

**VERIZON NORTHWEST INC  
SEPARATED RESULTS SUMMARY  
STATE OF WASHINGTON - COMBINED  
QUARTERLY COMPLIANCE REPORT  
TWELVE MONTHS ENDED JUNE 2010  
(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	157,209	-	157,209	157,209	-	157,209	100.00%
Network Access Revenues	221,099	204,357	16,742	221,099	204,357	16,742	7.57%
Long Dist Netwk Revenues	15,146	-	15,146	15,146	-	15,146	100.00%
Miscellaneous Revenues	26,218	9,092	17,126	63,718	9,092	54,626	65.32%
Uncollectibles	(4,101)	(986)	(3,115)	(4,101)	(986)	(3,115)	75.96%
Total Operating Revenues	415,571	212,463	203,108	453,071	212,463	240,608	
<b>OPERATING EXPENSES</b>							
Plant Specific Operations	66,964	16,523	50,441	60,924	15,033	45,891	75.33%
Plant Non-Spec Operations	65,665	20,480	45,185	61,533	19,191	42,342	68.81%
Customer Operations	54,134	12,413	41,720	49,424	11,333	38,090	77.07%
Corporate Operations	80,332	18,973	61,359	73,432	17,343	56,089	76.38%
Depreciation & Amort	200,034	52,349	147,685	200,034	52,349	147,685	73.83%
Other Income & Expenses	(14)	(3)	(10)	(14)	(3)	(10)	71.43%
Juris Diff - Depr/IDC	-	-	-	-	-	-	-
Total Operating Expenses	467,115	120,735	346,380	445,333	115,246	330,087	74.15%
Operating Taxes Other than Inc	32,611	12,290	20,321	32,611	12,290	20,321	62.31%
EBIT	(84,155)	79,438	(163,593)	(24,873)	84,927	(109,800)	
<b>INCOME TAXES</b>							
State Income Tax	-	-	-	-	-	-	-
Net Federal Income Tax	(31,249)	27,339	(58,587)	(10,500)	29,260	(39,759)	
Total Income Taxes	(31,249)	27,339	(58,587)	(10,500)	29,260	(39,759)	
<b>NET OPERATING INCOME</b>	(52,906)	52,099	(105,006)	(14,373)	55,667	(70,041)	
<b>INVESTMENT (AVG)</b>							
Telecomm Plant in Service	2,865,253	731,394	2,133,860	2,860,195	730,103	2,130,093	74.47%
Other Assets (SFAS 87)	-	-	-	-	-	-	-
Juris Assets-TPIS	-	-	-	-	-	-	-
Depr & Amort Reserve	1,781,035	449,355	1,331,680	1,781,035	449,355	1,331,680	74.77%
Deferred Income Taxes	285,852	71,714	214,139	285,852	71,714	214,139	74.91%
Net - Pension Plan	(25,735)	(6,069)	(19,667)	(134,035)	(31,605)	(102,431)	76.42%
RATE BASE	824,101	216,394	607,708	927,343	240,639	686,705	73.74%
Rate Base ROR	-6.42%	24.08%	-17.28%	-1.55%	23.13%	-10.20%	

**VERIZON NORTHWEST INC  
SEPARATED RESULTS SUMMARY  
STATE OF WASHINGTON - COMBINED  
QUARTERLY COMPLIANCE REPORT  
TWELVE MONTHS ENDED JUNE 2010  
(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	415,571	37,500									453,071	240,608
Operating Expenses/Taxes	499,726		(21,782)								477,944	350,408
EBIT	(84,155)	37,500	21,782								(24,873)	(109,800)
Income Taxes	(31,249)	13,125	7,624								(10,500)	(39,759)
Net Operating Income	(52,906)	24,375	14,158								(14,373)	(70,041)
Rate Base	824,101		103,242								927,343	686,705
Rate of Return	-6.42%										-1.55%	-10.20%

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)	

VERIZON NORTHWEST INC  
 SEPARATED RESULTS SUMMARY  
 STATE OF WASHINGTON - COMBINED  
 QUARTERLY COMPLIANCE REPORT  
 TWELVE MONTHS ENDED JUNE 2010  
 (Dollars in Thousands)

**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	(6,040)		(6,040)							
Plant Non-Spec Operations	(4,132)		(4,132)							
Customer Operations	(4,710)		(4,710)							
Corporate Operations	(6,900)		(6,900)							
Depr & Amort										
Other Income & Expenses										
Juris Diff - Depr/IDC										
Total Operating Expenses	(21,782)		(21,782)							
Operating Taxes Other than Income										
EBIT	59,282	37,500	21,782							
<b>INCOME TAXES</b>										
State Income Tax										
Net Federal Income Tax	20,749	13,125	7,624							
Total Income Taxes	20,749	13,125	7,624							
<b>NET OPERATING INCOME</b>										
	38,533	24,375	14,158							
<b>INVESTMENT (AVG)</b>										
Telecom Plant in Service	(5,058)		(5,058)							
Prop Held for Future Use										
Other Assets (SFAS 87)										
Depr & Amort Reserve										
Deferred Income Taxes										
Juris Assets-TPIS										
Other LT Liab - SFAS 106, 112	(108,300)		(108,300)							
RATE BASE	103,242		103,242							

VERIZON NORTHWEST INC  
 SEPARATED RESULTS SUMMARY  
 STATE OF WASHINGTON - COMBINED  
 QUARTERLY COMPLIANCE REPORT  
 TWELVE MONTHS ENDED JUNE 2010  
 (Dollars in Thousands)

**ADJUSTMENTS - INTRASTATE**

**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

TOTAL ADJUSTMENTS	(A) Docket # UT-061777	(B) & (E) FAS 106 OPEB	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	37,500	37,500							
	37,500	37,500							
	(4,550)	(4,550)							
	(2,843)	(2,843)							
	(3,630)	(3,630)							
	(5,270)	(5,270)							
	(16,293)	(16,293)							
	53,793	37,500	16,293						
	18,828	13,125	5,703						
	18,828	13,125	5,703						
	34,965	24,375	10,590						
	(3,767)	(3,767)							
	(82,764)	(82,764)							
	78,997	78,997							

**VERIZON NORTHWEST INC.  
STATE OF WASHINGTON  
WASHINGTON UTILITIES & TRANSPORTATION COMMISSION  
JANUARY to JUNE 2010**

<u>Title</u>	<u>Schedule</u>
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VERIZON NORTHWEST INC.  
PUC BALANCE SHEET  
JANUARY to JUNE 2010

