

**PAY-AS-YOU GO AMOUNTS REFLECTED IN RATES
ON INITIAL DATE OF PRICE CAP REGULATION
(Dollars in Thousands)**

	1990 Cash Expense (A)	1991 Cash Expense (B)	Split Year Cash Expense (C)	Note 1 Total Company Corp Oper Exp (D)	Note 2 Interstate Corp Oper Exp (E)	Separations Ratio (F)=(E) / (D)	Interstate Split Year Cash Expense (G) = (F) * (C)
DC	9,201,193	10,773,244	9,987,219	N/A	N/A	22.22%	2,218,763
MD	29,103,934	30,785,195	29,944,565	N/A	N/A	22.22%	6,652,492
VA	25,371,454	27,293,899	26,332,677	N/A	N/A	22.22%	5,850,074
WV	8,280,669	9,192,590	8,736,630	N/A	N/A	22.22%	1,940,932
NJ	49,151,919	52,861,982	51,006,951	N/A	N/A	22.22%	11,331,717
PA	51,942,537	55,549,159	53,745,848	N/A	N/A	22.22%	11,940,191
DE	2,956,969	3,513,839	3,235,404	N/A	N/A	22.22%	718,778
NSI	2,794,437	3,406,192	3,100,315	N/A	N/A	22.22%	688,767
Total	178,803,112	193,376,100	186,089,606	1,194,183	265,300	22.22%	41,341,714

Note 1 : Bell Atlantic 1990 Annual Access Tariff Filing, filed 4/2/90, COS-6(P), rows 6710 + 6720.
Bell Atlantic implemented regional tariff rates in 1988; therefore, the company presented its TRP data at the regional level of aggregation. Prospective split year total company Corporate Operations Expense is not available by study area.

Note 2: Bell Atlantic 1990 Annual Access Tariff Filing, filed 4/2/90, COS-7(P), row 7331, Cols (p) + (r).
Prospective split year interstate Corporate Operations expense is not available by study area.

Bell Atlantic
1991
Annual Report

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engaged in the sale and leasing of computer equipment. 1990 revenues were greater than in 1989 principally due to increases in the leased asset portfolios of the lease financing subsidiaries.

OPERATING EXPENSES

Employee costs consist of salaries, wages and other employee compensation, employee benefits, and payroll taxes. During 1991, the Company offered a retirement incentive program to eligible management employees electing early retirement from the Network Services companies and certain other subsidiaries. Under this program, approximately 3,200 employees retired on December 15, 1991.

Employee costs increased by \$175.5 million or 4.7% in 1991. A 2% increase in salaries and wages resulted from annual wage increases provided for in the labor contracts covering associate employees in the Network Services companies, as well as salary progressions for management and other administrative employees. These increases were partially offset by the effects of hiring freezes and reductions in overtime at the telephone subsidiaries, lower accruals for performance awards and workforce reductions at certain unregulated subsidiaries. Pension and benefits expense increased 14% in 1991 due primarily to the increases in the costs of providing health care benefits to active and retired employees. This increase included approximately \$55 million related to the adoption of Statement No. 106. The Company continued to address the increase in cost caused by health care inflation through implementation of certain medical cost-containment initiatives in 1991 as permitted by labor agreements. Additional cost-sharing arrangements affecting management employees retiring after December 31, 1991 were also announced during 1991 as part of the Company's plan to control future health care cost increases. 1991 pension and benefits expense also increased by approximately \$11 million as a result of costs associated with the retirement incentive program, principally special termination benefits.

In 1990, employee costs increased by \$22.0 million primarily as a result of annual wage increases and salary progressions, increased benefit costs, acquisitions, and growth in the Company's unregulated subsidiaries. These increases were substantially offset by the effect of an early retirement program in 1989, under which approximately 1,700 management employees received financial incentives and left the Company. In addition, 1990 employee costs decreased by \$64.4 million due to the effect of accounting for the Company's leveraged employee stock ownership plans (ESOPs), which became effective on January 1, 1990. Under ESOP accounting rules, the portion of the Company's contribution representing interest on the ESOP debt is classified as interest expense. This decrease in employee costs was partially offset by a \$23.0 million increase in the Company's matching contributions to the saving plans.

Depreciation and amortization expense decreased \$78.5 million in 1991. The decrease was caused by the absence of approximately \$150 million in depreciation and amortization due to the effects of the completion of accelerated amortization of certain plant assets, the completion of depreciation of certain switching equipment and the conclusion of regulator-approved amortization of depreciation reserve deficiencies at several of the telephone subsidiaries during 1990. In addition, the previously mentioned de-emphasis of the Financial Services companies also had the effect of decreasing 1991 depreciation through reduced amounts of leased equipment held by these companies. These decreases were partially offset by growth in the level of depreciable plant at the telephone subsidiaries and increases of approximately \$43 million resulting from prescribed depreciation rates at several of the telephone subsidiaries. Depreciation and amortization expense decreased by \$42.7 million in 1990, reflecting the effect of 1989 write-downs for the value of goodwill, amortizable spare parts inventories and other assets of certain unregulated subsidiaries, which increased 1989 expense by approximately \$164 million. 1990 expenses also included growth-related increases in depreciable plant and the impact of prescribed depreciation rates.

