	15,484,931	0.9772	4.44	10.60	15.10	1,025,166	10,871,686
*1998	5.5	21,047,934	0.9843	5.44	9.94	15.44	1,363,288	13,549,851
*1997	6.5	17,013,716	0.9778	6.41	9.30	15.80	1,076,968	10,013,423
*1996	7.5	15,592,074	0.9580	7.34	8.70	16.20	962,207	8,375,522
*1995	8.5	6,629,643	0.3308	6.73	8.18	16.68	397,365	3,252,037
1994	9.5	11,290,806	0.4832	7.45	9.95	12.26	920,945	9,167,086
1993	10.5	23,796,276	0.8710	8.91	9.42	17.11	1,390,563	13,097,484
1992	11.5	19,897,843	0.8389	9.70	8.96	17.22	1,155,591	10,351,467
1991	12.5	23,605,210	0.8793	10.65	8.56	18.17	1,298,934	11,119,494
1990	13.5	23,082,246	0.8674	11.50	8.22	18.63	1,239,094	10,179,356
1989	14.5	14,281,636	0.8284	12.29	7.91	18.84	758,081	5,996,575
1988	15.5	12,647,494	0.8056	13.06	7.63	19.21	658,311	5,025,964
1987	16.5	13,229,702	0.8986	14.12	7.38	20.75	637,577	4,704,399
1986	17.5	9,397,395	0.7210	14.58	7.13	19.73	476,390	3,398,527
1985	18.5	8,255,323	0.7511	15.39	6.89	20.57	401,294	2,766,595
1984	19.5	7,588,223	0.2671	14.94	6.65	16.72	453,946	3,020,852
1983	20.5	6,864,851	0.7194	16.35	6.41	20.96	327,448	2,099,917
1982	21.5	7,072,639	0.9706	17.72	6.17	23.71	298,356	1,840,098
1981	22.5	5,843,558	0.7303	18.10	5.92	22.43	260,560	1,542,198
1980	23.5	9,458,164	0.8763	19.22	5.67	24.19	391,043	2,216,229
1979	24.5	6,930,570	0.8248	19.99	5.42	24.45	283,407	1,534,907
1978/PRIOR		73,706,532	0.5545	23.37	4.13	26.17	2,816,989	11,641,332
TOTAL		410,204,278					22,548,064	194,280,103
NON-ELG V		276,948,468					13,768,529	99,702,481
ELG V		133,255,810					8,779,535	94,577,622

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	18.19244	20.11460	15.17800
AVG REMAINING LIFE: TOT H/TOT G	8.61627	7.24133	10.77251

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 553,749,312
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.74078

USING IOWA CURVE: L2.0
* ELG VINTAGES, PROJECTION LIFE 18.0
DATA IS PROJECTED

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$58,824,465	7.0% (1)	$4,120,480	11.5% (1)	$6,753,732	-4.5%
FUTURE	$410,204,278 (2)	5.0%	$20,510,214	12.0%	$49,224,513	-7.0%
TOTAL	$469,028,743		$24,630,694		$55,978,245	
AVERAGE		5.3%		11.9%		-6.6%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	60,878,780	507,495	1,699	0.3%	80,070	15.8%	-15.4%
1981	66,727,429	670,726	34,583	5.2%	66,032	9.8%	-4.7%
1982	71,236,051	544,640	3,660	0.7%	101,068	18.6%	-17.9%
1983	75,000,388	389,687	2,923	0.8%	85,114	21.8%	-21.1%
1984	98,525,675	504,570	1,037	0.2%	181,672	36.0%	-35.8%
1985	107,419,632	579,641	544	0.1%	222,767	38.4%	-38.3%
1986	118,385,314	1,391,620	1,615	0.1%	266,035	19.1%	-19.0%
1987	129,207,126	2,497,046	1,162	0.0%	269,054	10.8%	-10.7%
1988	141,738,851	1,335,284	459	0.0%	289,378	21.7%	-21.6%
1989	154,536,283	1,878,599	1,922	0.1%	371,509	19.8%	-19.7%
1990	174,946,676	2,470,432	52,783	2.1%	445,878	18.0%	-15.9%
1991	190,476,841	4,347,286	107,556	2.5%	488,416	11.2%	-8.8%
1992	248,202,479	3,210,089	108,664	3.4%	462,891	14.4%	-11.0%
1993	271,562,108	4,111,205	6	0.0%	393,805	9.6%	-9.6%
1994	291,037,035	4,019,517	0	0.0%	271,884	6.8%	-6.8%
1995	310,549,409	1,893,594	41,306	2.2%	87,094	4.6%	-2.4%
1996	324,468,088	2,448,965	211,311	8.6%	195,411	8.0%	0.6%
1997	335,315,712	7,027,907	2,540,762	36.2%	293,566	4.2%	32.0%
1998	353,862,344	2,955,462	56,569	1.9%	32,817	1.1%	0.8%
1999	368,073,675	1,745,502	200,383	11.5%	499,307	28.6%	-17.1%
2000	385,797,666	3,005,643	248,259	8.3%	353,909	11.8%	-3.5%
2001	396,001,806	5,359,606	204,615	3.8%	482,828	9.0%	-5.2%
2002	404,006,530	2,901,172	59,240	2.0%	482,169	16.6%	-14.6%
2003	410,204,278	3,028,777	239,422	7.9%	331,058	10.9%	-3.0%
		58,824,465	4,120,480	7.0%	6,753,732	11.5%	-4.5%
1994-2003	10 year band	34,386,145	3,801,867	11.1%	3,030,043	8.8%	2.2%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	2,617,118	43,902	1.7%	513,956	19.6%	-18.0%
1983	2,689,264	42,747	1.6%	656,653	24.4%	-22.8%
1984	3,410,158	9,779	0.3%	856,656	25.1%	-24.8%
1985	5,362,564	7,281	0.1%	1,024,642	19.1%	-19.0%
1986	6,308,161	4,817	0.1%	1,228,906	19.5%	-19.4%
1987	7,682,190	5,702	0.1%	1,418,743	18.5%	-18.4%
1988	9,572,981	57,941	0.6%	1,641,854	17.2%	-16.5%
1989	12,528,647	163,882	1.3%	1,864,235	14.9%	-13.6%
1990	13,241,690	271,384	2.0%	2,058,072	15.5%	-13.5%
1991	16,017,611	270,931	1.7%	2,162,499	13.5%	-11.8%
1992	18,158,529	269,009	1.5%	2,062,874	11.4%	-9.9%
1993	17,581,691	257,532	1.5%	1,704,090	9.7%	-8.2%
1994	15,683,370	361,287	2.3%	1,411,085	9.0%	-6.7%
1995	19,501,188	2,793,385	14.3%	1,241,760	6.4%	8.0%
1996	18,345,445	2,849,948	15.5%	880,772	4.8%	10.7%
1997	16,071,430	3,050,331	19.0%	1,108,195	6.9%	12.1%
1998	17,183,479	3,257,284	19.0%	1,375,010	8.0%	11.0%
1999	20,094,120	3,250,588	16.2%	1,662,427	8.3%	7.9%
2000	15,967,385	769,066	4.8%	1,851,030	11.6%	-6.8%
2001	16,040,700	951,919	5.9%	2,149,271	13.4%	-7.5%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.10
BURIED CBL - METALLIC

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	60,878,780							
1981	66,727,429	63,803,105	670,726	0.0105				
1982	71,236,051	68,981,740	544,640	0.0079	81/83	205,903,064	1,605,053	0.0078
1983	75,000,388	73,118,220	389,687	0.0053	82/84	228,862,991	1,438,897	0.0063
1984	98,525,675	86,763,032	504,570	0.0058	83/85	262,853,905	1,473,898	0.0056
1985	107,419,632	102,972,654	579,641	0.0056	84/86	302,638,158	2,475,831	0.0082
1986	118,385,314	112,902,473	1,391,620	0.0123	85/87	339,671,347	4,468,307	0.0132
1987	129,207,126	123,796,220	2,497,046	0.0202	86/88	372,171,682	5,223,950	0.0140
1988	141,738,851	135,472,989	1,335,284	0.0099	87/89	407,406,776	5,710,929	0.0140
1989	154,536,283	148,137,567	1,878,599	0.0127	88/90	447,902,035	5,684,315	0.0127
1990	174,046,676	164,291,480	2,470,432	0.0150	89/91	494,690,805	8,696,317	0.0176
1991	190,476,841	182,261,759	4,347,286	0.0239	90/92	565,892,898	10,027,807	0.0177
1992	248,202,479	219,339,660	3,210,089	0.0146	91/93	661,483,712	11,668,580	0.0176
1993	271,562,108	259,882,294	4,111,205	0.0158	92/94	760,521,525	11,340,811	0.0149
1994	291,037,035	281,299,572	4,019,517	0.0143	93/95	841,975,087	10,024,316	0.0119
1995	310,549,409	300,793,222	1,893,594	0.0063	94/96	899,601,542	8,362,076	0.0093
1996	324,468,088	317,508,749	2,448,965	0.0077	95/97	948,193,871	11,370,466	0.0120
1997	335,315,712	329,891,900	7,027,907	0.0213	96/98	991,989,677	12,432,334	0.0125
1998	353,862,344	344,589,028	2,955,462	0.0086	97/99	1,035,448,938	11,728,871	0.0113
1999	368,073,675	360,968,010	1,745,502	0.0048	98/00	1,082,492,708	7,706,607	0.0071
2000	385,797,666	376,935,671	3,005,643	0.0080	99/01	1,128,803,416	10,110,751	0.0090
2001	396,001,806	390,899,736	5,359,606	0.0137	00/02	1,167,839,575	11,266,421	0.0096
2002	404,006,530	400,004,168	2,901,172	0.0073	01/03	1,198,009,308	11,289,555	0.0094
2003	410,204,278	407,105,404	3,028,777	0.0074				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.10
BURIED CBL - METALLIC

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($)	PLANT RETIRED ($)	ADJUST-MENTS ($)	PLANT IN SERVICE DEC. 31 ($)
	A	B	C	D
1980	9,828,154	507,495	16,882	60,878,780
1981	6,479,755	670,726	39,620	66,727,429
1982	5,031,301	544,640	21,961	71,236,051
1983	4,205,224	389,687	(51,200)	75,000,388
1984	8,653,202	504,570	15,376,655	98,525,675
1985	7,014,003	579,641	2,459,595	107,419,632
1986	12,377,251	1,391,620	(19,949)	118,385,314
1987	13,322,883	2,497,046	(4,025)	129,207,126
1988	12,523,248	1,335,284	1,343,761	141,738,851
1989	13,128,827	1,878,599	1,547,204	154,536,283
1990	19,371,943	2,470,432	2,608,882	174,046,676
1991	21,503,281	4,347,286	(725,830)	190,476,841
1992	18,603,429	3,210,089	42,332,298	248,202,479
1993	26,497,188	4,111,205	973,646	271,562,108
1994	23,187,805	4,019,517	306,639	291,037,035
1995	20,051,729	1,893,594	1,354,239	310,549,409
1996	16,385,569	2,448,965	(17,925)	324,468,088
1997	17,800,306	7,027,907	75,225	335,315,712
1998	21,483,511	2,955,462	18,583	353,862,344
1999	15,933,656	1,745,502	23,177	368,073,675
2000	20,722,738	3,005,643	6,897	385,797,666
2001	15,557,005	5,359,606	6,741	396,001,806
2002	10,905,453	2,901,172	443	404,006,530
2003	8,828,559	3,028,777	397,966	410,204,278