Schedule C-1

Account Description	Account	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
<b>Current Assets</b>							
Cash	1130	-	-	-	-	-	-
Special Cash Deposits	1140	-	-	-	-	-	-
Working Cash Advances	1150	8,475	8,475	8,475	8,475	8,475	8,475
Temporary Inv - Affiliated Co.	1161	-	-	-	-	-	-
Temporary Inv - Other	1162	29,621	16,084	3,304	3,304	3,304	(1)
Telecom Accts Receivable	1180	93,641,170	94,745,644	97,767,623	77,813,695	87,177,921	95,730,142
Affiliates Accts Receivable	1192	20,167,254	20,814,682	16,931,090	18,472,166	18,019,521	12,831,372
Oth Accts Receivable	1190	8,119,630	11,062,744	9,916,140	8,726,016	8,521,063	8,235,578
A/R Allowance	1181	5,645,795	5,395,093	5,578,432	5,636,025	6,142,149	6,574,107
Affiliates Notes Receivable	1202	-	-	-	-	179,055	486,577
Other Notes Receivable	1200	-	-	-	-	-	-
Affiliates Interest Receivable	1211	5,654	16,982	5,727	5,655	23	355
Other Interest Receivable	1212	75	75	75	75	75	75
Material And Supplies	1220	4,191,887	(321,292)	5,131,395	5,581,955	6,400,246	6,747,286
Prepaid Rent	1290	500	500	880	880	1,240	1,960
Prepaid Tax	1300	4,418,179	3,534,179	2,650,179	1,766,179	882,179	-
Prepaid Insurance	1310	-	-	-	-	-	-
Prepaid Other	1330	2,211,656	2,157,863	2,104,070	2,050,277	1,959,639	1,905,846
Other Current Assets	135A	15,230,107	15,008,551	14,656,502	14,359,452	14,093,573	13,676,037
<b>Total Current Assets</b>		<b>142,378,413</b>	<b>141,649,394</b>	<b>143,597,028</b>	<b>123,152,104</b>	<b>131,104,165</b>	<b>133,049,595</b>
<b>Non-Current Assets</b>							
Investment In Affiliates	1401	-	-	-	-	-	-
Investment In Non-Affiliates	1402	24,227	24,227	24,227	24,227	24,227	24,227
Nonregulated Investments	1406	-	-	-	-	-	-
Unamortized Debt Issuance	1407	361,405	262,002	162,584	63,148	22,659	(12,459)
Sinking Fund	1408	-	-	-	-	-	-
Other Noncurrent Assets	1410	236,572,464	237,437,190	221,860,833	222,107,860	222,465,284	208,997,958
Other Noncurrent Assets	141B	-	-	-	-	-	-
Deferred Maintenance & Retirements	1438	-	-	-	-	-	-
Deferred Charges	1439	16,866,171	17,264,737	17,021,441	16,493,634	16,305,963	16,099,725
Goodwill	2007	-	-	-	-	-	-
<b>Total Noncurrent Assets</b>		<b>253,824,267</b>	<b>254,988,156</b>	<b>239,069,085</b>	<b>238,688,869</b>	<b>238,818,133</b>	<b>225,109,451</b>
<b>P P - Eq Less Reserve</b>							
Plant In Service	2001	5,149,254,505	5,155,543,008	5,178,329,576	5,179,596,072	5,189,584,631	5,193,489,542
Plant Held For Future Use	2002	-	-	-	-	-	-
TPUC - Short Term	2003	25,391,272	29,950,779	19,746,155	19,659,727	17,567,218	16,558,398
TPUC - Long Term	2004	-	-	-	-	-	-
Plant Adjustments	2005	-	-	-	-	-	-
Nonoperating Plant	2006	2,065,185	2,065,709	1,555,740	1,983,901	2,002,277	3,124,396
<b>Total P P / Equipment</b>		<b>5,176,710,962</b>	<b>5,187,559,496</b>	<b>5,199,631,471</b>	<b>5,201,239,700</b>	<b>5,209,154,126</b>	<b>5,213,172,336</b>
Depreciation - Tot Plt In Svc	3100	3,416,414,588	3,436,467,800	3,466,690,118	3,483,753,534	3,508,520,871	3,527,275,838
Depreciation - Plt Held Future Use	3200	-	-	-	-	-	-
Depreciation - Nonoperating	3300	1,656	1,656	1,656	1,656	1,656	1,656
<b>Total Reserve</b>		<b>3,416,416,244</b>	<b>3,436,469,456</b>	<b>3,466,691,774</b>	<b>3,483,755,190</b>	<b>3,508,522,527</b>	<b>3,527,277,494</b>
<b>Total P P/ E Less Reserve</b>		<b>1,760,294,718</b>	<b>1,751,090,040</b>	<b>1,732,939,697</b>	<b>1,717,484,510</b>	<b>1,700,631,599</b>	<b>1,685,894,842</b>
<b>Total Assets</b>		<b>2,156,497,398</b>	<b>2,147,727,590</b>	<b>2,115,605,810</b>	<b>2,079,325,483</b>	<b>2,070,553,897</b>	<b>2,044,053,888</b>