Other operating expenses decreased \$31.1 million in 1991 due in large part to the Company's cost-containment efforts which more than offset inflationary increases. The de-emphasis of the Financial Services companies, including the effect of the 1990 disposition of Computer Products, reduced expenses by \$54.9 million. In addition, a higher provision for uncollectibles in 1990 at Bell Atlantic Mobile Systems, Inc. (Mobile Systems) and the July 1991 transfer of the Company's European computer maintenance business to a joint venture had the effect of decreasing 1991 expenses when compared with 1990. Substantially offsetting these decreases in other operating expenses were 1991 increases including approximately \$58 million of restructure-related costs associated with the retirement incentive program and \$21.4 million of additional capital stock, property, and gross receipts taxes related to the previously mentioned tax legislation in Pennsylvania. Results for 1991 also included higher expenses resulting from the June 1990 acquisition of

The following table sets forth the plans' funded status and amounts recognized in the Company's Consolidated Balance Sheets as of December 31:

	1991	1990
	(Dollars in Millions)	
Actuarial present value of benefit obligations:		
Benefits based on service to date and present salary levels		
Vested	\$ 7,192.6	\$ 6,324.5
Nonvested	1,740.5	1,732.2
Accumulated benefit obligation	8,933.1	8,056.7
Additional benefits related to estimated future salary levels	1,238.9	1,252.4
Projected benefit obligation	10,172.0	9,309.1
Fair value of plan assets	11,769.6	10,521.7
Plan assets in excess of projected benefit obligation	(1,597.6)	(1,212.6)
Unrecognized net gain	1,925.6	1,278.8
Unamortized prior service cost	(201.7)	(120.2)
Unamortized net transition asset	250.6	270.0
Additional minimum liability for nonqualified plans	43.2	—
Accrued pension obligation	<u>\$ 420.1</u>	<u>\$ 216.0</u>

The assumed discount rate used to measure the projected benefit obligation was 7.75% at December 31, 1991 and 8.0% at December 31, 1990. The assumed rate of future increases in compensation levels was 5.25% at December 31, 1991 and 1990. The expected long-term rate of return on plan assets was 7.5% for 1991, 1990, and 1989. The vested benefit obligation represents the actuarial present value of vested benefits to which employees are currently entitled based on the employees' expected dates of separation or retirement.

The Company has in the past entered into labor negotiations with the unions representing certain employees and expects to do so in the future. Pension benefits have been included in these negotiations and improvements in benefits have been made from time to time. Additionally, the Company has amended the benefit formula under pension plans maintained for its management employees. Expectations with respect to future amendments to the Company's pension plans have been reflected in determining the Company's pension cost under Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions" (Statement No. 87). Since the projected benefit obligation, as calculated under Statement No. 87, relies on assumptions concerning future events, a comparison of the projected benefit obligation to the fair value of plan assets at December 31, 1991 and 1990 may not be meaningful.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

Effective January 1, 1991, the Company has adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (Statement No. 106). Statement No. 106 requires accrual accounting for all postretirement benefits other than pensions. Under the prescribed accrual method, the Company's obligation for these postretirement benefits is to be fully accrued by the date employees attain full eligibility for such benefits. Prior to the adoption of Statement No. 106, the cost of health benefits for management retirees was recognized by charging claims to expense as they were incurred. The cost of health benefits for current and future associate retirees was recognized as determined under the aggregate cost actuarial method. The cost of postretirement life insurance benefits was also recognized as determined under the aggregate cost actuarial method.

In conjunction with the adoption of Statement No. 106, for financial reporting purposes, the Company elected to immediately recognize the accumulated postretirement benefit obligation for current and future retirees, net of the fair value of plan assets and recognized accrued postretirement benefit cost (transition obligation), in the amount of \$1,554.3 million, net of a deferred income tax benefit of \$945.6 million. On December 26, 1991, the Federal Communications Commission (FCC) released an order permitting adoption of Statement No. 106 on or before January 1, 1993. The FCC order permits amortization of the transition obligation over the average remaining service period of active employees for interstate regulatory accounting purposes. Pursuant to Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of

Certain Types of Regulation" (Statement No. 71), a regulatory asset associated with the recognition of the transition obligation was not recorded because of uncertainties as to the timing and extent of recovery given the Company's assessment of its long-term competitive environment.

Substantially all of the Company's management and associate employees are covered under postretirement health and life insurance benefit plans. The determination of postretirement benefit cost for postretirement health benefit plans is based on comprehensive hospital, medical, surgical, and dental benefit provisions. The postretirement life insurance benefit formula used in the determination of postretirement benefit cost is primarily based on annual basic pay at retirement.

The Company funds for postretirement health benefits for associate employees and postretirement life insurance benefits for management and associate employees. The Company's objective in funding these plans is to accumulate funds at a relatively stable rate over participants' working lives so that benefits are fully funded at retirement. Plan assets consist principally of investments in domestic and nondomestic corporate equity securities, and U.S. Government and corporate debt securities.