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.10
BURIED CBL - METALLIC

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	1,918,391	1,699	507,495	80,070	87,206	9,618,714
1981	2,156,362	34,583	670,726	66,032	0	11,072,901
1982	2,346,331	3,660	544,640	101,068	86	12,777,270
1983	2,798,348	2,923	389,687	85,114	0	15,103,740
1984	3,679,403	1,037	504,570	181,672	2,495,664	20,593,602
1985	4,170,046	544	579,641	222,767	6,564	23,968,348
1986	4,715,248	1,615	1,391,620	266,035	0	27,027,556
1987	5,987,030	1,162	2,497,046	269,054	201	30,249,849
1988	6,497,340	459	1,335,284	289,378	(73,365)	35,049,621
1989	7,412,873	1,922	1,878,599	371,509	0	40,214,308
1990	8,112,752	52,783	2,470,432	445,878	205	45,463,738
1991	10,746,101	107,556	4,347,286	488,416	(55,095)	51,426,598
1992	10,857,040	108,664	3,210,089	462,891	13,599,952	72,319,274
1993	13,589,369	6	4,111,205	393,805	332,114	81,735,753
1994	14,597,886	0	4,019,517	271,884	(56,827)	91,985,411
1995	13,817,336	41,306	1,893,594	87,094	12,226	92,835,481
1996	14,591,659	211,311	2,448,965	195,411	1,012,664	106,006,739
1997	15,018,262	2,540,762	7,027,907	293,566	422,899	116,667,189
1998	15,818,341	56,569	2,955,462	32,817	58,352	129,612,172
1999	17,000,184	200,383	1,745,502	499,307	(19,964)	144,547,966
2000	18,064,976	248,259	3,005,643	353,909	8,774	159,510,423
2001	18,414,837	204,615	5,359,606	482,828	(5,011)	172,282,430
2002	18,788,872	59,240	2,901,172	482,169	(589)	187,746,610
2003	19,087,803	239,422	3,028,777	331,058	28,348	203,742,348

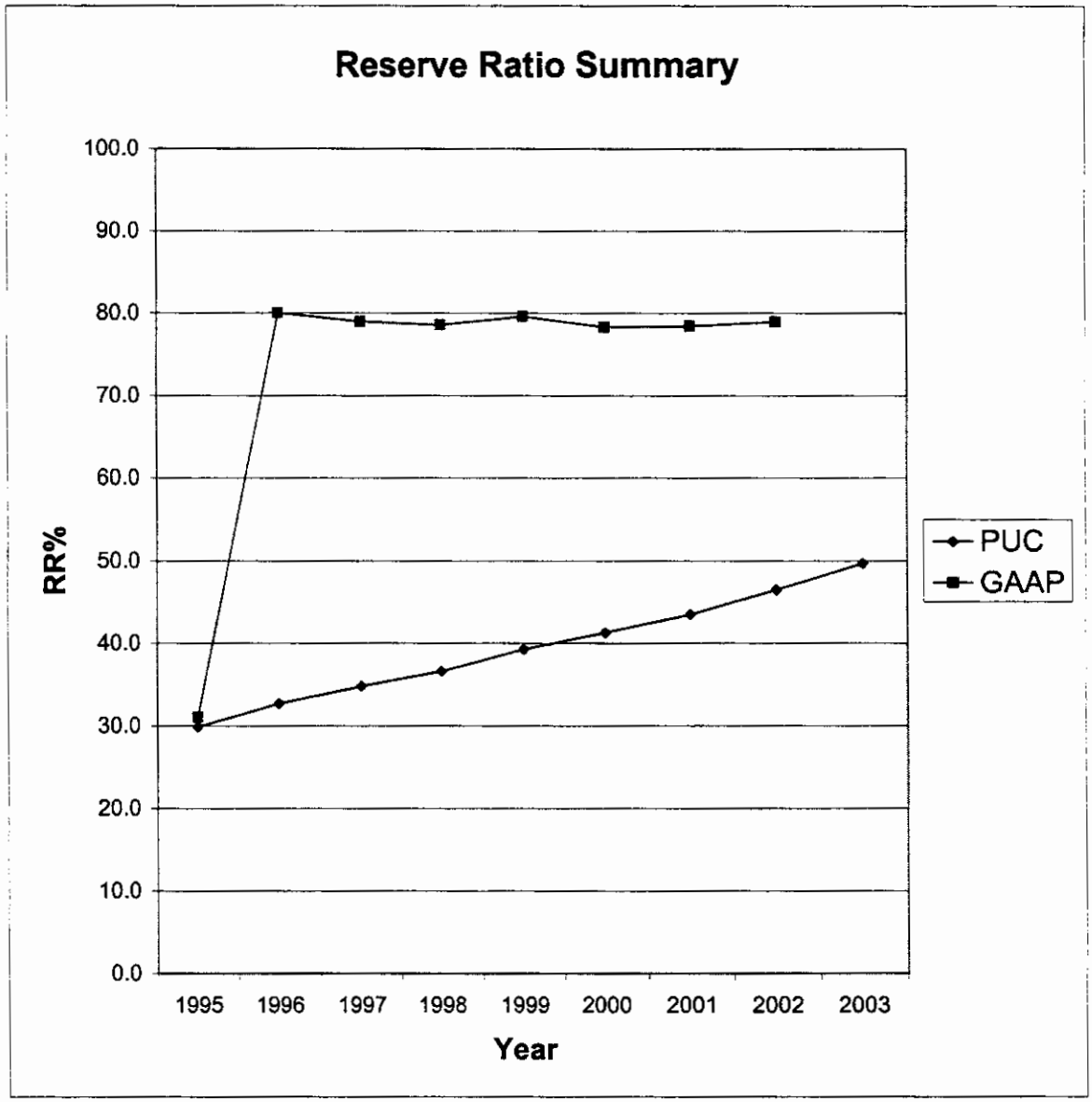
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.10
BURIED CBL - METALLIC

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	60,878,780	9,618,714	15.8%
1981	66,727,429	11,072,901	16.6%
1982	71,236,051	12,777,270	17.9%
1983	75,000,388	15,103,740	20.1%
1984	98,525,675	20,593,602	20.9%
1985	107,419,632	23,968,348	22.3%
1986	118,385,314	27,027,556	22.8%
1987	129,207,126	30,249,849	23.4%
1988	141,738,851	35,049,621	24.7%
1989	154,536,283	40,214,308	26.0%
1990	174,046,676	45,463,738	26.1%
1991	190,476,841	51,426,598	27.0%
1992	248,202,479	72,319,274	29.1%
1993	271,562,108	81,735,753	30.1%
1994	291,037,035	91,985,411	31.6%
1995	310,549,409	92,835,481	29.9%
1996	324,468,088	106,006,739	32.7%
1997	335,315,712	116,667,189	34.8%
1998	353,862,344	129,612,172	36.6%
1999	368,073,675	144,547,966	39.3%
2000	385,797,666	159,510,423	41.3%
2001	396,001,806	172,282,430	43.5%
2002	404,006,530	187,746,610	46.5%
2003	410,204,278	203,742,348	49.7%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes buried fiber, and the cost of other materials used in the construction of such plant. It also includes the cost of permits and privileges for the construction of buried fiber facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) and the Future Net Salvage (FNS) Percent to more accurately reflect the future characteristics of this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:40 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2423.2 BUR CBL - NON MET
CATEGORY: BURIED CABLE - NON METAL
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	650,061	0.9997	0.50	12.53	13.03	49,887	625,118
*2002	1.5	1,048,510	0.9994	1.50	12.31	13.81	75,935	934,608
*2001	2.5	1,327,133	0.9993	2.50	11.93	14.43	91,989	1,097,161
*2000	3.5	968,376	0.9974	3.50	11.53	15.03	64,434	742,857
*1999	4.5	1,019,890	0.9421	4.36	11.15	15.65	65,166	726,642
*1998	5.5	2,141,203	0.8536	5.08	10.81	16.31	131,320	1,418,944
*1997	6.5	1,673,411	0.9958	6.28	10.50	17.00	98,448	1,033,501
*1996	7.5	1,068,140	0.9364	7.13	10.23	17.73	60,246	616,293
*1995	8.5	1,515,138	0.8355	7.82	10.00	18.50	81,910	818,905
1994	9.5	1,808,816	0.8799	8.77	13.22	20.41	88,639	1,172,005
1993	10.5	1,226,193	0.8536	9.59	12.78	20.50	59,815	764,571
1992	11.5	1,260,978	0.9819	10.77	12.37	22.92	55,027	680,859
1991	12.5	1,715,702	0.9162	11.59	11.98	22.57	76,026	910,994
1990	13.5	229,896	0.8051	12.24	11.60	21.58	10,654	123,622
1989	14.5	214,328	0.8309	13.12	11.23	22.45	9,545	107,232
1988	15.5	641,673	0.8378	13.97	10.87	23.08	27,797	302,282
1987	16.5	4,606	0.8593	14.89	10.53	23.93	192	2,026
1986	17.5	1,045,814	0.9514	15.99	10.18	25.68	40,719	414,711
1985	18.5	835,778	0.8316	16.66	9.85	24.86	33,622	331,277
1984	19.5	63,657	0.8983	17.68	9.53	26.24	2,426	23,119
1983	20.5	48,146	0.8116	18.38	9.22	25.85	1,862	17,160
TOTAL		20,507,449					1,125,659	12,863,886
NON-ELG V		9,095,587					406,325	4,849,858
ELG V		11,411,862					719,334	8,014,028

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	18.21817	22.38501	15.86448
AVG REMAINING LIFE: TOT H/TOT G	11.42787	11.93591	11.14090

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 22,422,329
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.91460

USING IOWA CURVE: L1.0
* ELG VINTAGES, PROJECTION LIFE 20.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2423.20
BURIED CBL - NONMETAL