VERIZON NORTHWEST INC.  
PUC BALANCE SHEET  
JANUARY to JUNE 2010

Schedule C-1

Account Description	Account	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
<b>Current Liabilities</b>							
Affiliated Co Accounts Payable	401B	35,950,859	37,860,233	35,279,475	36,350,638	30,483,792	847,640
Oth Accounts Payable	4012	12,279,706	12,314,291	12,949,637	13,953,424	11,899,423	9,669,280
Carrier Accounts Payable	4013	7,212,060	7,302,333	6,897,450	7,794,509	7,009,215	7,051,362
Affiliated Co - Notes Payable	4021	665,889,943	654,733,654	641,731,007	615,603,357	627,084,706	518,161,280
Oth Notes Payable	4022	-	-	-	-	-	-
Advanced Payments	4030	34,628,399	35,324,116	34,027,052	34,210,942	27,809,836	34,141,603
Customer Deposits	404A	322,170	319,380	319,105	317,155	319,580	314,455
Current Maturities - LT Debt	405A	174,952,450	174,974,795	174,997,381	174,999,880	174,999,880	-
Curr Maturities - Capital Leases	406A	-	-	-	-	-	-
Income Tax Accrued	407A	(340,521)	(340,521)	13,884,875	13,884,875	13,884,875	24,346,972
Other Tax Accrued	4080	10,437,714	11,307,404	12,175,718	8,491,472	9,360,572	7,592,679
Accrued Deferred Tax	4100	(4,423,783)	(4,423,783)	(3,828,211)	(3,828,211)	(3,828,211)	(3,874,818)
Accrued Interest - Affiliated	4121	430,214	377,484	410,908	406,171	427,003	-
Accrued Interest - Debt	4122	1,837,500	2,756,250	3,675,000	4,593,750	5,512,500	-
Accrued Interest - Oth	4123	(718)	(622)	(611)	(591)	(576)	(588)
Accrued Dividends	4124	-	-	-	-	-	-
Accrued Compensation - Other	4125	16,126,980	14,894,414	12,736,830	9,650,659	10,814,547	11,713,827
Accrued Liabilities - Other	4126	293,448	293,448	293,448	293,448	293,448	280,144
Other Current Liabilities	4130	21,471,559	20,977,776	19,072,390	17,095,377	10,715,905	19,427,529
<b>Total Current Liabilities</b>		<b>977,067,980</b>	<b>968,670,652</b>	<b>964,621,454</b>	<b>933,816,855</b>	<b>926,786,495</b>	<b>629,671,365</b>
<b>Long Term Debt</b>							
Funded Debt	4210	-	-	-	-	-	-
Premium On Long Term Debt	4220	-	-	-	-	-	-
Discount On Long Term Debt	4230	62,294	49,715	37,256	24,797	24,797	24,917
Reacquired Debt	4240	-	-	-	-	-	-
Obligations Under Capital Leases	4250	-	-	-	96,250	-	-
Advances From Affiliated Companies	4260	-	-	-	-	-	-
Other Long Term Debt	4270	-	-	-	-	-	-
<b>Total Long Term Debt</b>		<b>(62,294)</b>	<b>(49,715)</b>	<b>(37,256)</b>	<b>71,453</b>	<b>(24,797)</b>	<b>(24,917)</b>
<b>Other Liabilities And Deferred Cr</b>							
Other Long Term Liabilities	4310	200,784,361	202,336,967	203,423,320	204,554,181	206,524,778	216,321,538
Unamortized ITC	4320	-	-	-	-	-	-
Noncurrent Deferred Tax	4340	306,161,646	306,161,646	297,582,304	297,582,304	297,582,304	272,421,071
Noncurrent Nonop Deferred Tax	4350	(232,642)	(232,642)	(232,642)	(232,642)	(232,642)	(232,642)
Other Deferred Credit	4360	22,103,723	22,408,487	20,439,042	20,252,553	20,145,325	20,312,984
Total Other Liabilities And Deferred	OTH	528,817,088	530,674,458	521,212,024	522,156,396	524,019,765	508,822,951
<b>Stockholder Equity</b>							
Common Stock	4511	450,329,400	450,329,400	450,329,400	450,329,400	450,329,400	450,329,400
Preferred Stock	4512	-	-	-	-	-	-
<b>Total Capital Stock</b>		<b>450,329,400</b>	<b>450,329,400</b>	<b>450,329,400</b>	<b>450,329,400</b>	<b>450,329,400</b>	<b>450,329,400</b>
Additional Paid In Capital	4520	111,436,730	111,436,730	111,436,730	111,436,730	111,436,730	411,436,730
Treasury Stock	4530	-	-	-	-	-	-
Treasury Stock	453B	-	-	-	-	-	-
Other Cap	4540	-	-	-	-	-	-
Minority Interest - Stock	4901	-	-	-	-	-	-
Minority Interest - Retained Earn	4902	-	-	-	-	-	-
Minority Interest - Other	4903	-	-	-	-	-	-
Minority Interest - NET	MINT	-	-	-	-	-	-
Retained Earnings - Res	4551	-	-	-	-	-	-
Retained Earnings - UNA	455X	88,908,494	86,666,065	68,043,458	61,514,649	58,006,304	43,818,359
<b>Stockholder Equity</b>		<b>650,674,624</b>	<b>648,432,195</b>	<b>629,809,588</b>	<b>623,280,779</b>	<b>619,772,434</b>	<b>905,584,489</b>
<b>Total Liability &amp; Equity</b>		<b>2,156,497,398</b>	<b>2,147,727,590</b>	<b>2,115,605,810</b>	<b>2,079,325,483</b>	<b>2,070,553,897</b>	<b>2,044,053,888</b>

VERIZON NORTHWEST INC.  
TOTAL COMPANY INCOME STATEMENT  
JANUARY to JUNE 2010

Schedule C-2

Item	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	YTD	
<b>Operating Revenues</b>								
Local Network	520	23,969,555	23,944,359	23,413,987	23,327,109	23,106,121	22,687,904	140,449,035
Interstate Access	0303	31,072,184	29,220,377	31,592,718	30,046,726	28,840,183	32,711,060	183,483,248
Intrastate Access	0304	3,014,760	2,804,419	3,002,180	2,129,646	2,354,678	2,842,308	16,147,991
<b>Total Network Access</b>	1061	34,086,944	32,024,796	34,594,898	32,176,372	31,194,861	35,553,368	199,631,239
Long Distance Network	525	1,684,769	1,548,355	1,574,658	1,835,365	1,695,036	1,528,009	9,866,192
Miscellaneous	5200	4,001,853	4,854,097	5,154,572	2,314,200	3,885,738	3,819,462	24,029,922
Nonregulated Revenues	5280	8,482,886	8,930,844	8,681,053	9,614,189	8,800,974	9,379,615	53,889,561
Uncollectibles	5300	(407,185)	(516,835)	(366,399)	(384,124)	(408,535)	(778,703)	(2,861,781)
<b>Total Regulated Revenues</b>	109F	71,818,822	70,785,616	73,052,769	68,883,111	68,274,195	72,189,655	425,004,168
<b>Operating Expense &amp; Taxes</b>								
Plant Specific	650	13,218,380	14,149,850	16,346,923	14,487,671	14,425,754	15,503,573	88,132,151
General Plant	GENL	7,349,588	8,661,748	19,470,765	8,471,736	7,536,965	23,667,888	75,158,690
Customer	700	8,104,366	9,278,953	8,160,727	9,906,485	9,994,652	10,536,090	55,981,273
Corporate	710	6,084,524	7,954,712	9,305,441	7,413,724	7,140,943	9,356,748	47,256,092
Other Oper Inc & Expense	7100	-	-	(116)	(466)	(4,026)	(5,174)	(9,782)
Depreciation & Amort	6560	28,207,399	28,144,001	28,263,661	28,423,053	28,397,059	28,486,366	169,921,539
Operating Taxes Oth Than Income	7240	3,755,975	3,532,030	3,925,125	5,336,032	2,956,352	12,155,200	31,660,714
Oper Taxes Exp/Oth Tax	TLOP	66,720,232	71,721,294	85,472,526	74,038,235	70,447,699	99,700,691	468,100,677
Earning Before Income Taxes	EBIF	5,098,590	(935,678)	(12,419,757)	(5,155,124)	(2,173,504)	(27,511,036)	(43,096,509)
Operating Income Taxes	7200	-	-	4,445,462	-	-	(14,464,166)	(10,018,704)
<b>Net Operating Income</b>	OPIF	5,098,590	(935,678)	(16,865,219)	(5,155,124)	(2,173,504)	(13,046,870)	(33,077,805)
<b>Nonoper Expense &amp; Other</b>								
Nonoperating Income - Net	NINC	55,478	60,162	(357,888)	1,733	51,491	(396,201)	(585,225)
Income Avail For Fixed	FXIF	5,154,068	(875,516)	(17,223,107)	(5,153,391)	(2,122,013)	(13,443,071)	(33,663,030)
Interest Expense	FIXC	1,424,863	1,366,914	1,400,237	1,375,419	1,386,333	743,099	7,696,865
Income Before Extraord	INBF	3,729,205	(2,242,430)	(18,623,344)	(6,528,810)	(3,508,346)	(14,186,170)	(41,359,895)
Extraordinary Items	EXOR	-	-	-	-	-	-	-
Net Income	NETF	3,729,205	(2,242,430)	(18,623,344)	(6,528,810)	(3,508,346)	(14,186,170)	(41,359,895)
Preferred Dividends	4058	-	-	-	-	-	-	-
Minority Interest	3011	-	-	-	-	-	-	-
<b>Net Income to Verizon</b>	301P	3,729,205	(2,242,430)	(18,623,344)	(6,528,810)	(3,508,346)	(14,186,170)	(41,359,895)