Postretirement benefit cost is composed of the following for the year ended December 31, 1991:

	<u>Health</u>	<u>Life</u> <u>Insurance</u>	<u>Total</u>
	(Dollars in Millions)		
Benefits earned during the year	\$ 50.5	\$ 7.2	\$ 57.7
Interest on accumulated postretirement benefit obligation	221.5	30.5	252.0
Actual return on plan assets	(64.6)	(99.8)	(164.4)
Net amortization and deferral	<u>45.5</u>	<u>68.1</u>	<u>113.6</u>
Postretirement benefit cost	<u>\$252.9</u>	<u>\$ 6.0</u>	<u>\$ 258.9</u>

The following table sets forth the plans' funded status and the amount recognized in the Company's Consolidated Balance Sheet as of December 31, 1991:

	<u>Health</u>	<u>Life</u> <u>Insurance</u>	<u>Total</u>
	(Dollars in Millions)		
Accumulated postretirement benefit obligation attributable to:			
Retirees	\$1,814.2	\$208.5	\$2,022.7
Fully eligible plan participants	297.3	53.6	350.9
Other active plan participants	<u>983.8</u>	<u>169.7</u>	<u>1,153.5</u>
Total accumulated postretirement benefit obligation	<u>3,095.3</u>	<u>431.8</u>	<u>3,527.1</u>
Fair value of plan assets	<u>330.6</u>	<u>514.6</u>	<u>845.2</u>
Accumulated postretirement benefit obligation in excess of (less than) plan assets	2,764.7	(82.8)	2,681.9
Unrecognized net gain (loss)	(153.9)	40.6	(113.3)
Unamortized prior service cost	<u>(3.6)</u>	<u>—</u>	<u>(3.6)</u>
Accrued (prepaid) postretirement benefit obligation	<u>\$2,607.2</u>	<u>\$ (42.2)</u>	<u>\$2,565.0</u>

The assumed discount rate used to measure the accumulated postretirement benefit obligation was 7.75% at December 31, 1991 and 8.0% at January 1, 1991. The assumed rate of future increases in compensation levels was 5.25% at December 31, 1991. The expected long-term rate of return on plan assets was 7.5% for 1991. The medical cost trend rate in 1991 was approximately 15.0%, grading down to an ultimate rate in 2003 of approximately 5.0%. The dental cost trend rate in 1991 and thereafter is approximately 4.0%. A one percentage point increase in the assumed health care cost trend rates for each future year would have increased the aggregate of the service and interest cost components of 1991 net periodic postretirement benefit cost by \$44.5 million and would have increased the accumulated postretirement benefit obligation as of December 31, 1991 by \$400.8 million.

Certain postretirement benefits other than pensions have been included in the labor negotiations described above, and such benefits have been modified from time to time. Additionally, the Company has amended the benefits under postretirement benefit plans maintained for its management employees. Expectations with respect to certain future amendments to the Company's postretirement benefit plans have been reflected in determining the Company's postretirement benefit cost under Statement No. 106.

During 1990 and 1989, the cost of postretirement health benefits was \$179.5 million and \$221.3 million, respectively. In addition, the Company recognized postretirement life insurance benefit cost of \$3.9 million in 1990 and \$9.7 million in 1989.

SAVINGS PLANS AND EMPLOYEE STOCK OWNERSHIP PLANS

The Company has established savings plans to provide opportunities for eligible employees to save for retirement on a tax-deferred basis and encourage employees to acquire and maintain an equity interest in the Company. Under these plans, the Company matches a certain percentage of eligible employee contributions. In 1989, two leveraged employee stock ownership plans (ESOPs) were established and revisions were made to the existing employee savings plans, effective January 1, 1990, to require that the Company's matching contribution be invested in shares of the Company's common stock. The ESOPs are intended to take advantage of tax incentives and provide the opportunity for the Company to improve cash flow by allocating appreciated common stock from the ESOP trusts to satisfy a substantial portion of its matching obligation, with the remaining obligation satisfied through additional Company contributions. The amount of common stock available for allocation from the ESOP trusts is based on the proportion of principal and interest paid on ESOP debt in a year to the remaining principal and interest due over the term of the debt.

The ESOP trusts were initially funded by the issuance of \$790.0 million in ESOP Senior Notes at an annual interest rate of 8.25%. The ESOP Senior Notes are payable in semiannual installments, which began on January 1, 1990 and end in the year 2000. The ESOP trusts will repay the notes, including interest, with funds from the Company's contributions to the ESOP trusts, as well as dividends received on unallocated shares of common stock, and interest earned on the cash balances of the ESOP trusts.

Total ESOP cost and trust activity consists of the following:

	Years Ended December 31,	
	1991	1990
	(Dollars in Millions)	
Compensation	\$ 39.7	\$ 28.9
Interest incurred	61.3	64.4
Dividends	(37.6)	(37.9)
Other trust earnings and expenses, net	(.1)	(.5)
Net leveraged ESOP cost	63.3	54.9
Additional ESOP cost	27.5	33.1
Total ESOP cost	<u>\$ 90.8</u>	<u>\$ 88.0</u>
Dividends received for debt service	<u>\$ 42.2</u>	<u>\$ 52.8</u>
Total company contributions to trusts	<u>\$ 92.2</u>	<u>\$ 75.7</u>

Due to the issuance of the ESOP Senior Notes and the purchase of shares of common stock prior to January 1, 1990, the Company incurred net leveraged ESOP cost of \$6.3 million in 1989.

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

**CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report: June 9, 1992

BELL ATLANTIC CORPORATION
(Exact name of registrant as specified in its charter)

1-8606
(Commission File No.)

Delaware
(State of
Incorporation)

23-2259884
(I.R.S. Employer
Identification No.)

