

UT-132348



April 24, 2014

100 CTE Drive
Dallas, PA 18612

Phone 570-631-5003
Fax 570-631-8026
Email: jessica.matushek@ftr.com

Mr. Dave Danner
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S Evergreen Park Drive SW
PO Box 47250
Olympia, WA 98504-7250

Subject: 4Q13 Financial Report

Dear Mr. Danner:

Enclosed for filing is Frontier Communications Northwest Inc.'s Quarterly Report covering twelve months ending December 2013.

If you have any questions concerning this report, please call me at 570-631-5003.

Regards,

A handwritten signature in black ink that reads "Jessica Matushek".

Jessica Matushek
Director, Accounting

Enclosures

RECEIVED
PROPERTY MANAGEMENT
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STATE OF WASH
UTIL AND TRANSP
COMMIS

FRONTIER COMMUNICATIONS NORTHWEST INC.
SEPARATED RESULTS SUMMARY
STATE OF WASHINGTON - COMBINED
QUARTERLY COMPLIANCE REPORT
TWELVE MONTHS ENDED DECEMBER 2013
(Dollars in Thousands)

	BOOKED BASIS			ADJUSTED BASIS			Composite Bkd Factors
	Total Regulated	Interstate	Intrastate	Total Regulated	Interstate	Intrastate	
OPERATING REVENUES							
Local Network Service	105,224	0	105,224	105,224	0	105,224	100.00%
Network Access Revenues	161,980	146,961	15,020	161,980	146,961	15,020	9.27%
Long Dist Netwk Revenues	6,958	0	6,958	6,958	0	6,958	100.00%
Miscellaneous Revenues	7,931	2,925	5,007	45,431	2,925	42,507	63.13%
Uncollectibles	(2,624)	(735)	(1,889)	(2,624)	(735)	(1,889)	71.99%
Total Operating Revenues	279,470	149,152	130,321	316,969	149,151	167,820	
OPERATING EXPENSES							
Plant Specific Operations	55,175	13,704	41,471	54,438	13,521	40,917	75.16%
Plant Non-Spec Operations	30,878	11,484	19,394	29,855	11,104	18,751	62.81%
Customer Operations	33,475	7,657	25,818	32,370	7,404	24,966	77.13%
Corporate Operations	21,521	5,080	16,441	21,336	5,036	16,300	76.40%
Depreciation & Amort	180,070	47,149	132,921	180,070	47,149	132,921	73.82%
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	321,120	85,075	236,044	318,069	84,214	233,855	73.51%
Operating Taxes Other than Inc	15,945	5,345	10,599	15,945	5,345	10,599	66.47%
EBIT	(57,595)	58,732	(116,322)	(17,045)	59,592	(76,634)	
INCOME TAXES							
State Income Tax	0	0	0	0	0	0	
Net Federal Income Tax	(20,126)	20,554	(40,680)	(5,934)	20,855	(26,789)	
Total Income Taxes	(20,126)	20,554	(40,680)	(5,934)	20,855	(26,789)	
NET OPERATING INCOME	(37,469)	38,178	(75,642)	(11,112)	38,737	(49,846)	
INVESTMENT (AVG)							
Telecomm Plant in Service	3,030,106	786,073	2,244,032	3,029,455	785,904	2,243,550	74.06%
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	2,386,908	603,505	1,783,403	2,386,908	603,505	1,783,403	74.72%
Deferred Income Taxes	208,508	51,102	157,406	208,508	51,102	157,406	75.49%
Net - Pension Plan	0	0	0	(28,130)	(28,130)	0	0.00%
RATE BASE	434,690	131,466	303,223	462,169	159,427	302,741	69.76%
Rate Base ROR	-8.62%	29.04%	-24.95%	-2.40%	24.30%	-16.46%	