**VERIZON NORTHWEST INC.**  
**INCOME STATEMENT SUPPORTING SCHEDULE**  
**JANUARY to JUNE 2010**

**Schedule C-3a**

<b>Account Description</b>	<b>Account</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>	<b>YTD</b>
BasicLocal Network Rev-Basic Area	5001	17,343,953	17,219,047	17,018,012	16,819,940	16,734,850	16,527,444	101,663,246
Optional Extended Area	5002	607,148	596,282	583,160	573,083	564,940	554,347	3,478,960
Other Mobile Services	5004	179,231	174,811	178,178	171,304	164,648	168,993	1,037,165
Total Basic Local Service	510	18,130,332	17,990,140	17,779,350	17,564,327	17,464,438	17,250,784	106,179,371
Local Private Lines	5040	378,595	367,329	369,033	530,482	484,033	449,848	2,579,320
Other Local Exchange	5060	5,460,628	5,586,890	5,265,604	5,232,300	5,157,650	4,987,272	31,690,344
Total Local Network	520	23,969,555	23,944,359	23,413,987	23,327,109	23,106,121	22,687,904	140,449,035
End User-Inter	5081	6,652,733	6,595,960	6,523,552	6,662,368	6,449,333	6,348,229	39,232,175
Switched Access-Inter	5082	4,924,143	4,939,252	4,415,351	3,484,804	3,633,091	5,454,179	26,850,820
Special Access-Inter	5083	19,495,308	17,685,165	20,653,815	19,899,554	18,757,759	20,908,652	117,400,253
Total Interstate Access	0303	31,072,184	29,220,377	31,592,718	30,046,726	28,840,183	32,711,060	183,483,248
End User-Intra	5084	4,811	4,691	5,779	10,242	3,107	2,366	30,996
Switched Access-Intra	5085	1,124,361	968,857	1,196,821	493,596	701,307	1,179,704	5,664,646
Special Access-Intra	5086	1,885,588	1,830,871	1,799,580	1,625,808	1,650,264	1,660,238	10,452,349
Total Intrastate Access	0304	3,014,760	2,804,419	3,002,180	2,129,646	2,354,678	2,842,308	16,147,991
Total Network Access	5080	34,086,944	32,024,796	34,594,898	32,176,372	31,194,861	35,553,368	199,631,239
Long Distance Message	5100	1,677,087	1,549,102	1,558,446	1,815,911	1,681,355	1,513,104	9,795,005
Long Distance Inward WATS	5111	1,043	993	1,071	61	714	645	4,527
Long Dist Outward Wats	5112	1,266	1,237	1,232	886	855	863	6,339
Total Long Dist WATS		2,309	2,230	2,303	947	1,569	1,508	10,866
Long Distance Private Ntwk	5120	15,042	14,772	14,761	14,761	14,158	14,221	87,715
Other Long Distance	5160	(9,669)	(17,749)	(852)	3,746	(2,046)	(824)	(27,394)
Total Long Distance Network	525	1,684,769	1,548,355	1,574,658	1,835,365	1,695,036	1,528,009	9,866,192
Directory	5230	250,619	258,772	246,359	224,652	235,615	225,576	1,441,593
Rent	5240	1,925,771	2,820,382	3,104,771	529,414	1,893,703	1,966,060	12,240,101
Special Billing Arrangements	5261	877,945	833,432	834,775	743,125	834,097	679,619	4,802,993
Carrier Billing & Coll	5270	947,518	941,511	968,667	817,009	922,323	948,207	5,545,235
Total Miscellaneous	5200	4,001,853	4,854,097	5,154,572	2,314,200	3,885,738	3,819,462	24,029,922
Nonregulated Revenues	5280	8,482,886	8,930,844	8,681,053	9,614,189	8,800,974	9,379,615	53,889,561
Uncollectibles Telecomm	5301	(407,185)	(516,835)	(366,399)	(384,124)	(408,535)	(778,703)	(2,861,781)
Total Uncollectibles	5300	(407,185)	(516,835)	(366,399)	(384,124)	(408,535)	(778,703)	(2,861,781)
<b>Total Net Revenue</b>	109F	71,818,822	70,785,616	73,052,769	68,883,111	68,274,195	72,189,655	425,004,168
Digital Switching	6212	711,017	754,354	799,066	651,253	769,567	921,927	4,607,184
Operator Systems	6220	13,225	13,334	13,294	13,320	13,404	30,437	97,014
Radio Systems	6231	6,245	3,940	6,741	2,428	6,882	8,096	34,332
Circuit Equipment	6232	412,908	728,603	1,195,859	1,418,897	1,142,989	1,224,762	6,124,018
Total COE Switching	62	1,143,395	1,500,231	2,014,960	2,085,898	1,932,842	2,185,222	10,862,548
Plant Spec - Warranty Expense	6311	74,020	96,500	92,506	80,643	85,152	82,490	511,311
Plant Spec - Rental Expense	6341	106,066	156,598	115,297	87,320	110,733	137,248	713,262
Public Telephone Terminal Equip	6351	8,430	17,293	12,553	17,674	7,924	12,209	76,083
Other Terminal Equipment	6362	5,540,147	5,728,230	5,453,686	5,321,741	5,892,397	5,815,597	33,751,798
Total Auxillary	63	5,728,663	5,998,621	5,674,042	5,507,378	6,096,206	6,047,544	35,052,454
Poles And Towers	6411	317,603	626,761	583,059	257,581	120,627	128,158	2,033,789
Aerial Cable	6421	1,265,041	607,383	1,162,013	1,000,370	1,052,139	955,267	6,042,213
Underground Cable	6422	170,659	223,675	195,046	304,417	86,707	260,350	1,240,854
Buried Cable	6423	1,176,163	1,258,546	1,936,063	1,231,777	1,141,158	1,325,110	8,068,817
Submarine Cable	6424	55	323	-	38	211	-	627
Intra-Building Cable	6426	7,820	18,360	13,732	13,952	11,087	15,696	80,647
Aerial Wire	6431	-	-	-	-	-	-	-
Conduit Systems	6441	11,005	39,170	29,035	22,965	29,755	15,724	147,654
Total Cable And Wire	64	2,948,346	2,774,218	3,918,948	2,831,100	2,441,684	2,700,305	17,614,601
Motor Vehicle	6112	32,957	71,824	43,147	34,953	868	31,599	215,348
Aircraft	6113	13,516	15,967	20,825	17,021	16,886	19,000	103,215
Special Purpose Vehicle	6114	5,984	6,783	9,781	25,813	29,918	37,451	115,730
Garage Work Equipment	6115	-	-	-	-	-	-	-
Other Work Equipment	6116	-	-	-	-	-	-	-
Total Network Support	6110	52,457	94,574	73,753	77,787	47,672	88,050	434,293
Land & Buildings	6121	1,195,171	1,638,703	2,327,181	1,858,877	1,900,857	1,962,529	10,883,318
Furniture & Artworks	6122	9,219	7,004	7,380	10,829	9,710	20,021	64,163
Office Equipment	6123	163,578	181,534	201,086	128,203	153,631	154,732	982,764
General Purpose Computer	6124	1,977,551	1,954,965	2,129,573	1,987,599	1,843,152	2,345,170	12,238,010
Total General Support	6120	3,345,519	3,782,206	4,665,220	3,985,508	3,907,350	4,482,452	24,168,255
Total Plant Specific Support	61	3,397,976	3,876,780	4,738,973	4,063,295	3,955,022	4,570,502	24,602,548
<b>Total Plant Specific</b>	650	13,218,380	14,149,850	16,346,923	14,487,671	14,425,754	15,503,573	88,132,151