**1717 Arch Street,
Philadelphia, Pennsylvania**
(Address of principal executive offices)

19103
(Zip Code)

Registrant's telephone number, including area code: (215) 963-6000

BELL ATLANTIC CORPORATION AND SUBSIDIARIES

NOTES TO SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

LESSOR REVENUE RECOGNITION

Certain unregulated subsidiaries act as lessors in direct financing, leveraged, and operating lease transactions.

Direct financing lease receivables consist of the net minimum lease payments receivable under the leases plus the estimated residual value of the leased property less the unearned income. Unearned income represents the excess of the net minimum lease payments receivable plus the estimated residual value over the cost of the equipment leased. Unearned income is amortized to income over the term of the lease by methods that provide an approximately level rate of return on the net investment in the lease.

Leveraged lease receivables consist of the aggregate minimum rentals receivable under the leases, net of related nonrecourse debt, plus the estimated residual value of the leased property less unearned income. The unearned income represents the estimated pretax lease income and unamortized investment tax credits. Accumulated deferred income taxes arising from leveraged leases are deducted from leveraged lease receivables to determine the net investment in leveraged leases. Unearned income is recognized at a rate that will distribute income to years in which the net investment in the leveraged lease is positive.

Operating lease income is recognized in equal monthly amounts over the term of the lease.

EMPLOYEE BENEFITS

Pension Plans

Substantially all employees of the Company are covered under noncontributory retirement plans. Amounts contributed to the Company's pension plans are actuarially determined, principally under the aggregate cost method, and are subject to applicable federal income tax regulations.

Postretirement Benefits Other Than Pensions

Substantially all employees of the Company are covered under postretirement health and life insurance benefit plans.

Effective January 1, 1991, the Company adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (Statement No. 106). Statement No. 106 requires accrual accounting for all postretirement benefits other than pensions. Under the prescribed accrual method, the Company's obligation for these postretirement benefits is to be fully accrued by the date employees attain full eligibility for such benefits. Prior to the adoption of Statement No. 106, the cost of health benefits for management retirees was recognized by charging claims to expense as they were incurred. The cost of health benefits for current and future associate retirees was recognized as determined under the aggregate cost actuarial method. The cost of postretirement life insurance benefits was also recognized as determined under the aggregate cost actuarial method.

The Company makes contributions to a retiree health care trust for associate employees. Contributions to the trust are determined principally under the aggregate cost actuarial method and are limited to amounts permitted under Internal Revenue Service rules for determining tax-deductible contributions.

The Company annually funds an amount for life insurance benefits that is determined using the aggregate cost actuarial method.

Savings Plans and Employee Stock Ownership Plans

The Company maintains savings plans which cover substantially all of its employees. A substantial portion of the Company's matching contribution is provided through employee stock ownership plans (ESOPs). The Company recognizes expense based on accounting rules applicable to companies with ESOP trusts that held securities prior to December 15, 1989. Under this method, the Company recognizes 80 percent of the cumulative expense that would have been recognized under the shares allocated method.

BELL ATLANTIC CORPORATION AND SUBSIDIARIES

NOTES TO SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

During 1991, the Company offered a retirement incentive program to eligible management employees electing early retirement from the Network Services companies and certain other subsidiaries. The increase in pension cost from 1990 to 1991 is primarily due to the special termination benefits attributable to employees retiring in 1991 under this program. The remaining increase in 1991 and the increase in pension cost from 1989 to 1990 are the net result of changes in plan provisions, actuarial assumptions, and demographic and investment experience.

The following table sets forth the plans' funded status and amounts recognized in the Company's Supplemental Consolidated Balance Sheets as of December 31:

	<u>1991</u>	<u>1990</u>
	<u>(Dollars in Millions)</u>	
Actuarial present value of benefit obligations:		
Benefits based on service to date and present salary levels		
Vested	\$ 7,192.6	\$ 6,324.5
Nonvested	<u>1,740.5</u>	<u>1,732.2</u>
Accumulated benefit obligation	8,933.1	8,056.7
Additional benefits related to estimated future salary levels	<u>1,238.9</u>	<u>1,252.4</u>
Projected benefit obligation	<u>10,172.0</u>	<u>9,309.1</u>
Fair value of plan assets	<u>11,769.6</u>	<u>10,521.7</u>
Plan assets in excess of projected benefit obligation	(1,597.6)	(1,212.6)
Unrecognized net gain	1,925.6	1,278.8
Unamortized prior service cost	(201.7)	(120.2)
Unamortized net transition asset	250.6	270.0
Additional minimum liability for nonqualified plans	43.2	—
Accrued pension obligation	<u>\$ 420.1</u>	<u>\$ 216.0</u>

The assumed discount rate used to measure the projected benefit obligation was 7.75% at December 31, 1991 and 8.0% at December 31, 1990. The assumed rate of future increases in compensation levels was 5.25% at December 31, 1991 and 1990. The expected long-term rate of return on plan assets was 7.5% for 1991, 1990, and 1989. The vested benefit obligation represents the actuarial present value of vested benefits to which employees are currently entitled based on the employees' expected dates of separation or retirement.