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$1,194,885	28.5% (1)	$340,357	5.4% (1)	$65,084	23.0%
FUTURE	$20,507,449 (2)	2.0%	$410,149	5.0%	$1,025,372	-3.0%
TOTAL	$21,702,334		$750,506		$1,090,456	
AVERAGE		3.5%		5.0%		-1.5%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0	0.0%	0	0.0%	0.0%
1985	241,875	0	0	0.0%	0	0.0%	0.0%
1986	592,445	0	0	0.0%	0	0.0%	0.0%
1987	1,393,803	0	0	0.0%	0	0.0%	0.0%
1988	1,750,558	0	0	0.0%	0	0.0%	0.0%
1989	1,874,520	0	0	0.0%	0	0.0%	0.0%
1990	2,224,708	0	0	0.0%	0	0.0%	0.0%
1991	3,240,497	71,667	0	0.0%	339	0.5%	-0.5%
1992	5,828,850	107,234	22,891	21.3%	7,952	7.4%	13.9%
1993	7,396,210	115,040	37,198	32.3%	0	0.0%	32.3%
1994	9,336,339	114,798	0	0.0%	90	0.1%	-0.1%
1995	11,246,266	0	0	0.0%	45,114	0.0%	0.0%
1996	12,115,080	198,804	448	0.2%	4,014	2.0%	-1.8%
1997	13,523,495	339,704	279,816	82.4%	1,504	0.4%	81.9%
1998	15,662,015	0	0	0.0%	1,296	0.0%	0.0%
1999	16,742,088	0	0	0.0%	0	0.0%	0.0%
2000	17,564,327	146,060	0	0.0%	0	0.0%	0.0%
2001	18,892,493	0	0	0.0%	1,404	0.0%	0.0%
2002	19,823,298	59,797	4	0.0%	2,150	3.6%	-3.6%
2003	20,507,449	41,781	0	0.0%	1,221	2.9%	-2.9%
		1,194,885	340,357	28.5%	65,084	5.4%	23.0%
1994-2003	10 year band	900,944	280,268	31.1%	56,793	6.3%	24.8%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0.0%	0	0.0%	0.0%
1985	0	0	0.0%	0	0.0%	0.0%
1986	0	0	0.0%	0	0.0%	0.0%
1987	0	0	0.0%	0	0.0%	0.0%
1988	0	0	0.0%	0	0.0%	0.0%
1989	71,667	0	0.0%	339	0.5%	-0.5%
1990	178,901	22,891	12.8%	8,291	4.6%	8.2%
1991	293,941	60,089	20.4%	8,291	2.8%	17.6%
1992	408,739	60,089	14.7%	8,381	2.1%	12.7%
1993	408,739	60,089	14.7%	53,495	13.1%	1.6%
1994	535,876	60,537	11.3%	57,170	10.7%	0.6%
1995	768,346	317,462	41.3%	50,722	6.6%	34.7%
1996	653,306	280,264	42.9%	52,018	8.0%	34.9%
1997	538,508	280,264	52.0%	51,928	9.6%	42.4%
1998	684,568	280,264	40.9%	6,814	1.0%	39.9%
1999	485,764	279,816	57.6%	4,204	0.9%	56.7%
2000	205,857	4	0.0%	4,850	2.4%	-2.4%
2001	247,638	4	0.0%	4,775	1.9%	-1.9%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.20
BURIED CBL - NONMETAL

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	0	0	0.0000
1983	0	0	0	0.0000	82/84	0	0	0.0000
1984	0	0	0	0.0000	83/85	120,938	0	0.0000
1985	241,875	120,938	0	0.0000	84/86	538,098	0	0.0000
1986	592,445	417,160	0	0.0000	85/87	1,531,222	0	0.0000
1987	1,393,803	993,124	0	0.0000	86/88	2,982,465	0	0.0000
1988	1,750,558	1,572,181	0	0.0000	87/89	4,377,844	0	0.0000
1989	1,874,520	1,812,539	0	0.0000	88/90	5,434,334	0	0.0000
1990	2,224,708	2,049,614	0	0.0000	89/91	6,594,756	71,667	0.0109
1991	3,240,497	2,732,603	71,667	0.0262	90/92	9,316,890	178,901	0.0192
1992	5,828,850	4,534,674	107,234	0.0236	91/93	13,879,806	293,941	0.0212
1993	7,396,210	6,612,530	115,040	0.0174	92/94	19,513,478	337,072	0.0173
1994	9,336,339	8,366,275	114,798	0.0137	93/95	25,270,107	229,838	0.0091
1995	11,246,266	10,291,303	0	0.0000	94/96	30,338,250	313,602	0.0103
1996	12,115,080	11,680,673	198,804	0.0170	95/97	34,791,263	538,508	0.0155
1997	13,523,495	12,819,288	339,704	0.0265	96/98	39,092,716	538,508	0.0138
1998	15,662,015	14,592,755	0	0.0000	97/99	43,614,094	339,704	0.0078
1999	16,742,088	16,202,052	0	0.0000	98/00	47,948,014	146,060	0.0030
2000	17,564,327	17,153,208	146,060	0.0085	99/01	51,583,669	146,060	0.0028
2001	18,892,493	18,228,410	0	0.0000	00/02	54,739,513	205,857	0.0038
2002	19,823,298	19,357,896	59,797	0.0031	01/03	57,751,679	101,578	0.0018
2003	20,507,449	20,165,374	41,781	0.0021				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.20
BURIED CBL - NONMETAL

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	0	0
1984	0	0	0	0
1985	239,728	0	2,147	241,875
1986	350,570	0	0	592,445
1987	739,595	0	61,763	1,393,803
1988	31,699	0	325,056	1,750,558
1989	0	0	123,962	1,874,520
1990	362,379	0	(12,191)	2,224,708
1991	937,795	71,667	149,661	3,240,497
1992	605,916	107,234	2,089,671	5,828,850
1993	1,718,501	115,040	(36,101)	7,396,210
1994	2,058,358	114,798	(3,431)	9,336,339
1995	1,816,169	0	93,758	11,246,266
1996	1,069,625	198,804	(2,007)	12,115,080
1997	1,748,181	339,704	(62)	13,523,495
1998	2,129,970	0	8,550	15,662,015
1999	1,082,151	0	(2,078)	16,742,088
2000	975,396	146,060	(7,097)	17,564,327
2001	1,322,681	0	5,485	18,892,493
2002	990,601	59,797	(1)	19,823,298
2003	725,931	41,781	1	20,507,449

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.20
BURIED CBL - NONMETAL

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	0	0	0
1984	0	0	0	0	0	0
1985	1,994	0	0	0	0	1,994
1986	14,453	0	0	0	0	16,447
1987	52,774	0	0	0	0	69,221
1988	63,963	0	0	0	0	133,184
1989	100,418	0	0	0	0	233,602
1990	114,254	0	0	0	0	347,856
1991	133,695	0	71,667	339	89,573	499,118
1992	161,676	22,891	107,234	7,952	437,493	1,005,992
1993	293,382	37,198	115,040	0	(13,906)	1,207,626
1994	406,407	0	114,798	90	129,013	1,628,158
1995	380,691	0	0	45,114	0	1,347,693
1996	457,319	448	198,804	4,014	(330,382)	1,272,260
1997	481,995	279,816	339,704	1,504	47,464	1,740,327
1998	560,886	0	0	1,296	0	2,299,917
1999	686,266	0	0	0	0	2,986,183
2000	914,578	0	146,060	0	0	3,754,700
2001	911,687	0	0	1,404	1	4,664,984
2002	953,982	4	59,797	2,150	0	5,557,023
2003	1,001,306	0	41,781	1,221	0	6,515,327

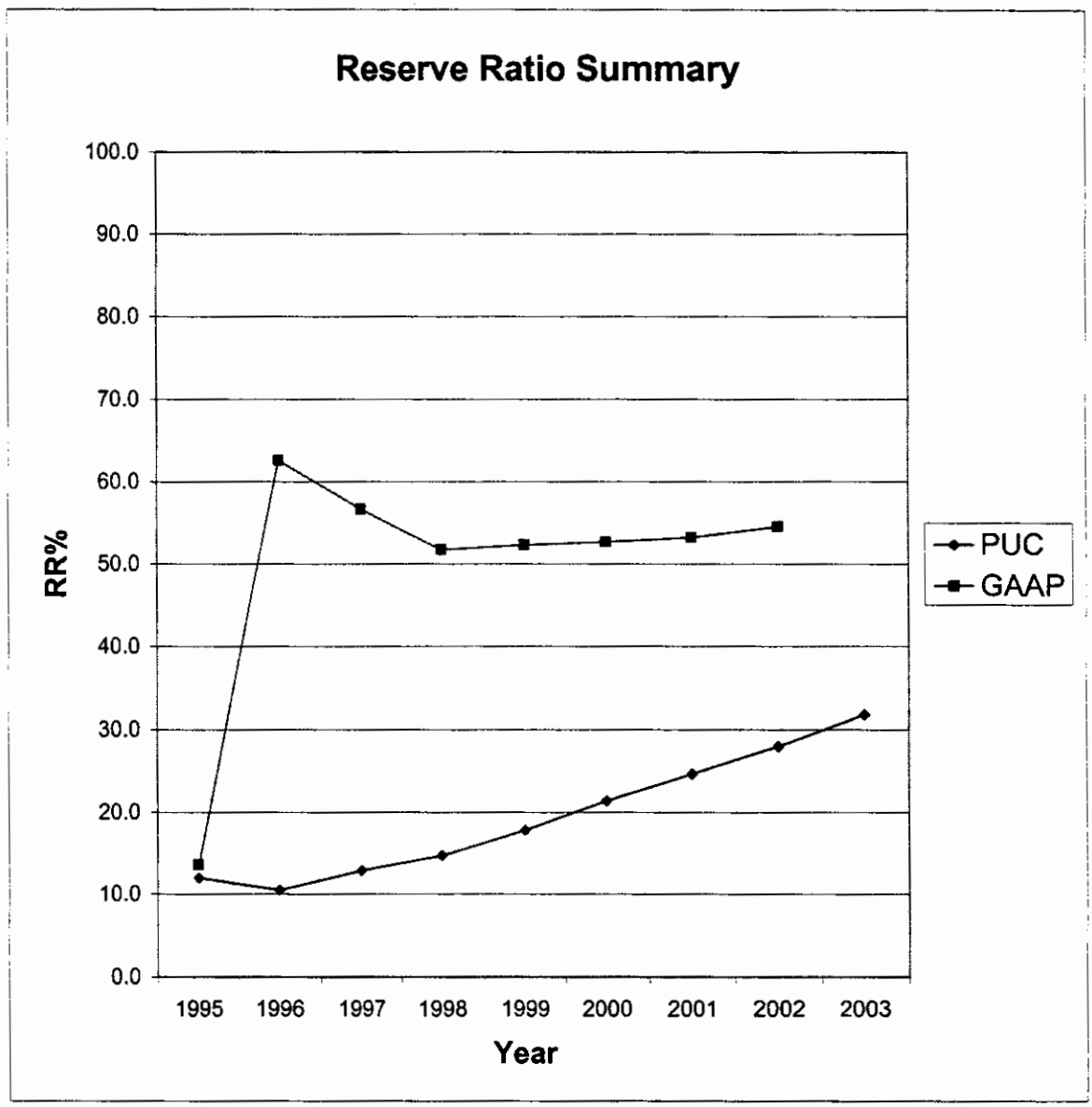
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2423.20
BURIED CBL - NONMETAL

