

**VERIZON NORTHWEST INC**  
**REVENUE REQUIREMENT**  
**STATE OF WASHINGTON**  
(Dollars in Thousands)

(a)	(b)	(c)	(d)	(e)
Description	2000 Intrastate Restated	2001 Intrastate Restated	2002 Intrastate Restated	2002 Intrastate w/Merger Cost & Depreciation
Rate Base	933,733	965,116	981,314	929,903
Authorized Rate of Return	9.760%	9.760%	9.760%	9.760%
Required Net Operating Income	91,132	94,195	95,776	90,759
Net Operating Income	52,214	53,038	18,869	(37,184)
Net Operating Deficiency	(38,919)	(41,158)	(76,907)	(127,942)
Net-To Gross Multiplier	1.564568	1.564568	1.564568	1.564568
Revenue (Requirement)/Excess	(60,891)	(64,394)	(120,326)	(200,174)

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