The Company has in the past entered into labor negotiations with the unions representing certain employees and expects to do so in the future. Pension benefits have been included in these negotiations and improvements in benefits have been made from time to time. Additionally, the Company has amended the benefit formula under pension plans maintained for its management employees. Expectations with respect to future amendments to the Company's pension plans have been reflected in determining the Company's pension cost under Statement of Financial Accounting Standards No. 87, "Employers' Accounting for Pensions" (Statement No. 87). Since the projected benefit obligation, as calculated under Statement No. 87, relies on assumptions concerning future events, a comparison of the projected benefit obligation to the fair value of plan assets at December 31, 1991 and 1990 may not be meaningful.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

Effective January 1, 1991, the Company has adopted Statement of Financial Accounting Standards No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" (Statement No. 106). Statement No. 106 requires accrual accounting for all postretirement benefits other than pensions. Under the prescribed accrual method, the Company's obligation for these postretirement benefits is to be fully accrued by the date employees attain full eligibility for such benefits. Prior to the adoption of Statement No. 106, the cost of health benefits for management retirees was recognized by charging claims to expense as they were incurred. The cost of health benefits for current and future associate retirees was recognized as determined under the aggregate cost actuarial method. The cost of postretirement life insurance benefits was also recognized as determined under the aggregate cost actuarial method.

BELL ATLANTIC CORPORATION AND SUBSIDIARIES

NOTES TO SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

In conjunction with the adoption of Statement No. 106, for financial reporting purposes, the Company elected to immediately recognize the accumulated postretirement benefit obligation for current and future retirees, net of the fair value of plan assets and recognized accrued postretirement benefit cost (transition obligation), in the amount of \$1,554.3 million, net of a deferred income tax benefit of \$945.6 million. On December 26, 1991, the Federal Communications Commission (FCC) released an order permitting adoption of Statement No. 106 on or before January 1, 1993. The FCC order permits amortization of the transition obligation over the average remaining service period of active employees for interstate regulatory accounting purposes. Pursuant to Statement of Financial Accounting Standards No. 71, "Accounting for the Effects of Certain Types of Regulation" (Statement No. 71), a regulatory asset associated with the recognition of the transition obligation was not recorded because of uncertainties as to the timing and extent of recovery given the Company's assessment of its long-term competitive environment.

Substantially all of the Company's management and associate employees are covered under postretirement health and life insurance benefit plans. The determination of postretirement benefit cost for postretirement health benefit plans is based on comprehensive hospital, medical, surgical, and dental benefit provisions. The postretirement life insurance benefit formula used in the determination of postretirement benefit cost is primarily based on annual basic pay at retirement.

The Company funds for postretirement health benefits for associate employees and postretirement life insurance benefits for management and associate employees. The Company's objective in funding these plans is to accumulate funds at a relatively stable rate over participants' working lives so that benefits are fully funded at retirement. Plan assets consist principally of investments in domestic and nondomestic corporate equity securities, and U.S. Government and corporate debt securities.

Postretirement benefit cost is composed of the following for the year ended December 31, 1991:

	<u>Health</u>	<u>Life Insurance</u>	<u>Total</u>
	<u>(Dollars in Millions)</u>		
Benefits earned during the year	\$ 50.5	\$ 7.2	\$ 57.7
Interest on accumulated postretirement benefit obligation	221.5	30.5	252.0
Actual return on plan assets	(64.6)	(99.8)	(164.4)
Net amortization and deferral	45.5	68.1	113.6
Postretirement benefit cost	<u>\$252.9</u>	<u>\$ 6.0</u>	<u>\$ 258.9</u>

The following table sets forth the plans' funded status and the amount recognized in the Company's Supplemental Consolidated Balance Sheet as of December 31, 1991:

	<u>Health</u>	<u>Life Insurance</u>	<u>Total</u>
	<u>(Dollars in Millions)</u>		
Accumulated postretirement benefit obligation attributable to:			
Retirees	\$1,814.2	\$208.5	\$2,022.7
Fully eligible plan participants	297.3	53.6	350.9
Other active plan participants	983.8	169.7	1,153.5
Total accumulated postretirement benefit obligation	<u>3,095.3</u>	<u>431.8</u>	<u>3,527.1</u>
Fair value of plan assets	<u>330.6</u>	<u>514.6</u>	<u>845.2</u>
Accumulated postretirement benefit obligation in excess of (less than) plan assets	2,764.7	(82.8)	2,681.9
Unrecognized net gain (loss)	(153.9)	40.6	(113.3)
Unamortized prior service cost	(3.6)	—	(3.6)
Accrued (prepaid) postretirement benefit obligation	<u>\$2,607.2</u>	<u>\$(42.2)</u>	<u>\$2,565.0</u>

The assumed discount rate used to measure the accumulated postretirement benefit obligation was 7.75% at December 31, 1991 and 8.0% at January 1, 1991. The assumed rate of future increases in compensation

BELL ATLANTIC CORPORATION AND SUBSIDIARIES

NOTES TO SUPPLEMENTAL CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

levels was 5.25% at December 31, 1991. The expected long-term rate of return on plan assets was 7.5% for 1991. The medical cost trend rate in 1991 was approximately 15.0%, grading down to an ultimate rate in 2003 of approximately 5.0%. The dental cost trend rate in 1991 and thereafter is approximately 4.0%. A one percentage point increase in the assumed health care cost trend rates for each future year would have increased the aggregate of the service and interest cost components of 1991 net periodic postretirement benefit cost by \$44.5 million and would have increased the accumulated postretirement benefit obligation as of December 31, 1991 by \$400.8 million.