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	0	0	0.0%
1984	0	0	0.0%
1985	241,875	1,994	0.8%
1986	592,445	16,447	2.8%
1987	1,393,803	69,221	5.0%
1988	1,750,558	133,184	7.6%
1989	1,874,520	233,602	12.5%
1990	2,224,708	347,856	15.6%
1991	3,240,497	499,118	15.4%
1992	5,828,850	1,005,992	17.3%
1993	7,396,210	1,207,626	16.3%
1994	9,336,339	1,628,158	17.4%
1995	11,246,266	1,347,693	12.0%
1996	12,115,080	1,272,260	10.5%
1997	13,523,495	1,740,327	12.9%
1998	15,662,015	2,299,917	14.7%
1999	16,742,088	2,986,183	17.8%
2000	17,564,327	3,754,700	21.4%
2001	18,892,493	4,664,984	24.7%
2002	19,823,298	5,557,023	28.0%
2003	20,507,449	6,515,327	31.8%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes submarine cable and the cost of other materials used in the construction of such plant. It also includes the cost of permits and privileges for the construction of submarine cable facilities.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:44 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2424 SUBMARINE CABLE
CATEGORY: SUBMARINE CABLE
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	137	1.0000	0.50	14.18	14.68	9	132
*2002	1.5	1,275	1.0000	1.50	13.47	14.97	85	1,147
*2001	2.5	69	1.0000	2.50	12.69	15.19	5	58
*2000	3.5	0	0.0000	0.00				
*1999	4.5	5,837	1.0000	3.50	11.11	15.61	374	4,154
*1998	5.5	5,687	1.0000	4.50	10.33	15.83	359	3,712
*1997	6.5	1,456	0.9368	5.34	9.58	16.08	91	867
*1996	7.5	2,457	0.3054	4.70	8.84	16.34	150	1,329
*1995	8.5	437,638	0.8277	6.32	8.13	16.63	26,319	213,930
1994	9.5	47,635	0.8231	7.13	8.33	13.98	3,406	28,382
1993	10.5	0	0.0000	0.00				
1992	11.5	0	0.0000	0.00				
1991	12.5	0	0.0000	0.00				
1990	13.5	42,143	0.7153	7.68	5.41	11.55	3,648	19,743
1989	14.5	0	0.0000	0.00				
1988	15.5	0	0.0000	0.00				
1987	16.5	0	0.0000	0.00				
1986	17.5	0	0.0000	0.00				
1985	18.5	0	0.0000	0.00				
1984	19.5	0	0.0000	0.00				
1983	20.5	0	0.0000	0.00				
1982	21.5	0	0.0000	0.00				
1981	22.5	97,341	0.4907	7.83	1.59	8.61	11,303	17,979
1980	23.5	0	0.0000	0.00				
1979	24.5	63,542	0.3203	7.90	1.09	8.25	7,701	8,430
1978/PRIOR		667,492	0.3545	9.97	0.60	10.32	64,698	38,626
TOTAL		1,372,709					118,148	338,490
NON-ELG V		918,153					90,756	113,160
ELG V		454,556					27,392	225,330

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	11.61857	10.11670	16.59466
AVG REMAINING LIFE: TOT H/TOT G	2.86497	1.24686	8.22620

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 2,947,541
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.46571

USING IOWA CURVE: R3.0
* ELG VINTAGES, PROJECTION LIFE 17.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$41,584	2.2% (1)	$935	25.8% (1)	$10,718	-23.5%
FUTURE	$1,372,709 (2)	2.0%	$27,454	12.0%	$164,725	-10.0%
TOTAL	$1,414,293		$28,389		$175,443	
AVERAGE		2.0%		12.4%		-10.4%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	551,764	1,327	0	0.0%	0	0.0%	0.0%
1981	563,544	5,822	0	0.0%	0	0.0%	0.0%
1982	563,488	578	0	0.0%	0	0.0%	0.0%
1983	563,392	6,500	0	0.0%	0	0.0%	0.0%
1984	564,031	0	935	0.0%	53	0.0%	0.0%
1985	564,798	0	0	0.0%	0	0.0%	0.0%
1986	564,798	0	0	0.0%	0	0.0%	0.0%
1987	564,972	0	0	0.0%	0	0.0%	0.0%
1988	564,972	0	0	0.0%	0	0.0%	0.0%
1989	564,972	0	0	0.0%	245	0.0%	0.0%
1990	606,757	0	0	0.0%	93	0.0%	0.0%
1991	618,950	0	0	0.0%	0	0.0%	0.0%
1992	989,397	0	0	0.0%	9,798	0.0%	0.0%
1993	999,839	0	0	0.0%	0	0.0%	0.0%
1994	1,031,358	26,834	0	0.0%	0	0.0%	0.0%
1995	1,366,964	0	0	0.0%	0	0.0%	0.0%
1996	1,375,077	0	0	0.0%	0	0.0%	0.0%
1997	1,377,164	0	0	0.0%	0	0.0%	0.0%
1998	1,377,331	0	0	0.0%	0	0.0%	0.0%
1999	1,383,049	0	0	0.0%	0	0.0%	0.0%
2000	1,382,526	523	0	0.0%	0	0.0%	0.0%
2001	1,382,596	0	0	0.0%	129	0.0%	0.0%
2002	1,383,881	0	0	0.0%	0	0.0%	0.0%
2003	1,372,709	0	0	0.0%	400	0.0%	0.0%
		41,584	935	2.2%	10,718	25.8%	-23.5%
1994-2003	10 year band	27,357	0	0.0%	529	1.9%	-1.9%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	14,227	935	6.6%	53	0.4%	6.2%
1983	12,900	935	7.2%	53	0.4%	6.8%
1984	7,078	935	13.2%	53	0.7%	12.5%
1985	6,500	935	14.4%	53	0.8%	13.6%
1986	0	935	0.0%	53	0.0%	0.0%
1987	0	0	0.0%	245	0.0%	0.0%
1988	0	0	0.0%	338	0.0%	0.0%
1989	0	0	0.0%	338	0.0%	0.0%
1990	0	0	0.0%	10,136	0.0%	0.0%
1991	0	0	0.0%	10,136	0.0%	0.0%
1992	26,834	0	0.0%	9,891	36.9%	-36.9%
1993	26,834	0	0.0%	9,798	36.5%	-36.5%
1994	26,834	0	0.0%	9,798	36.5%	-36.5%
1995	26,834	0	0.0%	0	0.0%	0.0%
1996	26,834	0	0.0%	0	0.0%	0.0%
1997	0	0	0.0%	0	0.0%	0.0%
1998	523	0	0.0%	0	0.0%	0.0%
1999	523	0	0.0%	129	24.7%	-24.7%
2000	523	0	0.0%	129	24.7%	-24.7%
2001	523	0	0.0%	529	101.1%	-101.1%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	551,764							
1981	563,544	557,654	5,822	0.0104				
1982	563,488	563,516	578	0.0010	81/83	1,684,610	12,900	0.0077
1983	563,392	563,440	6,500	0.0115	82/84	1,690,668	7,078	0.0042
1984	564,031	563,712	0	0.0000	83/85	1,691,566	6,500	0.0038
1985	564,798	564,415	0	0.0000	84/86	1,692,924	0	0.0000
1986	564,798	564,798	0	0.0000	85/87	1,694,098	0	0.0000
1987	564,972	564,885	0	0.0000	86/88	1,694,655	0	0.0000
1988	564,972	564,972	0	0.0000	87/89	1,694,829	0	0.0000
1989	564,972	564,972	0	0.0000	88/90	1,715,809	0	0.0000
1990	606,757	585,865	0	0.0000	89/91	1,763,690	0	0.0000
1991	618,950	612,854	0	0.0000	90/92	2,002,892	0	0.0000
1992	989,397	804,174	0	0.0000	91/93	2,411,645	0	0.0000
1993	999,839	994,618	0	0.0000	92/94	2,814,390	26,834	0.0095
1994	1,031,358	1,015,599	26,834	0.0264	93/95	3,209,378	26,834	0.0084
1995	1,366,964	1,199,161	0	0.0000	94/96	3,585,780	26,834	0.0075
1996	1,375,077	1,371,021	0	0.0000	95/97	3,946,302	0	0.0000
1997	1,377,164	1,376,121	0	0.0000	96/98	4,124,389	0	0.0000
1998	1,377,331	1,377,248	0	0.0000	97/99	4,133,558	0	0.0000
1999	1,383,049	1,380,190	0	0.0000	98/00	4,140,225	523	0.0001
2000	1,382,526	1,382,788	523	0.0004	99/01	4,145,539	523	0.0001
2001	1,382,596	1,382,561	0	0.0000	00/02	4,148,587	523	0.0001
2002	1,383,881	1,383,239	0	0.0000	01/03	4,144,095	0	0.0000
2003	1,372,709	1,378,295	0	0.0000				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	96,152	1,327	5,359	551,764
1981	17,602	5,822	0	563,544
1982	469	578	53	563,488
1983	6,404	6,500	0	563,392
1984	639	0	0	564,031
1985	767	0	0	564,798
1986	0	0	0	564,798
1987	174	0	0	564,972
1988	0	0	0	564,972
1989	0	0	0	564,972
1990	41,785	0	0	606,757
1991	12,193	0	0	618,950
1992	273,019	0	97,428	989,397
1993	1,031	0	9,411	999,839
1994	58,353	26,834	0	1,031,358
1995	433,161	0	(97,555)	1,366,964
1996	8,113	0	0	1,375,077
1997	2,113	0	(26)	1,377,164
1998	167	0	0	1,377,331
1999	5,885	0	(167)	1,383,049
2000	0	523	0	1,382,526
2001	70	0	0	1,382,596
2002	1,285	0	0	1,383,881
2003	149	0	(11,321)	1,372,709