**VERIZON NORTHWEST INC.**  
**INCOME STATEMENT SUPPORTING SCHEDULE**  
**JANUARY to JUNE 2010**

**Schedule C-3a**

<b>Account Description</b>	<b>Account</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>	<b>YTD</b>
Property Held For Future Use	6511	39,335	77,142	49,702	19,310	263,320	148,846	597,655
Provisioning	6512	350,990	(354,001)	(346,603)	170,000	182,537	553,369	556,292
Total Other PP&E	6510	390,325	(276,859)	(296,901)	189,310	445,857	702,215	1,153,947
Power	6531	176,291	941,715	1,462,505	1,097,710	1,085,949	1,250,765	6,014,935
Network Administrative	6532	1,451,739	1,023,162	605,389	927,087	1,104,024	1,381,075	6,492,476
Testing	6533	(134,813)	(459,654)	278,697	(82,950)	(206,384)	(220,225)	(825,329)
Plant Operations Administration	6534	3,061,991	3,682,453	15,488,424	3,878,629	3,754,903	16,998,133	46,864,533
Engineering	6535	475,637	551,328	467,120	730,436	533,122	687,112	3,444,755
Total Network Operations	6530	5,030,845	5,739,004	18,302,135	6,550,912	6,271,614	20,096,860	61,991,370
Access	6540	1,928,418	3,199,603	1,465,531	1,731,514	819,494	2,868,813	12,013,373
<b>Total General Plant</b>	<b>GENL</b>	<b>7,349,588</b>	<b>8,661,748</b>	<b>19,470,765</b>	<b>8,471,736</b>	<b>7,536,965</b>	<b>23,667,888</b>	<b>75,158,690</b>
Product Management	6611	1,023,150	1,246,732	885,890	1,540,852	1,267,938	1,332,968	7,297,530
Sales & Commissions	6612	1,710,161	1,832,794	1,822,044	2,074,602	2,404,768	4,837,449	14,681,818
Product Advertising	6613	1,198,851	1,797,214	1,025,697	1,519,291	1,563,377	1,984	7,106,414
Total Marketing	6610	3,932,162	4,876,740	3,733,631	5,134,745	5,236,083	6,172,401	29,085,762
Call Completion Services	6621	382,900	334,550	343,468	335,530	339,477	143,702	1,879,627
Number Services	6622	613,755	646,411	419,588	569,941	520,954	617,164	3,387,813
Customer Services	6623	3,175,549	3,421,252	3,664,040	3,866,269	3,898,138	3,602,823	21,628,071
Total Customer Services	6620	4,172,204	4,402,213	4,427,096	4,771,740	4,758,569	4,363,689	26,895,511
<b>Total Customer Operations</b>	<b>700</b>	<b>8,104,366</b>	<b>9,278,953</b>	<b>8,160,727</b>	<b>9,906,485</b>	<b>9,994,652</b>	<b>10,536,090</b>	<b>55,981,273</b>
Executive	6711	247,777	291,237	296,515	229,216	151,981	236,132	1,452,858
Planning	6712	29,197	87,644	106,712	81,115	70,175	106,944	481,787
Total Executive & Planning	6710	276,974	378,881	403,227	310,331	222,156	343,076	1,934,645
Accounting & Finance	6721	447,640	701,220	750,984	722,752	766,046	900,353	4,288,995
External Relations	6722	170,470	236,473	205,022	238,956	169,613	194,430	1,214,964
Human Resources	6723	157,458	195,543	163,517	192,516	186,632	230,164	1,125,830
Info Management	6724	1,419,151	1,342,953	1,069,105	1,179,306	1,499,988	700,101	7,210,604
Legal	6725	137,468	104,999	172,221	219,810	204,433	202,570	1,041,501
Procurement	6726	84,915	112,809	165,745	113,077	89,370	38,307	604,223
Research & Development	6727	1,907	1,431	2,713	1,246	2,932	1,264	11,493
Other General & Admin	6728	3,388,541	4,880,403	6,372,907	4,435,730	3,999,773	6,746,483	29,823,837
Total General & Administrative	6720	5,807,550	7,575,831	8,902,214	7,103,393	6,918,787	9,013,672	45,321,447
<b>Total Corporate Operations</b>	<b>710</b>	<b>6,084,524</b>	<b>7,954,712</b>	<b>9,305,441</b>	<b>7,413,724</b>	<b>7,140,943</b>	<b>9,356,748</b>	<b>47,256,092</b>
Gain/Loss - Disp Land	7150	-	-	-	-	(1,500)	-	(1,500)
Other Oper Gain/Loss	7160	-	-	(116)	(466)	(2,526)	(5,174)	(8,282)
<b>Total Oth Oper Inc &amp; Exp</b>	<b>7100</b>	<b>-</b>	<b>-</b>	<b>(116)</b>	<b>(466)</b>	<b>(4,026)</b>	<b>(5,174)</b>	<b>(9,782)</b>
Depreciation	6561	27,938,112	27,874,328	27,963,025	28,091,542	28,066,510	28,089,565	168,023,082
Amort - Tangible	6563	83,132	83,132	83,132	84,090	84,090	84,090	501,666
Amort - Intangible	6564	186,155	186,541	217,504	247,421	246,459	312,711	1,396,791
Juris Diff - Depr/Amort FAS71	7921	-	-	-	-	-	-	-
<b>Total Depreciation &amp; Amort</b>	<b>6560</b>	<b>28,207,399</b>	<b>28,144,001</b>	<b>28,263,661</b>	<b>28,423,053</b>	<b>28,397,059</b>	<b>28,486,366</b>	<b>169,921,539</b>
Property Taxes	72401X	1,752,068	1,752,009	1,751,694	1,751,896	1,752,247	2,285,559	11,045,473
Gross Receipts	72402X	668,587	672,552	669,017	651,604	633,519	657,552	3,952,831
State/Local Franch Taxes	72408X	532,303	334,595	868,549	970,451	(127,742)	713,063	3,291,219
Other Operating Taxes	72409X	803,017	772,874	635,865	1,962,081	698,328	8,499,026	13,371,191
<b>Total Oper Taxes</b>	<b>7240</b>	<b>3,755,975</b>	<b>3,532,030</b>	<b>3,925,125</b>	<b>5,336,032</b>	<b>2,956,352</b>	<b>12,155,200</b>	<b>31,660,714</b>
Total Oper Exp/Oth Tax	TLOP	66,720,232	71,721,294	85,472,526	74,038,235	70,447,699	99,700,691	468,100,677
<b>Earning Before Inc Tax</b>	<b>EBIF</b>	<b>5,098,590</b>	<b>(935,678)</b>	<b>(12,419,757)</b>	<b>(5,155,124)</b>	<b>(2,173,504)</b>	<b>(27,511,036)</b>	<b>(43,096,509)</b>
Federal Income Taxes	7220	-	-	11,364,208	-	-	9,628,924	20,993,132
State/Local Income Tax	7230	-	-	1,065,025	-	-	1,114,750	2,179,775
Deferred Federal	7250X	-	-	(7,436,414)	-	-	(22,825,402)	(30,261,816)
Deferred State/Local	7251X	-	-	(547,357)	-	-	(2,382,438)	(2,929,795)
Oper Inc Tax Pr to ITC	TAX PRE ITC	-	-	4,445,462	-	-	(14,464,166)	(10,018,704)
Oper ITC Claimed	72101X	-	-	-	-	-	-	-
Oper ITC Credit	72102X	-	-	-	-	-	-	-
Net Operating ITC	NET OP ITC	-	-	-	-	-	-	-
Juris Diff - Income Taxes	7919	-	-	-	-	-	-	-
<b>Total Oper Income Tax</b>	<b>7200</b>	<b>-</b>	<b>-</b>	<b>4,445,462</b>	<b>-</b>	<b>-</b>	<b>(14,464,166)</b>	<b>(10,018,704)</b>
<b>Net Operating Income</b>	<b>OPIF</b>	<b>5,098,590</b>	<b>(935,678)</b>	<b>(16,865,219)</b>	<b>(5,155,124)</b>	<b>(2,173,504)</b>	<b>(13,046,870)</b>	<b>(33,077,805)</b>