Certain postretirement benefits other than pensions have been included in the labor negotiations described above, and such benefits have been modified from time to time. Additionally, the Company has amended the benefits under postretirement benefit plans maintained for its management employees. Expectations with respect to certain future amendments to the Company's postretirement benefit plans have been reflected in determining the Company's postretirement benefit cost under Statement No. 106.

During 1990 and 1989, the cost of postretirement health benefits was \$179.5 million and \$221.3 million, respectively. In addition, the Company recognized postretirement life insurance benefit cost of \$3.9 million in 1990 and \$9.7 million in 1989.

SAVINGS PLANS AND EMPLOYEE STOCK OWNERSHIP PLANS

The Company has established savings plans to provide opportunities for eligible employees to save for retirement on a tax-deferred basis and encourage employees to acquire and maintain an equity interest in the Company. Under these plans, the Company matches a certain percentage of eligible employee contributions. In 1989, two leveraged employee stock ownership plans (ESOPs) were established and revisions were made to the existing employee savings plans, effective January 1, 1990, to require that the Company's matching contribution be invested in shares of the Company's common stock. The ESOPs are intended to take advantage of tax incentives and provide the opportunity for the Company to improve cash flow by allocating appreciated common stock from the ESOP trusts to satisfy a substantial portion of its matching obligation, with the remaining obligation satisfied through additional Company contributions. The amount of common stock available for allocation from the ESOP trusts is based on the proportion of principal and interest paid on ESOP debt in a year to the remaining principal and interest due over the term of the debt.

The ESOP trusts were initially funded by the issuance of \$790.0 million in ESOP Senior Notes at an annual interest rate of 8.25%. The ESOP Senior Notes are payable in semiannual installments, which began on January 1, 1990 and end in the year 2000. The ESOP trusts will repay the notes, including interest, with funds from the Company's contributions to the ESOP trusts, as well as dividends received on unallocated shares of common stock, and interest earned on the cash balances of the ESOP trusts.

Total ESOP cost and trust activity consists of the following:

	Years Ended December 31,	
	1991	1990
	(Dollars in Millions)	
Compensation	\$ 39.7	\$ 28.9
Interest incurred	61.3	64.4
Dividends	(37.6)	(37.9)
Other trust earnings and expenses, net	(.1)	(.5)
Net leveraged ESOP cost	63.3	54.9
Additional ESOP cost	27.5	33.1
Total ESOP cost	<u>\$ 90.8</u>	<u>\$ 88.0</u>
Dividends received for debt service	<u>\$ 42.2</u>	<u>\$ 52.8</u>
Total company contributions to trusts	<u>\$ 92.2</u>	<u>\$ 75.7</u>

Due to the issuance of the ESOP Senior Notes and the purchase of shares of common stock prior to January 1, 1990, the Company incurred net leveraged ESOP cost of \$6.3 million in 1989.

**BELL ATLANTIC - NSG
CASH CONTRIBUTIONS
[MEDICAL, DENTAL, MEDICARE PART B, 401(h)]
1987-1994**

BELL ATLANTIC MEDICAL TRUST	MGMT. & ASSOC.			MANAGEMENT				
	1987	1988	1989	1990	1991	1992	1993	1994
PA		24,455,380	28,976,604	12,437,722	18,795,938	19,872,691	15,170,959	11,221,652
DE		1,294,735	1,600,025	525,211	963,709	1,154,818	919,859	696,385
NJ		18,964,867	22,086,961	8,839,119	15,757,594	21,370,796	15,993,722	11,703,999
NSI		523,544	821,896	1,162,930	1,903,366	48,681,543	39,272,407	31,270,514
DC		4,441,754	4,764,722	1,792,960	3,496,124	3,267,885	2,678,820	2,008,660
MD		11,117,594	12,446,799	4,782,099	8,644,913	9,654,780	7,631,255	5,624,499
VA		9,862,506	9,821,353	3,199,280	7,096,050	8,640,232	6,770,511	4,983,869
WVA		<u>3,374,637</u>	<u>3,598,734</u>	<u>1,219,601</u>	<u>2,980,458</u>	<u>2,809,081</u>	<u>2,210,876</u>	<u>1,625,208</u>
TOTAL	<u>See note 6.</u>	<u>74,035,017</u>	<u>84,117,094</u>	<u>33,958,922</u>	<u>59,638,152</u>	<u>115,451,826</u>	<u>90,648,409</u>	<u>69,134,786</u>

BELL ATLANTIC RETIREE HEALTH TRUST	ASSOCIATES							
	1987	1988	1989	1990	1991	1992	1993	1994
PA			39,532,550	39,504,815	36,753,221	48,689,777	49,908,944	41,993,761
DE			2,435,654	2,431,758	2,550,130	2,927,166	2,992,657	2,530,312
NJ			41,255,675	40,312,800	37,104,388	49,444,845	50,341,234	41,965,438
NSI			1,771,385	1,631,507	1,502,826	2,066,112	2,188,857	1,826,903
DC			7,422,908	7,408,233	7,277,120	9,762,227	9,934,050	8,237,891
MD			25,273,385	24,321,835	22,140,282	29,536,932	30,295,471	25,534,591
VA			23,111,803	22,172,174	20,197,849	26,427,485	27,156,045	22,899,258
WVA			7,581,381	<u>7,061,068</u>	<u>6,212,132</u>	<u>8,704,623</u>	<u>9,023,331</u>	<u>7,641,846</u>
TOTAL			<u>148,384,741</u>	<u>144,844,190</u>	<u>133,737,948</u>	<u>177,559,167</u>	<u>181,840,589</u>	<u>152,630,000</u>