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($)	GROSS SALVAGE ($)	PLANT RETIRED ($)	COST OF REMOVAL ($)	ADJUST-MENTS ($)	YEAR-END RESERVE BALANCE ($)
	A	B	C	D	E	F
1980	20,630	0	1,327	0	(438)	154,907
1981	24,959	0	5,822	0	11,024	185,068
1982	25,353	0	578	0	0	209,843
1983	32,726	0	6,500	0	(16)	236,053
1984	32,696	935	0	53	0	269,631
1985	32,738	0	0	0	0	302,369
1986	28,805	0	0	0	0	331,174
1987	18,506	0	0	0	0	349,680
1988	17,509	0	0	0	(1,000)	366,189
1989	15,814	0	0	245	0	381,758
1990	16,425	0	0	93	0	398,090
1991	13,585	0	0	0	0	411,675
1992	26,859	0	0	9,798	26,496	455,232
1993	42,671	0	0	0	6,254	504,157
1994	54,009	0	26,834	0	0	531,332
1995	46,002	0	0	0	(5)	560,979
1996	65,771	0	0	0	3,004	629,754
1997	66,038	0	0	0	(1)	695,791
1998	66,104	0	0	0	1	761,896
1999	66,542	0	0	0	(1)	828,437
2000	56,901	0	523	0	0	884,816
2001	56,684	0	0	129	0	941,371
2002	56,728	0	0	0	(1)	998,100
2003	56,470	0	0	400	0	1,054,170

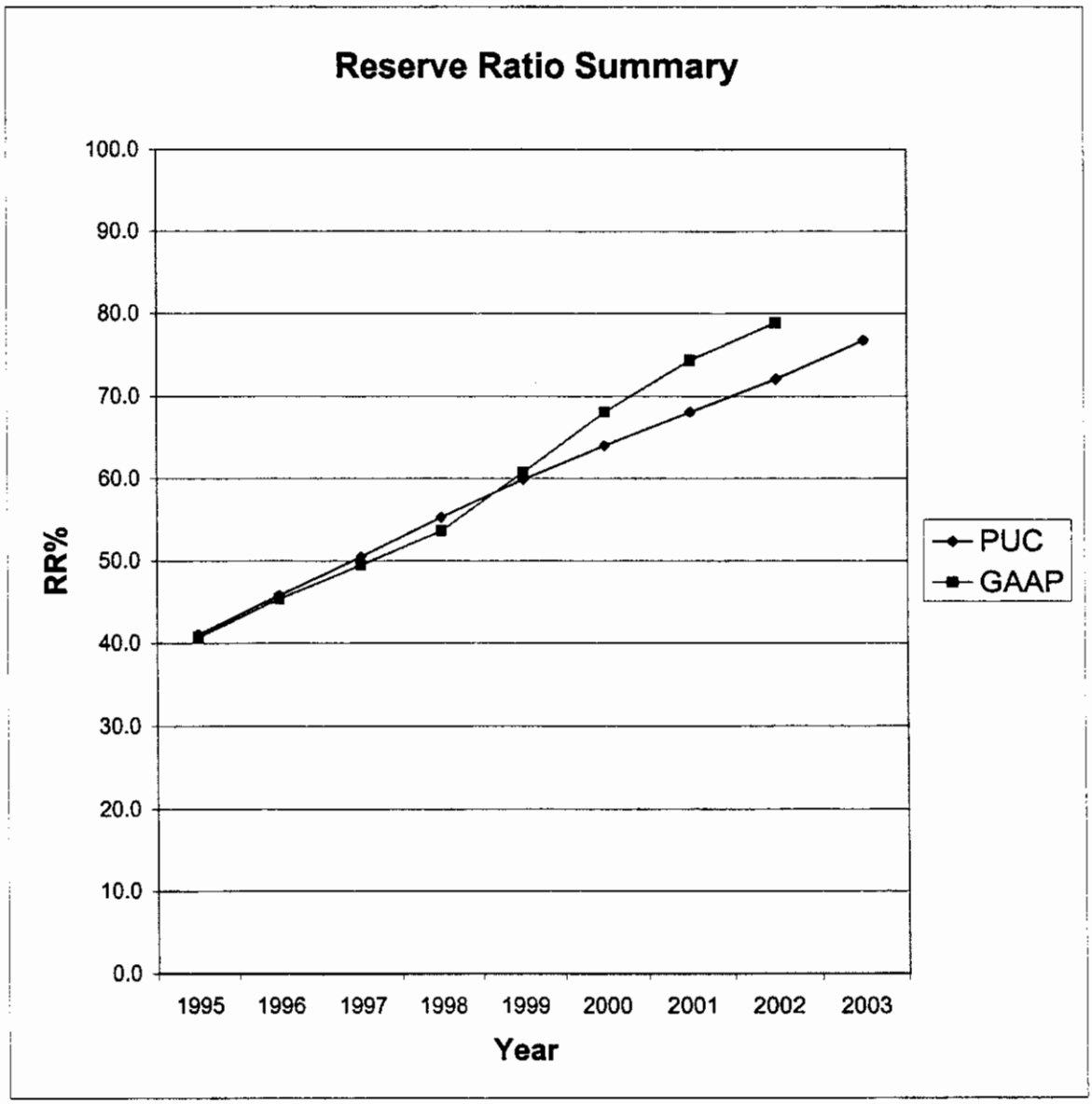
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2424.00
SUBMARINE CABLE

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	551,764	154,907	28.1%
1981	563,544	185,068	32.8%
1982	563,488	209,843	37.2%
1983	563,392	236,053	41.9%
1984	564,031	269,631	47.8%
1985	564,798	302,369	53.5%
1986	564,798	331,174	58.6%
1987	564,972	349,680	61.9%
1988	564,972	366,189	64.8%
1989	564,972	381,758	67.6%
1990	606,757	398,090	65.6%
1991	618,950	411,675	66.5%
1992	989,397	455,232	46.0%
1993	999,839	504,157	50.4%
1994	1,031,358	531,332	51.5%
1995	1,366,964	560,979	41.0%
1996	1,375,077	629,754	45.8%
1997	1,377,164	695,791	50.5%
1998	1,377,331	761,896	55.3%
1999	1,383,049	828,437	59.9%
2000	1,382,526	884,816	64.0%
2001	1,382,596	941,371	68.1%
2002	1,383,881	998,100	72.1%
2003	1,372,709	1,054,170	76.8%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes cables, wires and fiber located on the company's side of the demarcation point or standard network interface inside subscribers' buildings or between buildings on one customer's same premise.

GENERAL

The Company proposes revising the Projection Life (P/Life) for this account to more accurately reflect the future characteristics of this account. The Company proposes maintaining the existing Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:46 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2426 INTRABLDG - METAL
CATEGORY: INTRABLDG CBL - METALLIC
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

		EXPERIENCE AS OF 1-1-2004			REMAIN ING	VINT AVG		
VINT AGE	AGE	AMOUNT SURVIVING	PROP SURV	REAL LIFE	LIFE YEARS	LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	0	0.0000	0.00				
*2002	1.5	0	0.0000	0.00				
*2001	2.5	0	0.0000	0.00				
*2000	3.5	0	0.0000	0.00				
*1999	4.5	0	0.0000	0.00				
*1998	5.5	0	0.0000	0.00				
*1997	6.5	0	0.0000	0.00				
*1996	7.5	0	0.0000	0.00				
*1995	8.5	0	0.0000	0.00				
1994	9.5	0	0.0000	0.00				
1993	10.5	0	0.0000	0.00				
1992	11.5	0	0.0000	0.00				
1991	12.5	0	0.0000	0.00				
1990	13.5	0	0.0000	0.00				
1989	14.5	0	0.0000	0.00				
1988	15.5	116	0.0178	0.05	9.33	0.21	541	5,047
1987	16.5	53	0.0423	0.13	9.02	0.51	103	932
1986	17.5	10,359	0.4296	1.25	8.72	4.99	2,074	18,082
1985	18.5	2,519	0.2013	1.10	8.43	2.80	900	7,581
1984	19.5	6,384	0.4257	1.97	8.15	5.43	1,175	9,570
1983	20.5	21,835	0.2035	1.85	7.88	3.45	6,330	49,855
1982	21.5	7,617	0.4463	2.78	7.61	6.18	1,233	9,384
1981	22.5	2,413	0.1315	2.41	7.36	3.38	714	5,256
1980	23.5	7,453	0.3386	3.17	7.11	5.58	1,335	9,495
1979	24.5	4,878	0.3314	3.58	6.88	5.86	833	5,727
1978/PRIOR		88,085	0.3320	4.86	6.21	7.20	12,234	75,915
TOTAL		151,712					27,472	196,844
NON-ELG V		151,712					27,472	196,844
ELG V		0					0	0

	ALL VINTS	NELG VINTS	ELG VINTS
AVG SERVICE LIFE: TOT B/TOT G	5.52247	5.52247	0.00000
AVG REMAINING LIFE: TOT H/TOT G	7.16533	7.16533	0.00000

COMPUTED GROSS ADDS-ALL VINTS: 504,169
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.30092

USING IOWA CURVE: L0.5
* ELG VINTAGES, PROJECTION LIFE 17.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2426.00
INTRABLDG CABLE

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$53,965	0.1% (1)	$38	31.4% (1)	$16,952	-31.3%
FUTURE	$151,712 (2)	0.0%	$0	10.0%	$15,171	-10.0%
TOTAL	$205,677		$38		$32,123	
AVERAGE		0.0%		15.6%		-15.6%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	0	0	0	0.0%	0	0.0%	0.0%
1981	0	0	0	0.0%	0	0.0%	0.0%
1982	0	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0	0.0%	0	0.0%	0.0%
1985	0	0	0	0.0%	0	0.0%	0.0%
1986	0	0	0	0.0%	0	0.0%	0.0%
1987	983,963	0	0	0.0%	0	0.0%	0.0%
1988	1,018,438	241	0	0.0%	2,316	961.0%	-961.0%
1989	1,021,919	0	0	0.0%	11,226	0.0%	0.0%
1990	1,022,230	4,232	38	0.9%	3,410	80.6%	-79.7%
1991	1,022,269	1,165	0	0.0%	0	0.0%	0.0%
1992	1,022,269	0	0	0.0%	0	0.0%	0.0%
1993	1,029,390	274	0	0.0%	0	0.0%	0.0%
1994	1,029,390	0	0	0.0%	0	0.0%	0.0%
1995	1,029,366	0	0	0.0%	0	0.0%	0.0%
1996	1,029,725	0	0	0.0%	0	0.0%	0.0%
1997	1,029,748	0	0	0.0%	0	0.0%	0.0%
1998	1,029,748	0	0	0.0%	0	0.0%	0.0%
1999	1,029,390	0	0	0.0%	0	0.0%	0.0%
2000	1,029,031	0	0	0.0%	0	0.0%	0.0%
2001	1,029,031	0	0	0.0%	0	0.0%	0.0%
2002	1,028,979	51	0	0.0%	0	0.0%	0.0%
2003	151,712	48,002	0	0.0%	0	0.0%	0.0%
		53,965	38	0.1%	16,952	31.4%	-31.3%
1994-2003	10 year band	48,053	0	0.0%	0	0.0%	0.0%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2426.00
INTRABLDG CABLE