**VERIZON NORTHWEST INC.**  
**INCOME STATEMENT SUPPORTING SCHEDULE**  
**JANUARY to JUNE 2010**

**Schedule C-3a**

<b>Account Description</b>	<b>Account</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>	<b>YTD</b>
Dividend Income - Affiliate	731010	-	-	-	-	-	-	-
Dividend Income - Other	731020	-	-	-	-	-	-	-
Interest Income - Affiliate	732010	5,657	11,327	66	1	17	711	17,779
Interest Income - Other	732020	-	-	-	-	-	1,737	1,737
Sinking & Other Funds	7330	-	-	-	-	-	-	-
Allow For Funds Used Cn	7340	108,175	107,219	87,258	60,076	53,787	52,038	468,553
Juris Diff - IDC	JURIDC	-	-	-	-	-	-	-
Juris Diff - Other Nonop	JURONOP	-	-	-	-	-	-	-
Gains/Loss-Disp Prop-NOP	7350	-	-	-	-	-	-	-
Other Nonop Income	7360	(58,344)	(58,344)	(480,241)	(58,344)	-	(425,592)	(1,080,865)
Less: Special Charges	7370	(10)	(40)	(4)	-	(2,313)	(5,000)	(7,367)
Total Nonoper Inc & Exp	TOT NONOP I&E	55,478	60,162	(392,921)	1,733	51,491	(376,106)	(600,163)
Federal Income Taxes	7420	-	-	(29,639)	-	-	17,413	(12,226)
State/Local Income Taxes	7430	-	-	(5,394)	-	-	2,682	(2,712)
Deferred Federal	74501X	-	-	-	-	-	-	-
Deferred State/Local	74502X	-	-	-	-	-	-	-
Nonoper Inc Tax Pr ITC	NOP TAX PRE ITC	-	-	(35,033)	-	-	20,095	(14,938)
Nonop ITC Claimed	741010	-	-	-	-	-	-	-
Net Nonoperating ITC	NET NONOP ITC	-	-	-	-	-	-	-
Nonoper Taxes - Other	7440	-	-	-	-	-	-	-
Total Nonop Inc Taxes	74YY	-	-	(35,033)	-	-	20,095	(14,938)
<b>Total Nonop Inc - Net</b>	<b>NINC</b>	<b>55,478</b>	<b>60,162</b>	<b>(357,888)</b>	<b>1,733</b>	<b>51,491</b>	<b>(396,201)</b>	<b>(585,225)</b>
Income Avail For Fixed	FXIF	5,154,068	(875,516)	(17,223,107)	(5,153,391)	(2,122,013)	(13,443,071)	(33,663,030)
Interest On Bonds	751010	1,399,367	1,340,981	1,374,404	1,369,668	1,380,864	710,496	7,575,780
Discount/Premium Amort	75103X	22,345	22,465	22,586	2,499	-	-	69,895
Interest On Affiliate Adv	751040	-	-	-	-	-	-	-
Other Long Term Debt	75109X	-	-	-	-	-	-	-
Capital Leases	7520	-	-	-	-	-	-	-
Amortized Debt Issuance	7530	3,100	3,116	3,132	3,149	5,372	-	17,869
Other Interest Deduction	7540	51	352	115	103	97	32,603	33,321
Juris Diff - Interest Exp	JURFIXC	-	-	-	-	-	-	-
<b>Total Interest Exp</b>	<b>FIXC</b>	<b>1,424,863</b>	<b>1,366,914</b>	<b>1,400,237</b>	<b>1,375,419</b>	<b>1,386,333</b>	<b>743,099</b>	<b>7,696,865</b>
<b>Income Before Extraord</b>	<b>INBF</b>	<b>3,729,205</b>	<b>(2,242,430)</b>	<b>(18,623,344)</b>	<b>(6,528,810)</b>	<b>(3,508,346)</b>	<b>(14,186,170)</b>	<b>(41,359,895)</b>
Extraord Inc Credits	7610	-	-	-	-	-	-	-
Extraord Inc Charges	7620	-	-	-	-	-	-	-
Extraord Income Taxes	7630	-	-	-	-	-	-	-
Extraord Deferred Taxes	ZZZDTAX	-	-	-	-	-	-	-
<b>Total Extraordinary Items</b>	<b>EXOR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income</b>	<b>NETF</b>	<b>3,729,205</b>	<b>(2,242,430)</b>	<b>(18,623,344)</b>	<b>(6,528,810)</b>	<b>(3,508,346)</b>	<b>(14,186,170)</b>	<b>(41,359,895)</b>
Preferred Dividends	4058	-	-	-	-	-	-	-
Minority Interest	3011	-	-	-	-	-	-	-
<b>Net Income to Verizon</b>	<b>301P</b>	<b>3,729,205</b>	<b>(2,242,430)</b>	<b>(18,623,344)</b>	<b>(6,528,810)</b>	<b>(3,508,346)</b>	<b>(14,186,170)</b>	<b>(41,359,895)</b>