- 1992 management contributions include a 401(h) contribution of \$30,667,000.
- 1991 - In addition to Medical and Retiree Health Trust costs, the company recognized \$108.6 million related to actuarially determined accrued amounts prior to adoption of SFAS - 106.
- 1990 - In addition to Medical and Retiree Health Trust costs, the company contributed \$3,991,302 towards the provisioning of retiree life insurance benefits. No cash costs for retiree life insurance have been incurred by the company since this contribution.
- 1988 - 1993 contributions include Medicare Part B payments that were paid from company assets.
- 1988-1989 BA Medical Trust contributions included amounts for management and associate claims. The Bell Atlantic Retiree Health Trust was established on November 30, 1989. Effective January 1, 1990, health benefit payments on behalf of retired management and associate employees were paid out of the Bell Atlantic Medical and Retiree Health Trusts, respectively.
- The total 12/31/87 contribution to the Bell Atlantic Medical Trust of \$47,837,516 was not segregated between active and retirees

BELL ATLANTIC

EXHIBIT 20-1-A

WORKPAPER 19	TOTAL SFAS COST
WORKPAPER 20	INCREMENTAL COST
WORKPAPER 21	INCREMENTAL EXPENSES AND CAPITAL INVESTMENT
WORKPAPER 22	INCREMENTAL SUBJECT TO SEPARATIONS EXPENSES
WORKPAPER 23	INCREMENTAL SUBJECT TO SEPARATIONS CAPITAL
WORKPAPER 24	INCREMENTAL INTERSTATE EXPENSES
WORKPAPER 25	INCREMENTAL INTERSTATE CAPITAL
WORKPAPER 26	INCREMENTAL INTERSTATE DEPRECIATION EXPENSE
WORKPAPER 27	INCREMENTAL DEFERRED TAXES - STATE
WORKPAPER 28	INCREMENTAL DEFERRED TAXES - FIT
WORKPAPER 29	INCREMENTAL UNFUNDED LIABILITY
WORKPAPER 30	INCREMENTAL INTERSTATE REVENUE REQUIREMENT CALCULATION
WORKPAPER 31	GNP-PI CALCUALTION
WORKPAPER 32	IMPACT OF B&C AND GNP-PI ON REVENUE REQUIREMENT
WORKPAPER 33	TOTAL EXOGENOUS COST DISTRIBUTION

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 TOTAL SFAS COST
(\$000)

	MAIN ACCOUNT	ACTUARIAL STUDY	DC	MD	VA	WV	DS	NJ	PA
SERVICE COST	Expense Matrix	55,500	3,125	9,035	8,075	2,797	1,038	15,867	15,562
INTEREST	6728	247,700	13,946	40,326	36,040	12,484	4,632	70,817	69,455
RETURN	6728	49,800	2,804	8,107	7,246	2,510	931	14,238	13,964
AMORT. OF TBO	6728	150,000	8,445	24,420	21,825	7,560	2,805	42,885	42,060
BA TOTAL (Line 1+2-3+4)	XXX	403,400	22,711	65,674	58,695	20,331	7,544	115,332	113,113

**POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL COST
(\$000)**

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1 Total SFAS 106 Costs (Company Accounting Records)	22,711	65,674	58,695	20,331	7,544	115,332	113,113	403,400
2 Pay-As-You-Go Amounts And Previously Recognized Amounts (Company Accounting Records) (Note 2)	17,003	49,166	43,941	15,221	5,647	86,342	84,681	302,001
3 Incremental Costs (Line 1 - Line 2)	5,708	16,508	14,754	5,110	1,897	28,990	28,432	101,399

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

NOTE 2: Includes pay-as-you-go amounts and actuarially determined accrued amounts.

**POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL EXPENSES AND CAPITAL INVESTMENT
(\$000)**

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Costs (WP 6-20, Line 3)	5,708	16,508	14,754	5,110	1,897	28,990	28,432	101,399
2. Expense Ratio (Company Accounting Records)	96.80%	96.80%	96.80%	96.80%	96.80%	96.80%	96.80%	96.80%
3. Incremental Expenses (Line 1 * Line 2)	5,525	15,980	14,282	4,946	1,836	28,062	27,522	98,153
4. Incremental Capital Investment (Line 1 - Line 3)	183	528	472	164	61	928	910	3,246