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	0	0	0.0%	0	0.0%	0.0%
1983	0	0	0.0%	0	0.0%	0.0%
1984	0	0	0.0%	0	0.0%	0.0%
1985	0	0	0.0%	0	0.0%	0.0%
1986	241	0	0.0%	2,316	961.0%	-961.0%
1987	241	0	0.0%	13,542	5619.1%	-5619.1%
1988	4,473	38	0.8%	16,952	379.0%	-378.1%
1989	5,638	38	0.7%	16,952	300.7%	-300.0%
1990	5,638	38	0.7%	16,952	300.7%	-300.0%
1991	5,671	38	0.7%	14,636	258.1%	-257.4%
1992	5,671	38	0.7%	3,410	60.1%	-59.5%
1993	1,439	0	0.0%	0	0.0%	0.0%
1994	274	0	0.0%	0	0.0%	0.0%
1995	274	0	0.0%	0	0.0%	0.0%
1996	0	0	0.0%	0	0.0%	0.0%
1997	0	0	0.0%	0	0.0%	0.0%
1998	0	0	0.0%	0	0.0%	0.0%
1999	0	0	0.0%	0	0.0%	0.0%
2000	51	0	0.0%	0	0.0%	0.0%
2001	48,053	0	0.0%	0	0.0%	0.0%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2426.00
INTRABLDG CABLE

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	0							
1981	0	0	0	0.0000				
1982	0	0	0	0.0000	81/83	0	0	0.0000
1983	0	0	0	0.0000	82/84	0	0	0.0000
1984	0	0	0	0.0000	83/85	0	0	0.0000
1985	0	0	0	0.0000	84/86	0	0	0.0000
1986	0	0	0	0.0000	85/87	491,982	0	0.0000
1987	983,963	491,982	0	0.0000	86/88	1,493,182	241	0.0002
1988	1,018,438	1,001,201	241	0.0002	87/89	2,513,361	241	0.0001
1989	1,021,919	1,020,179	0	0.0000	88/90	3,043,454	4,473	0.0015
1990	1,022,230	1,022,075	4,232	0.0041	89/91	3,064,503	5,397	0.0018
1991	1,022,269	1,022,250	1,165	0.0011	90/92	3,066,593	5,397	0.0018
1992	1,022,269	1,022,269	0	0.0000	91/93	3,070,348	1,439	0.0005
1993	1,029,390	1,025,830	274	0.0003	92/94	3,077,489	274	0.0001
1994	1,029,390	1,029,390	0	0.0000	93/95	3,084,598	274	0.0001
1995	1,029,366	1,029,378	0	0.0000	94/96	3,088,314	0	0.0000
1996	1,029,725	1,029,546	0	0.0000	95/97	3,088,660	0	0.0000
1997	1,029,748	1,029,737	0	0.0000	96/98	3,089,030	0	0.0000
1998	1,029,748	1,029,748	0	0.0000	97/99	3,089,054	0	0.0000
1999	1,029,390	1,029,569	0	0.0000	98/00	3,088,528	0	0.0000
2000	1,029,031	1,029,211	0	0.0000	99/01	3,087,811	0	0.0000
2001	1,029,031	1,029,031	0	0.0000	00/02	3,087,247	51	0.0000
2002	1,028,979	1,029,005	51	0.0000	01/03	2,648,382	48,053	0.0181
2003	151,712	590,346	48,002	0.0813				

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
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INTRABLDG CABLE

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($) A	PLANT RETIRED ($) B	ADJUST-MENTS ($) C	PLANT IN SERVICE DEC. 31 ($) D
1980	0	0	0	0
1981	0	0	0	0
1982	0	0	0	0
1983	0	0	0	0
1984	0	0	0	0
1985	0	0	0	0
1986	0	0	0	0
1987	0	0	0	983,963
1988	34,716	241	0	1,018,438
1989	3,481	0	0	1,021,919
1990	4,543	4,232	0	1,022,230
1991	1,204	1,165	0	1,022,269
1992	0	0	0	1,022,269
1993	0	274	7,395	1,029,390
1994	0	0	0	1,029,390
1995	0	0	(24)	1,029,366
1996	359	0	0	1,029,725
1997	0	0	23	1,029,748
1998	0	0	0	1,029,748
1999	0	0	(358)	1,029,390
2000	0	0	(359)	1,029,031
2001	0	0	0	1,029,031
2002	0	51	(1)	1,028,979
2003	0	48,002	(829,265)	151,712

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2426.00
INTRABLDG CABLE

ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	0	0	0	0	0	0
1981	0	0	0	0	0	0
1982	0	0	0	0	0	0
1983	0	0	0	0	0	0
1984	0	0	0	0	0	0
1985	0	0	0	0	0	0
1986	0	0	0	0	0	0
1987	0	0	0	0	0	332,191
1988	54,720	0	241	2,316	0	384,354
1989	79,126	0	0	11,226	0	452,254
1990	79,347	38	4,232	3,410	0	523,997
1991	66,130	0	1,165	0	0	588,962
1992	66,459	0	0	0	0	655,421
1993	66,900	0	274	0	4,396	726,443
1994	55,609	0	0	0	0	782,052
1995	49,402	0	0	0	0	794,104
1996	49,420	0	0	0	(12,014)	831,510
1997	49,427	0	0	0	0	880,937
1998	49,428	0	0	0	0	930,365
1999	49,426	0	0	0	(18,000)	961,791
2000	16,465	0	0	0	0	978,256
2001	16,464	0	0	0	0	994,720
2002	16,464	0	51	0	0	1,011,133
2003	9,727	0	48,002	0	(828,584)	144,274

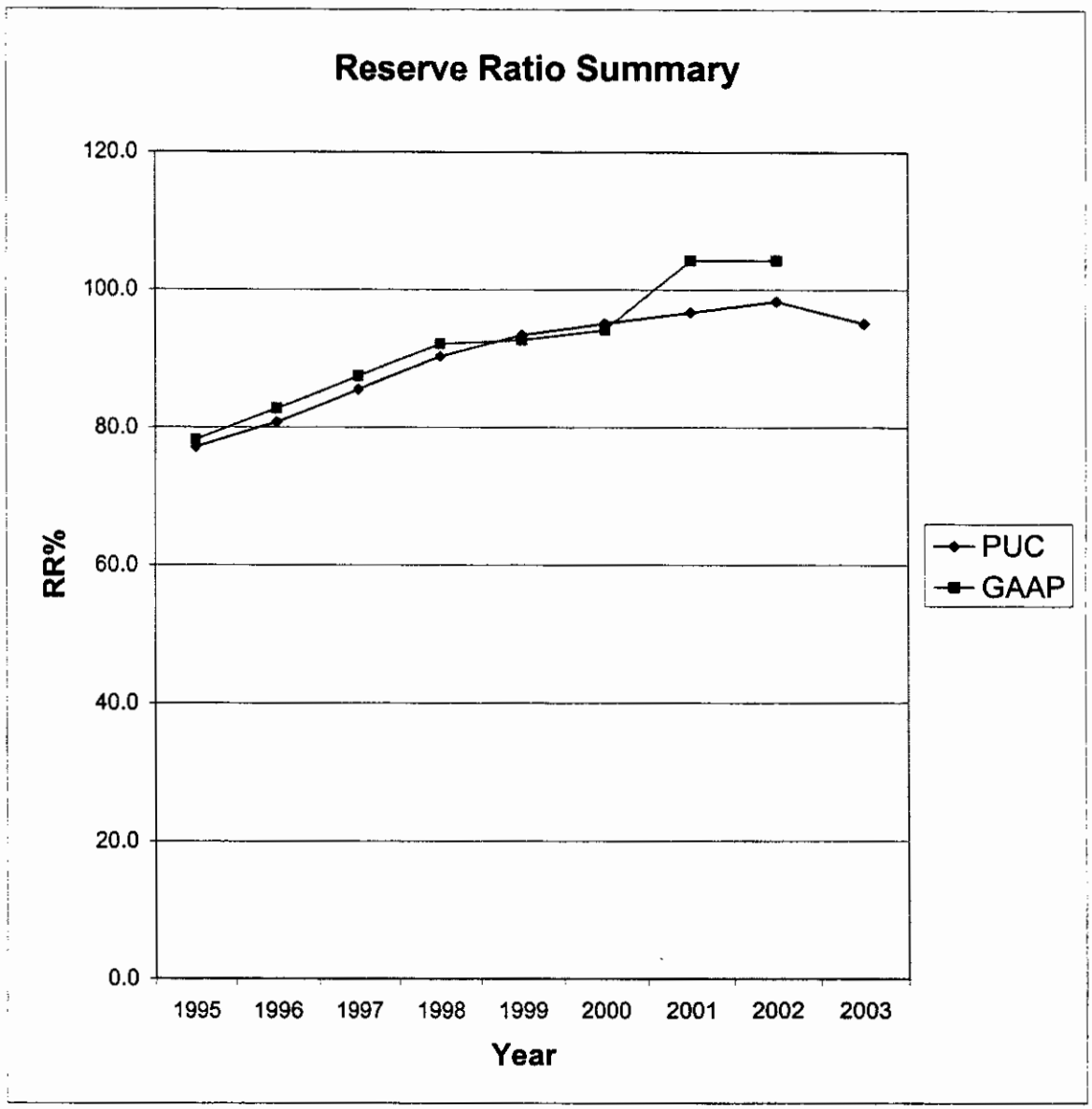
2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2426.00
INTRABLDG CABLE

RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	0	0	0.0%
1981	0	0	0.0%
1982	0	0	0.0%
1983	0	0	0.0%
1984	0	0	0.0%
1985	0	0	0.0%
1986	0	0	0.0%
1987	983,963	332,191	33.8%
1988	1,018,438	384,354	37.7%
1989	1,021,919	452,254	44.3%
1990	1,022,230	523,997	51.3%
1991	1,022,269	588,962	57.6%
1992	1,022,269	655,421	64.1%
1993	1,029,390	726,443	70.6%
1994	1,029,390	782,052	76.0%
1995	1,029,366	794,104	77.1%
1996	1,029,725	831,510	80.8%
1997	1,029,748	880,937	85.5%
1998	1,029,748	930,365	90.3%
1999	1,029,390	961,791	93.4%
2000	1,029,031	978,256	95.1%
2001	1,029,031	994,720	96.7%
2002	1,028,979	1,011,133	98.3%
2003	151,712	144,274	95.1%

2003 data is projected



2003 data is projected

ACCOUNT INDEX

ACCOUNT NARRATIVE

ACCOUNT DESCRIPTION

This account includes conduit, whether underground, in tunnels, or in bridges. It shall also include the cost of opening trenches and of any repaving necessary in the construction of such plant. Also included is the cost of pumping water out of manholes and ducts in connection with construction work, and the cost of permits and privileges for the construction of conduit system facilities.