STATE OF WASHINGTON  
ANALYSIS OF FEDERAL INCOME TAXES  
JANUARY to JUNE 2010

Schedule C-3b

Account Description	Account	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
Oper ITC Credit	7210	-	-	-	-	-	-
Total Oper ITC		-	-	-	-	-	-
Deferred Federal - Property	7250120	-	-	(7,052,218)	-	-	(10,198,994)
Deferred Federal - Non-Property	7250110, 7250130	-	-	2,068,337	-	-	(2,901,550)
Total Deferred Federal		-	-	(4,983,881)	-	-	(13,100,544)
Federal Income Taxes	7220	-	-	1,819,987	-	-	(1,054,932)
Juris Diff-Income Taxes	7919	-	-	-	-	-	-
<b>Total Federal Income Taxes</b>		-	-	(3,163,894)	-	-	(14,155,476)

CUMULATIVE YEAR TO DATE		YTD Jan-10	YTD Feb-10	YTD Mar-10	YTD Apr-10	YTD May-10	YTD Jun-10
Oper ITC Credit	7210	-	-	-	-	-	-
Total Oper ITC		-	-	-	-	-	-
Deferred Federal - Property	7250120	-	-	(7,052,218)	(7,052,218)	(7,052,218)	(17,251,212)
Deferred Federal - Non-Property	7250110, 7250130	-	-	2,068,337	2,068,337	2,068,337	(833,213)
Total Deferred Federal		-	-	(4,983,881)	(4,983,881)	(4,983,881)	(18,084,425)
Federal Income Taxes	7220	-	-	1,819,987	1,819,987	1,819,987	765,055
Juris Diff-Income Taxes	7919	-	-	-	-	-	-
<b>Total Federal Income Taxes</b>		-	-	(3,163,894)	(3,163,894)	(3,163,894)	(17,319,370)

**VERIZON NORTHWEST INC.  
STATE OF WASHINGTON  
SELECTED PLANT DATA  
JANUARY to JUNE 2010**

**Schedule C-4**

**VERIZON NORTHWEST INCLUDING SUBSIDIARY**

<u>Item</u>	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>
Telephone Plant in Service	5,085,719,334	5,096,113,847	5,108,048,952	5,119,009,091	5,129,725,082	5,139,977,002
Depreciation Reserve	(3,289,595,521)	(3,310,047,097)	(3,331,644,866)	(3,353,075,044)	(3,374,732,646)	(3,396,495,689)
Net Plant	1,796,123,813	1,786,066,750	1,776,404,086	1,765,934,047	1,754,992,436	1,743,481,313
Telephone PLT Under Const. - ST	25,534,680	25,480,800	24,092,424	22,989,571	21,403,531	21,069,594
Telephone PLT Under Const. - LT	-	-	-	-	-	-
Total Telephone Plant Under Const.	25,534,680	25,480,800	24,092,424	22,989,571	21,403,531	21,069,594
Material & Supplies (Acct 1220)	5,063,546	4,554,528	4,473,662	4,490,859	4,606,582	4,679,404
Nonoperating Plant	4,224,265	4,354,853	4,446,212	4,570,507	4,696,216	4,020,454
Depreciation - Nonoperating	(1,656)	(1,656)	(1,656)	(1,656)	(1,656)	(1,656)
Property Held for Future Use	-	-	-	-	-	-
<b>Total</b>	<b>1,830,944,648</b>	<b>1,820,455,275</b>	<b>1,809,414,728</b>	<b>1,797,983,328</b>	<b>1,785,697,109</b>	<b>1,773,249,109</b>
431007/141050 - Emp Pens Plan	71,152,500	66,873,013	61,354,175	55,715,441	49,981,351	44,921,861
Accum Def. Inc Taxes-Accel Tax	(313,269,520)	(312,313,753)	(310,602,989)	(308,424,576)	(306,246,163)	(302,441,845)

**NOTE: Balances Represent 13 - Month Rolling Average**

**WASHINGTON STATE**

<u>Item</u>	<u>Jan-10</u>	<u>Feb-10</u>	<u>Mar-10</u>	<u>Apr-10</u>	<u>May-10</u>	<u>Jun-10</u>
Telephone Plant in Service	2,931,548,482	2,937,852,739	2,945,032,548	2,951,907,841	2,958,712,317	2,966,809,274
Depreciation Reserve	(1,804,454,020)	(1,816,245,539)	(1,828,395,027)	(1,840,811,072)	(1,853,413,380)	(1,866,514,642)
Net Plant	1,127,094,462	1,121,607,200	1,116,637,521	1,111,096,769	1,105,298,937	1,100,294,632
Telephone PLT Under Const. - ST	14,754,105	14,566,376	13,427,607	12,555,059	11,511,458	11,314,776
Telephone PLT Under Const. - LT	-	-	-	-	-	-
Total Telephone Plant Under Const.	14,754,105	14,566,376	13,427,607	12,555,059	11,511,458	11,314,776
Material & Supplies (Acct 1220)	2,673,720	2,370,245	2,375,085	2,438,328	2,575,231	2,705,419
Nonoperating Plant	2,990,347	3,052,953	3,112,071	3,200,080	3,288,800	2,729,851
Depreciation - Nonoperating	-	-	-	-	-	-
Property Held for Future Use	-	-	-	-	-	-
<b>Total</b>	<b>1,147,512,634</b>	<b>1,141,596,774</b>	<b>1,135,552,284</b>	<b>1,129,290,236</b>	<b>1,122,674,426</b>	<b>1,117,044,678</b>
431007/141050 - Emp Pens Plan	41,852,599	38,573,774	33,934,125	29,109,352	24,218,363	19,344,341
Accum Def. Inc Taxes-Accel Tax	(194,243,735)	(193,327,661)	(191,964,964)	(190,416,378)	(188,867,791)	(186,496,332)

