

**FRONTIER COMMUNICATIONS NORTHWEST INC.**  
**SEPARATED RESULTS SUMMARY**  
**STATE OF WASHINGTON - COMBINED**  
**QUARTERLY COMPLIANCE REPORT**  
**TWELVE MONTHS ENDED DECEMBER 2011**  
(Dollars in Thousands)

	BOOKED BASIS			ADJUSTED BASIS			Composite Bkd Factors
	Total Regulated	Interstate	Intrastate	Total Regulated	Interstate	Intrastate	
<b>OPERATING REVENUES</b>							
Local Network Service	129,130	0	129,130	129,130	0	129,130	100.00%
Network Access Revenues	208,990	198,520	10,470	208,990	198,520	10,470	5.01%
Long Dist Netwk Revenues	12,127	0	12,127	12,127	0	12,127	100.00%
Miscellaneous Revenues	19,359	5,603	13,757	56,859	5,603	51,257	71.06%
Uncollectibles	(6,098)	(1,464)	(4,634)	(6,098)	(1,464)	(4,634)	75.99%
Total Operating Revenues	363,509	202,659	160,850	401,008	202,659	198,350	
<b>OPERATING EXPENSES</b>							
Plant Specific Operations	47,432	11,745	35,687	46,695	11,563	35,132	75.24%
Plant Non-Spec Operations	46,753	17,417	29,336	45,730	17,036	28,694	62.75%
Customer Operations	41,113	9,541	31,572	40,008	9,285	30,723	76.79%
Corporate Operations	56,830	13,416	43,414	56,645	13,372	43,273	76.39%
Depreciation & Amort	203,534	53,272	150,262	203,534	53,272	150,262	73.83%
Other Income & Expenses	0	0	0	0	0	0	0.00%
Juris Diff - Depr/IDC	0	0	0	0	0	0	0.00%
Total Operating Expenses	395,663	105,391	290,272	392,612	104,528	288,084	73.36%
Operating Taxes Other than Inc	21,762	7,614	14,148	21,762	7,614	14,148	65.01%
EBIT	(53,916)	89,654	(143,570)	(13,366)	90,517	(103,882)	
<b>INCOME TAXES</b>							
State Income Tax	0	0	0	0	0	0	
Net Federal Income Tax	(18,453)	31,478	(49,930)	(4,261)	31,780	(36,040)	
Total Income Taxes	(18,453)	31,478	(49,930)	(4,261)	31,780	(36,040)	
<b>NET OPERATING INCOME</b>	<b>(35,463)</b>	<b>58,177</b>	<b>(93,640)</b>	<b>(9,106)</b>	<b>58,737</b>	<b>(67,842)</b>	
<b>INVESTMENT (AVG)</b>							
Telecomm Plant in Service	2,953,086	756,701	2,196,385	2,952,435	756,534	2,195,901	74.38%
Other Assets (SFAS 87)	0	0	0	0	0	0	0.00%
Juris Assets-TPIS	0	0	0	0	0	0	0.00%
Depr & Amort Reserve	2,031,811	513,705	1,518,106	2,031,811	513,705	1,518,106	74.72%
Deferred Income Taxes	203,480	49,307	154,173	203,480	49,307	154,173	75.77%
Net - Pension Plan	23,587	5,578	18,009	1,010	239	771	76.35%
RATE BASE	694,208	188,111	506,097	716,134	193,283	522,851	72.90%
Rate Base ROR	-5.11%	30.93%	-18.50%	-1.27%	30.39%	-12.98%	

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SEPARATED RESULTS SUMMARY  
STATE OF WASHINGTON - COMBINED  
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TWELVE MONTHS ENDED DECEMBER 2011  
(Dollars in Thousands)**

	TOTAL STATE BOOKED RESULTS	(A) Docket # UT-061777	(B) FAS 106 OPEB	ADJUSTMENTS							ADJUSTED TOTAL STATE	ADJUSTED INTRASTATE
				(C)	(D)	(E)	(F)	(G)	(H)	(I)		
Operating Revenues	363,509	37,500									401,009	198,350
Operating Expenses/Taxes	417,425		(3,050)								414,375	302,232
EBIT	(53,916)	37,500	3,050								(13,366)	(103,882)
Income Taxes	(18,453)	13,125	1,068								(4,261)	(36,040)
Net Operating Income	(35,463)	24,375	1,983								(9,106)	(67,842)
Rate Base	694,208		21,926								716,134	522,851
Rate of Return	-5.11%										-1.27%	-12.98%
Adjustment Footnotes:		Account(s)										
(A)	Order No. 1 in Docket # UT061777	5230										
(B)	FAS 106 OPEB (Adj from accrual to paygo)	Various										
(C)												
(D)												
(E)												
(F)												
(G)												
(H)												
(I)												

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**ADJUSTMENTS - TOTAL STATE**

<b>TOTAL STATE</b>	TOTAL	(A) Docket #	(B) & (E) FAS 106	(C)	(D)	(E)	(F)	(G)	(H)	(I)
ADJUSTMENTS		UT-061777	OPEB							
<b>OPERATING REVENUES</b>										
Local Network Service										
Network Access Revenues										
Long Dist Ntwk Revenues										
Miscellaneous Revenues	37,500	37,500								
Uncollectibles										
Total Operating Revenues	37,500	37,500								
<b>OPERATING EXPENSES</b>										
Plant Specific Operations	(737)		(737)							
Plant Non-Spec Operations	(1,023)		(1,023)							
Customer Operations	(1,105)		(1,105)							
Corporate Operations	(185)		(185)							
Depr & Amort										
Other Income & Expenses										
Juris Diff - Depr/IDC										
Total Operating Expenses	(3,050)		(3,050)							
Operating Taxes Other than Income EBIT	40,550	37,500	3,050							
<b>INCOME TAXES</b>										
State Income Tax										
Net Federal Income Tax	14,193	13,125	1,068							
Total Income Taxes	14,193	13,125	1,068							
<b>NET OPERATING INCOME</b>										
	26,358	24,375	1,983							
<b>INVESTMENT (AVG)</b>										
Telecom Plant in Service	(651)		(651)							
Prop Held for Future Use										
Other Assets (SFAS 87)										
Depr & Amort Reserve										
Deferred Income Taxes										
Juris Assets-TPIS										
Other LT Liab - SFAS 106, 112	(22,577)		(22,577)							
RATE BASE	21,926		21,926							