GENERAL

The Company proposes maintaining the existing Projection Life (P/Life) and Future Net Salvage (FNS) Percent for this account. As discussed in the Introduction Section, the Company proposes maintaining the existing prescribed Iowa Curve shape for all accounts.

Page 3 of this Section is the Generation Arrangement showing the calculation of the average remaining life using the Company proposed parameters for this account. Pages 4 through 11 are exhibits that depict the historical data for this account.

12/26/03
11:49 AM
XREF: 01
PRES: 2002,EG,02
PROP: 2004,SP,99

COMPANY: VERIZON - WASHINGTON
STATE: WASHINGTON
ACCOUNT: 2441 CONDUIT SYSTEMS
CATEGORY: CONDUIT SYSTEMS
TABLE 1-VG/ELG

GENERATION ARRANGEMENT
DEVELOPMENT OF AVERAGE REMAINING LIFE AND AVERAGE SERVICE LIFE

VINT AGE	AGE	EXPERIENCE AS OF 1-1-2004 AMOUNT SURVIVING	PROP SURV	REAL LIFE	REMAINING LIFE YEARS	VINT AVG LIFE YEARS	AVERAGE LIFE WEIGHTS	REMAINING LIFE WEIGHTS
N	A	B	C	D	E	F	G=B/F	H=E*G
*2003	0.5	9,087,614	0.9999	0.50	42.01	42.51	213,787	8,980,720
*2002	1.5	9,038,275	0.9998	1.50	41.65	43.15	209,448	8,724,104
*2001	2.5	8,950,407	0.9997	2.50	41.02	43.52	205,660	8,436,257
*2000	3.5	7,840,331	0.9806	3.45	40.30	43.80	178,983	7,213,889
*1999	4.5	5,680,596	0.9995	4.48	39.56	44.06	128,943	5,100,354
*1998	5.5	6,216,078	0.9996	5.48	38.78	44.28	140,379	5,443,992
*1997	6.5	5,252,392	0.9784	6.43	38.00	44.50	118,039	4,485,139
*1996	7.5	2,730,831	0.9605	7.36	37.21	44.71	61,084	2,272,703
*1995	8.5	2,794,703	0.9785	8.37	36.41	44.91	62,224	2,265,798
1994	9.5	6,015,165	0.9597	9.30	40.78	48.44	124,179	5,064,544
1993	10.5	5,455,049	0.8752	10.05	39.84	44.92	121,447	4,838,042
1992	11.5	4,601,604	0.8770	10.93	38.89	45.04	102,176	3,974,072
1991	12.5	2,060,411	0.3186	10.41	37.96	22.50	91,575	3,476,051
1990	13.5	2,886,579	0.2773	10.62	37.03	20.89	138,168	5,116,240
1989	14.5	3,537,098	0.8486	12.33	36.11	42.97	82,319	2,972,236
1988	15.5	4,343,048	0.8357	13.15	35.19	42.56	102,041	3,590,848
1987	16.5	4,501,260	0.8831	14.11	34.28	44.38	101,420	3,476,848
1986	17.5	4,770,501	0.8959	15.02	33.38	44.93	106,180	3,544,367
1985	18.5	1,533,553	0.3117	14.45	32.49	24.58	62,393	2,026,997
1984	19.5	1,219,188	0.9063	16.25	31.60	44.89	27,157	858,233
1983	20.5	375,450	0.3797	15.85	30.73	27.52	13,645	419,261
1982	21.5	1,242,791	0.8225	17.34	29.86	41.90	29,664	885,760
1981	22.5	1,026,570	0.3290	16.93	29.00	26.47	38,783	1,124,755
1980	23.5	3,720,241	0.8382	18.53	28.15	42.13	88,311	2,486,149
1979	24.5	3,208,923	0.8985	19.52	27.31	44.06	72,831	1,989,212
1978/PRIOR		39,140,311	0.8880	25.09	21.75	45.63	857,741	18,659,108
TOTAL		147,228,969					3,478,576	117,425,678
NON-ELG V		89,637,742					2,160,029	64,502,722
ELG V		57,591,227					1,318,547	52,922,956

AVG SERVICE LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT B/TOT G	42.32450	41.49840	43.67780
AVG REMAINING LIFE:	ALL VINTS	NELG VINTS	ELG VINTS
TOT H/TOT G	33.75683	29.86197	40.13734

COMPUTED GROSS ADDS-ALL VINTS: SUM OF (B/C) 176,435,150
AVG PROPORTION SURVIVING: B/ SUM OF (B/C) 0.83447

USING IOWA CURVE: R3.0
* ELG VINTAGES, PROJECTION LIFE 50.0
DATA IS PROJECTED

VERIZON NORTHWEST INC.
WASHINGTON
2441.00
CONDUIT SYSTEMS

AVERAGE NET SALVAGE
AS OF DECEMBER 31, 2003

	PLANT RETIRED	GROSS SALVAGE		COST OF REMOVAL		NET SALVAGE
		PERCENT	AMOUNT	PERCENT	AMOUNT	PERCENT
	A	B	C = A x B	D	E = A x D	F = B - D
PAST	$2,504,289	10.1% (1)	$253,935	18.2% (1)	$454,567	-8.0%
FUTURE	$147,228,969 (2)	5.0%	$7,361,448	15.0%	$22,084,345	-10.0%
TOTAL	$149,733,258		$7,615,383		$22,538,912	
AVERAGE		5.1%		15.1%		-10.0%

(1) FROM TABLE A

(2) 2003 PROJECTED PLANT-IN-SERVICE

TABLE A
ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

YEAR	PLANT IN SERVICE DEC. 31 ($)	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C	D=C/B	E	F=E/B	G=(C-E)/B
1980	23,154,185	5,030	214	4.3%	595	11.8%	-7.6%
1981	26,337,355	4,926	4,813	97.7%	0	0.0%	97.7%
1982	27,765,482	5,663	11,334	200.1%	7,349	129.8%	70.4%
1983	28,662,591	1,419	0	0.0%	1,944	137.0%	-137.0%
1984	30,010,853	11,339	47	0.4%	7,843	69.2%	-68.8%
1985	34,878,288	10,700	0	0.0%	7,537	70.4%	-70.4%
1986	40,297,463	2,397	0	0.0%	2,807	117.1%	-117.1%
1987	45,451,869	642	0	0.0%	8,883	1383.6%	-1383.6%
1988	50,410,330	15,313	0	0.0%	8,209	53.6%	-53.6%
1989	54,282,581	7,037	0	0.0%	15,482	220.0%	-220.0%
1990	63,479,337	36,966	13,119	35.5%	53,972	146.0%	-110.5%
1991	68,888,079	252,226	32,500	12.9%	9,498	3.8%	9.1%
1992	79,283,186	9,647	83,532	865.9%	0	0.0%	865.9%
1993	85,566,605	97,155	105,693	108.8%	19,300	19.9%	88.9%
1994	91,820,654	162,546	0	0.0%	46,072	28.3%	-28.3%
1995	96,169,272	24,429	0	0.0%	5,321	21.8%	-21.8%
1996	98,960,457	0	0	0.0%	69,031	0.0%	0.0%
1997	104,591,513	11,961	2,654	22.2%	12,692	106.1%	-83.9%
1998	110,814,639	0	0	0.0%	39,190	0.0%	0.0%
1999	116,572,148	60,000	0	0.0%	7,555	12.6%	-12.6%
2000	123,170,360	1,586,580	0	0.0%	35,057	2.2%	-2.2%
2001	132,346,965	1,278	0	0.0%	32,711	2559.5%	-2559.5%
2002	141,469,692	977	29	3.0%	38,730	3964.2%	-3961.2%
2003	147,228,969	196,058	0	0.0%	24,789	12.6%	-12.6%
		2,504,289	253,935	10.1%	454,567	18.2%	-8.0%
1994-2003	10 year band	2,043,829	2,683	0.1%	311,148	15.2%	-15.1%

2003 data is projected

TABLE B
FIVE YEAR OVERLAPPING BANDS OF ANNUAL RETIREMENTS
GROSS SALVAGE AND COST OF REMOVAL

CENTER YEAR	PLANT RETIRED ($)	GROSS SALVAGE ($)	GROSS SALVAGE (%)	COST OF REMOVAL ($)	COST OF REMOVAL (%)	NET SALVAGE (%)
	A	B	C=B/A	D	E=D/A	F=(B-D)/A
1982	28,377	16,408	57.8%	17,731	62.5%	-4.7%
1983	34,047	16,194	47.6%	24,673	72.5%	-24.9%
1984	31,518	11,381	36.1%	27,480	87.2%	-51.1%
1985	26,497	47	0.2%	29,014	109.5%	-109.3%
1986	40,391	47	0.1%	35,279	87.3%	-87.2%
1987	36,089	0	0.0%	42,918	118.9%	-118.9%
1988	62,355	13,119	21.0%	89,353	143.3%	-122.3%
1989	312,184	45,619	14.6%	96,044	30.8%	-16.2%
1990	321,189	129,151	40.2%	87,161	27.1%	13.1%
1991	403,031	234,844	58.3%	98,252	24.4%	33.9%
1992	558,540	234,844	42.0%	128,842	23.1%	19.0%
1993	546,003	221,725	40.6%	80,191	14.7%	25.9%
1994	293,777	189,225	64.4%	139,724	47.6%	16.8%
1995	296,091	108,347	36.6%	152,416	51.5%	-14.9%
1996	198,936	2,654	1.3%	172,306	86.6%	-85.3%
1997	96,390	2,654	2.8%	133,789	138.8%	-136.0%
1998	1,658,541	2,654	0.2%	163,525	9.9%	-9.7%
1999	1,659,819	2,654	0.2%	127,205	7.7%	-7.5%
2000	1,648,835	29	0.0%	153,243	9.3%	-9.3%
2001	1,844,893	29	0.0%	138,842	7.5%	-7.5%