**NOTE: Balances Represent 13 - Month Rolling Average**

**VERIZON NORTHWEST INC.**  
**ANALYSIS OF OPERATING TAXES OTHER THAN FEDERAL INCOME**  
**JANUARY to JUNE 2010**

**Schedule C-7 -- VZ Northwest Inc**

<b>Account Description</b>	<b>Account</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>
Property Taxes	72401X	1,752,068	1,752,009	1,751,694	1,751,896	1,752,247	2,285,559
Gross Receipts	72402X	668,587	672,552	669,017	651,604	633,519	657,552
Superfund Taxes	724030	-	-	-	-	-	-
State/Local Franch Taxes	72408X	532,303	334,595	868,549	970,451	(127,742)	713,063
Other Operating Taxes	72409X	803,017	772,874	635,865	1,962,081	698,328	8,499,026
Juris Diff - Oper Taxes	JUROPTX	-	-	-	-	-	-
<b>Total Oper Taxes</b>	<b>OPTX</b>	<b>3,755,975</b>	<b>3,532,030</b>	<b>3,925,125</b>	<b>5,336,032</b>	<b>2,956,352</b>	<b>12,155,200</b>
State/Local Income Tax	7230	-	-	1,065,025	-	-	1,114,750
Prov For Def Income Taxes	7251X	-	-	(547,357)	-	-	(2,382,438)
Juris Diff - Income Taxes	7919	-	-	-	-	-	-
<b>Total State/Local Inc Taxes</b>		<b>-</b>	<b>-</b>	<b>517,668</b>	<b>-</b>	<b>-</b>	<b>(1,267,688)</b>
<b>Total Taxes</b>		<b>3,755,975</b>	<b>3,532,030</b>	<b>4,442,793</b>	<b>5,336,032</b>	<b>2,956,352</b>	<b>10,887,512</b>

<b>Account Description</b>	<b>Account</b>	<b>YTD Jan-10</b>	<b>YTD Feb-10</b>	<b>YTD Mar-10</b>	<b>YTD Apr-10</b>	<b>YTD May-10</b>	<b>YTD Jun-10</b>
Property Taxes	72401X	1,752,068	3,504,077	5,255,771	7,007,667	8,759,914	11,045,473
Gross Receipts	72402X	668,587	1,341,139	2,010,156	2,661,760	3,295,279	3,952,831
Superfund Taxes	724030	-	-	-	-	-	-
State/Local Franch Taxes	72408X	532,303	866,898	1,735,447	2,705,898	2,578,156	3,291,219
Other Operating Taxes	72409X	803,017	1,575,891	2,211,756	4,173,837	4,872,165	13,371,191
Juris Diff - Oper Taxes	JUROPTX	-	-	-	-	-	-
<b>Total Oper Taxes</b>	<b>OPTX</b>	<b>3,755,975</b>	<b>7,288,005</b>	<b>11,213,130</b>	<b>16,549,162</b>	<b>19,505,514</b>	<b>31,660,714</b>
State/Local Income Tax	7230	-	-	1,065,025	1,065,025	1,065,025	2,179,775
Deferred State/Local	7251X	-	-	(547,357)	(547,357)	(547,357)	(2,929,795)
Juris Diff-Income Taxes	7919	-	-	-	-	-	-
<b>Total State/Local Inc Taxes</b>		<b>-</b>	<b>-</b>	<b>517,668</b>	<b>517,668</b>	<b>517,668</b>	<b>(750,020)</b>
<b>Total Taxes</b>		<b>3,755,975</b>	<b>7,288,005</b>	<b>11,730,798</b>	<b>17,066,830</b>	<b>20,023,182</b>	<b>30,910,694</b>

**STATE OF WASHINGTON  
ANALYSIS OF OPERATING TAXES OTHER THAN FEDERAL INCOME  
JANUARY to JUNE 2010**

**Schedule C-7 -- Washington State**

<b>Account Description</b>	<b>Account</b>	<b>Jan-10</b>	<b>Feb-10</b>	<b>Mar-10</b>	<b>Apr-10</b>	<b>May-10</b>	<b>Jun-10</b>
Property Taxes	72401X	711,030	711,001	710,780	710,940	711,159	1,254,688
Gross Receipts	72402X	668,587	672,552	669,017	651,604	633,519	657,552
Superfund Taxes	724030	-	-	-	-	-	-
State/Local Franch Taxes	72408X	136,417	118,385	143,063	496,007	(240,992)	168,000
Other Operating Taxes	72409X	800,692	622,908	271,609	1,949,164	470,487	8,520,427
Juris Diff - Oper Taxes	JUROPTX	-	-	-	-	-	-
<b>Total Oper Taxes</b>	<b>OPTX</b>	<b>2,316,726</b>	<b>2,124,846</b>	<b>1,794,469</b>	<b>3,807,715</b>	<b>1,574,173</b>	<b>10,600,667</b>
State/Local Income Tax	7230	-	-	-	-	-	-
Prov For Def Income Taxes	7251X	-	-	-	-	-	-
Juris Diff - Income Taxes	7919	-	-	-	-	-	-
<b>Total State/Local Inc Taxes</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Taxes</b>		<b>2,316,726</b>	<b>2,124,846</b>	<b>1,794,469</b>	<b>3,807,715</b>	<b>1,574,173</b>	<b>10,600,667</b>

<b>Account Description</b>	<b>Account</b>	<b>YTD Jan-10</b>	<b>YTD Feb-10</b>	<b>YTD Mar-10</b>	<b>YTD Apr-10</b>	<b>YTD May-10</b>	<b>YTD Jun-10</b>
Property Taxes	72401X	711,030	1,422,031	2,132,811	2,843,751	3,554,910	4,809,598
Gross Receipts	72402X	668,587	1,341,139	2,010,156	2,661,760	3,295,279	3,952,831
Superfund Taxes	724030	-	-	-	-	-	-
State/Local Franch Taxes	72408X	136,417	254,802	397,865	893,872	652,880	820,880
Other Operating Taxes	72409X	800,692	1,423,600	1,695,209	3,644,373	4,114,860	12,635,287
Juris Diff - Oper Taxes	JUROPTX	-	-	-	-	-	-
<b>Total Oper Taxes</b>	<b>OPTX</b>	<b>2,316,726</b>	<b>4,441,572</b>	<b>6,236,041</b>	<b>10,043,756</b>	<b>11,617,929</b>	<b>22,218,596</b>
State/Local Income Tax	7230	-	-	-	-	-	-
Deferred State/Local	7251X	-	-	-	-	-	-
Juris Diff-Income Taxes	7919	-	-	-	-	-	-
<b>Total State/Local Inc Taxes</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Taxes</b>		<b>2,316,726</b>	<b>4,441,572</b>	<b>6,236,041</b>	<b>10,043,756</b>	<b>11,617,929</b>	<b>22,218,596</b>