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 SEPARATED RESULTS SUMMARY
 STATE OF WASHINGTON - COMBINED
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 TWELVE MONTHS ENDED DECEMBER 2013
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	ADJUSTMENTS						ADJUSTED TOTAL STATE INTRASTATE	ADJUSTED INTRASTATE		
	(A)	(B)	(C)	(D)	(E)	(F)			(G)	(H)
TOTAL STATE BOOKED RESULTS	Docket # UT-061777	FAS 106 OPEB								
Operating Revenues	37,500						316,970	167,820		
Operating Expenses/Taxes		(3,050)					334,015	244,454		
EBIT	37,500	3,050					(17,045)	(76,634)		
Income Taxes	13,125	1,068					(5,934)	(26,789)		
Net Operating Income	24,375	1,983					(11,112)	(49,846)		
Rate Base		27,479					462,169	302,741		
Rate of Return							-2.40%	-16.46%		

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)		

FRONTIER COMMUNICATIONS NORTHWEST INC.
 SEPARATED RESULTS SUMMARY
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ADJUSTMENTS - TOTAL STATE

	(A)	(B) & (E)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
TOTAL	Docket #	FAS 106							
ADJUSTMENTS	UT-061777	OPEB							
	37,500	37,500							
37,500	37,500								
(737)		(737)							
(1,023)		(1,023)							
(1,105)		(1,105)							
(185)		(185)							
(3,050)		(3,050)							
40,550	37,500	3,050							
14,193	13,125	1,068							
14,193	13,125	1,068							
26,358	24,375	1,983							
(651)		(651)							
(28,130)		(28,130)							
27,479		27,479							

TOTAL STATE

OPERATING REVENUES

Local Network Service
 Network Access Revenues
 Long Dist Ntwk Revenues
 Miscellaneous Revenues
 Uncollectibles

Total Operating Revenues

OPERATING EXPENSES

Plant Specific Operations
 Plant Non-Spec Operations
 Customer Operations
 Corporate Operations
 Depr & Amort
 Other Income & Expenses
 Juris Diff - Depr/DC

Total Operating Expenses
 Operating Taxes Other than Income
 EBIT

INCOME TAXES

State Income Tax
 Net Federal Income Tax
 Total Income Taxes

NET OPERATING INCOME

INVESTMENT (AVG)

Telecom Plant in Service
 Prop Held for Future Use
 Other Assets (SFAS 87)
 Depr & Amort Reserve
 Deferred Income Taxes
 Juris Assets-TPIS
 Other LT Liab - SFAS 106, 112

RATE BASE

FRONTIER COMMUNICATIONS NORTHWEST INC.
 SEPARATED RESULTS SUMMARY
 STATE OF WASHINGTON - COMBINED
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ADJUSTMENTS - INTRASTATE

	(A) Docket # UT-061777	(B) & (E) FAS 106 OPEB	(C)	(D)	(E)	(F)	(G)	(H)	(I)
TOTAL ADJUSTMENTS									
	37,500	37,500							
	37,500	37,500							
	(554)				(554)				
	(643)				(643)				
	(852)				(852)				
	(141)				(141)				
	(2,190)				(2,190)				
	39,690	37,500			2,190				
	13,892	13,125			767				
	13,892	13,125			767				
	25,799	24,375			1,424				
	(482)				(482)				
	0				0				
	(482)				(482)				

INTRASTATE

OPERATING REVENUES

- Local Network Service
- Network Access Revenues
- Long Dist Ntwk Revenues
- Miscellaneous Revenues
- Uncollectibles

Total Operating Revenues

OPERATING EXPENSES

- Plant Specific Operations
- Plant Non-Spec Operations
- Customer Operations
- Corporate Operations
- Depr & Amort
- Other Income & Expenses
- Juris Diff - Depr/IDC

Total Operating Expenses
 Operating Taxes Other than Income
 EBIT

INCOME TAXES

- State Income Tax
- Net Federal Income Tax
- Total Income Taxes

NET OPERATING INCOME

INVESTMENT (AVG)

- Telecom Plant in Service
- Prop Held for Future Use
- Other Assets (SFAS 87)
- Depr & Amort Reserve
- Deferred Income Taxes
- Juris Assets-TPIS
- Other LT Liab - SFAS 106, 112

RATE BASE