2003 data is projected

VERIZON NORTHWEST INC.
WASHINGTON
2441.00
CONDUIT SYSTEMS

RETIREMENT RATIOS

YEAR	PLANT IN SERVICE DEC. 31 ($)	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO	3 YEAR BAND	AVERAGE PLANT BALANCE ($)	PLANT RETIRED ($)	RETIRE-MENT RATIO
	A	B	C	D=C/B		E	F	G=F/E
1980	23,154,185							
1981	26,337,355	24,745,770	4,926	0.0002				
1982	27,765,482	27,051,419	5,663	0.0002	81/83	80,011,225	12,008	0.0002
1983	28,662,591	28,214,037	1,419	0.0001	82/84	84,602,177	18,421	0.0002
1984	30,010,853	29,336,722	11,339	0.0004	83/85	89,995,329	23,458	0.0003
1985	34,878,288	32,444,571	10,700	0.0003	84/86	99,369,168	24,436	0.0002
1986	40,297,463	37,587,876	2,397	0.0001	85/87	112,907,112	13,739	0.0001
1987	45,451,869	42,874,666	642	0.0000	86/88	128,393,641	18,352	0.0001
1988	50,410,330	47,931,100	15,313	0.0003	87/89	143,152,221	22,992	0.0002
1989	54,282,581	52,346,456	7,037	0.0001	88/90	159,158,514	59,316	0.0004
1990	63,479,337	58,880,959	36,966	0.0006	89/91	177,411,123	296,229	0.0017
1991	68,888,079	66,183,708	252,226	0.0038	90/92	199,150,300	298,839	0.0015
1992	79,283,186	74,085,633	9,647	0.0001	91/93	222,694,236	359,028	0.0016
1993	85,566,605	82,424,896	97,155	0.0012	92/94	245,204,158	269,348	0.0011
1994	91,820,654	88,693,630	162,546	0.0018	93/95	265,113,488	284,130	0.0011
1995	96,169,272	93,994,963	24,429	0.0003	94/96	280,253,457	186,975	0.0007
1996	98,960,457	97,564,865	0	0.0000	95/97	293,335,813	36,390	0.0001
1997	104,591,513	101,775,985	11,961	0.0001	96/98	307,043,926	11,961	0.0000
1998	110,814,639	107,703,076	0	0.0000	97/99	323,172,455	71,961	0.0002
1999	116,572,148	113,693,394	60,000	0.0005	98/00	341,267,724	1,646,580	0.0048
2000	123,170,360	119,871,254	1,586,580	0.0132	99/01	361,323,310	1,647,858	0.0046
2001	132,346,965	127,758,663	1,278	0.0000	00/02	384,538,245	1,588,835	0.0041
2002	141,469,692	136,908,329	977	0.0000	01/03	409,016,322	198,313	0.0005
2003	147,228,969	144,349,331	196,058	0.0014				

2003 data is projected

VERIZON NORTHWEST INC.
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CONDUIT SYSTEMS

ACCOUNT INVESTMENT SUMMARY

YEAR	GROSS ADDITIONS ($)	PLANT RETIRED ($)	ADJUST-MENTS ($)	PLANT IN SERVICE DEC. 31 ($)
	A	B	C	D
1980	4,367,938	5,030	0	23,154,185
1981	3,188,096	4,926	0	26,337,355
1982	1,433,790	5,663	0	27,765,482
1983	898,528	1,419	0	28,662,591
1984	1,359,601	11,339	0	30,010,853
1985	4,878,135	10,700	0	34,878,288
1986	5,421,572	2,397	0	40,297,463
1987	5,155,048	642	0	45,451,869
1988	2,148,101	15,313	2,825,673	50,410,330
1989	1,691,766	7,037	2,187,522	54,282,581
1990	7,464,024	36,966	1,769,698	63,479,337
1991	5,473,220	252,226	187,748	68,888,079
1992	5,173,218	9,647	5,231,536	79,283,186
1993	6,151,864	97,155	228,710	85,566,605
1994	6,796,309	162,546	(379,714)	91,820,654
1995	2,906,271	24,429	1,466,776	96,169,272
1996	2,817,640	0	(26,455)	98,960,457
1997	5,661,711	11,961	(18,694)	104,591,513
1998	6,329,725	0	(106,599)	110,814,639
1999	5,818,019	60,000	(510)	116,572,148
2000	8,017,072	1,586,580	167,718	123,170,360
2001	9,165,278	1,278	12,605	132,346,965
2002	9,124,095	977	(391)	141,469,692
2003	5,949,088	196,058	6,247	147,228,969

2003 data is projected

VERIZON NORTHWEST INC.
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ACCOUNT RESERVE SUMMARY

YEAR	ACCRUALS ($) A	GROSS SALVAGE ($) B	PLANT RETIRED ($) C	COST OF REMOVAL ($) D	ADJUST-MENTS ($) E	YEAR-END RESERVE BALANCE ($) F
1980	420,422	214	5,030	595	(8,905)	3,304,804
1981	497,022	4,813	4,926	0	(595)	3,801,118
1982	538,378	11,334	5,663	7,349	0	4,337,818
1983	561,350	0	1,419	1,944	0	4,895,805
1984	582,894	47	11,339	7,843	0	5,459,564
1985	645,844	0	10,700	7,537	0	6,087,171
1986	736,346	0	2,397	2,807	0	6,818,313
1987	944,511	0	642	8,883	0	7,753,299
1988	1,046,069	0	15,313	8,209	0	8,775,846
1989	1,177,296	0	7,037	15,482	0	9,930,623
1990	1,317,005	13,119	36,966	53,972	0	11,169,809
1991	1,601,244	32,500	252,226	9,498	97,560	12,639,389
1992	1,628,539	83,532	9,647	0	1,016,536	15,358,349
1993	1,891,840	105,693	97,155	19,300	(3,857)	17,235,570
1994	2,036,324	0	162,546	46,072	(52,297)	19,010,979
1995	1,978,537	0	24,429	5,321	(1,701)	19,858,556
1996	2,041,979	0	0	69,031	(273,198)	21,558,306
1997	2,126,008	2,654	11,961	12,692	(12,833)	23,649,482
1998	2,255,481	0	0	39,190	2,968	25,868,741
1999	2,931,172	0	60,000	7,555	951	28,733,309
2000	3,308,166	0	1,586,580	35,057	(21,511)	30,398,326
2001	2,935,356	0	1,278	32,711	2	33,299,695
2002	3,140,886	29	977	38,730	51	36,400,950
2003	3,313,969	0	196,058	24,789	(1)	39,494,071

2003 data is projected

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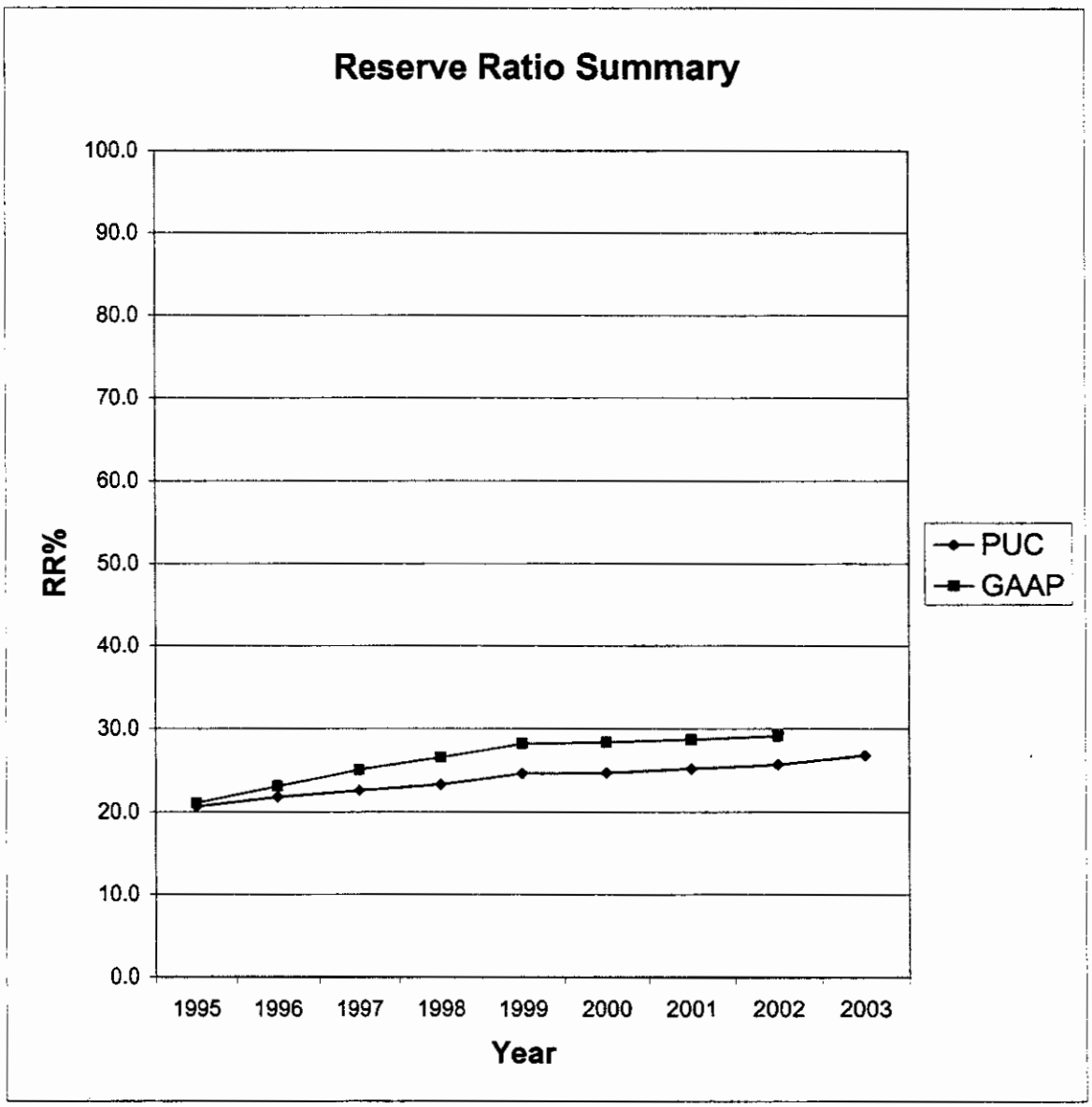
RESERVE RATIO SUMMARY

YEAR	YEAR- END PLANT BALANCE ($) A	YEAR- END RESERVE BALANCE ($) B	YEAR- END RESERVE RATIO (%) D
1980	23,154,185	3,304,804	14.3%
1981	26,337,355	3,801,118	14.4%
1982	27,765,482	4,337,818	15.6%
1983	28,662,591	4,895,805	17.1%
1984	30,010,853	5,459,564	18.2%
1985	34,878,288	6,087,171	17.5%
1986	40,297,463	6,818,313	16.9%
1987	45,451,869	7,753,299	17.1%
1988	50,410,330	8,775,846	17.4%
1989	54,282,581	9,930,623	18.3%
1990	63,479,337	11,169,809	17.6%
1991	68,888,079	12,639,389	18.3%
1992	79,283,186	15,358,349	19.4%
1993	85,566,605	17,235,570	20.1%
1994	91,820,654	19,010,979	20.7%
1995	96,169,272	19,858,556	20.6%
1996	98,960,457	21,558,306	21.8%
1997	104,591,513	23,649,482	22.6%
1998	110,814,639	25,868,741	23.3%
1999	116,572,148	28,733,309	24.6%
2000	123,170,360	30,398,326	24.7%
2001	132,346,965	33,299,695	25.2%
2002	141,469,692	36,400,950	25.7%
2003	147,228,969	39,494,071	26.8%

2003 data is projected



2003 data is projected