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL SUBJECT TO SEPARATIONS EXPENSES
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1. Incremental Expenses Total Company (WP 6-21, Line 3)	5,525	15,980	14,282	4,946	1,836	28,062	27,522	98,153
2. Total Operating Expenses Total Company (FCC Report 43-01 3rd Qtr 1991 Row 1190)	304,241	943,504	920,270	291,151	118,761	1,665,655	1,624,083	5,867,665
3. Depreciation/Amortization Total Company (FCC Report 43-01 3rd Qtr 1991 Row 1180)	76,029	237,223	252,257	85,794	31,505	425,430	408,458	1,516,696
4. Total Expense Less Depreciation Total Company (Line 2 - Line 3)	228,212	706,281	668,013	205,357	87,256	1,240,225	1,215,625	4,350,969
5. Total Operating Expenses Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1190)	258,898	835,070	821,298	271,505	106,344	1,496,918	1,460,440	5,250,473
6. Depreciation/Amortization Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1180)	73,582	234,465	250,888	85,521	31,390	421,092	403,470	1,500,408
7. Total Expense Less Depreciation Subject to Separations (Line 5 - Line 6)	185,316	600,605	570,410	185,984	74,954	1,075,826	1,056,970	3,750,065
8. % Subject to Separations (Line 7 / Line 4)	81.20%	85.04%	85.39%	90.57%	85.90%	86.74%	86.95%	86.19%
9. Incremental Expenses Subject to Separations (Line 1 * Line 8)	4,486	13,589	12,195	4,480	1,577	24,341	23,930	84,598

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL SUBJECT TO SEPARATIONS CAPITAL
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Capital Total Company (WP 6-21, Line 4)	183	528	472	164	61	928	910	3,246
2. Total Plant In Service Total Company (FCC Report 43-01 3rd Qtr 1991 Row 1690)	1,394,767	4,919,216	4,849,293	1,481,543	653,442	8,122,764	8,529,708	29,950,733
3. Total Plant In Service Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1690)	1,339,982	4,777,784	4,753,539	1,465,285	637,692	7,977,875	8,342,005	29,294,162
4. % Subject to Separations (Line 3 / Line 2)	96.07%	97.12%	98.03%	98.90%	97.59%	98.22%	97.80%	97.81%
5. Incremental Capital Subject to Separations (Line 1 * Line 4)	176	513	463	162	60	911	890	3,175

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

**POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL INTERSTATE EXPENSES
(\$000)**

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Expenses Subject to Separations (WP 6-22, Line 9)	4,486	13,589	12,195	4,480	1,577	24,341	23,930	84,598
2. Total Operating Expenses Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1190)	258,898	835,070	821,298	271,505	106,344	1,496,918	1,460,440	5,250,473
3. Depreciation/Amortization Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1180)	73,582	234,465	250,888	85,521	31,390	421,092	403,470	1,500,408
4. Total Expense Less Depreciation Subject to Separations (Line 2 - Line 3)	185,316	600,605	570,410	185,984	74,954	1,075,826	1,056,970	3,750,065
5. Total Operating Expenses Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1190)	78,277	189,618	203,408	70,391	33,932	404,063	333,262	1,312,949
6. Depreciation/Amortization Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1180)	23,666	55,752	67,030	23,369	9,903	124,364	98,486	402,570
7. Total Expense Less Depreciation Interstate (Line 5 - Line 6)	54,611	133,866	136,378	47,022	24,029	279,699	234,776	910,379
8. % Interstate (Line 7 / Line 4)	29.47%	22.29%	23.91%	25.28%	32.06%	26.00%	22.21%	24.28%
9. Incremental Expenses Interstate (Line 1 * Line 8)	1,322	3,029	2,916	1,133	506	6,329	5,315	20,550

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL INTERSTATE CAPITAL
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Capital Subject to Separations (WP 6-23, Line 5)	178	513	463	162	60	911	890	3,175
2. Total Plant In Service (TPIS) Subject to Separations (FCC Report 43-01 3rd Qtr 1991 Row 1690)	1,339,982	4,777,784	4,753,539	1,465,285	637,692	7,977,875	8,342,005	29,294,162
3. Total Plant In Service Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1690)	430,582	1,133,735	1,246,928	395,628	199,135	2,314,870	2,031,611	7,752,489
4. % Interstate (Line 3 / Line 2)	32.13%	23.73%	26.23%	27.00%	31.23%	29.02%	24.35%	26.46%
5. Incremental Capital Interstate (Line 1 * Line 4)	57	122	121	44	19	264	217	844
6. Average TPIS (Line 5 / 2)	29	61	61	22	10	132	109	422

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL INTERSTATE DEPRECIATION EXPENSE
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Capital Interstate (WP 6-25, Line 5)	57	122	121	44	19	264	217	844
2. Total Plant In Service Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1690)	430,582	1,133,735	1,246,928	395,628	199,135	2,314,870	2,031,611	7,752,489
3. Depreciation/Amortization Interstate As of 3rd Qtr 1991 (FCC Report 43-01 3rd Qtr 1991 Row 1180)	23,666	55,752	67,030	23,369	9,903	124,364	98,486	402,570
4. Annual Depreciation Rate ((Line 3 * 4/3) / Line 2)	7.33%	6.56%	7.17%	7.88%	6.63%	7.16%	6.46%	6.92%
5. Incremental Depreciation Expense (Line 4 * Line 1)	4	8	9	3	1	19	14	58

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

**POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL DEFERRED TAXES - STATE
(\$000)**

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental OPEB Interstate Expenses (WP 6-24, Line 9)	1,322	3,029	2,916	1,133	506	6,329	5,315	20,550
2. Incremental OPEB Interstate Depreciation Expense (WP 6-26, Line 5)	4	8	9	3	1	19	14	58
3. Total Interstate Expenses not Recognized for Tax Purposes (Line 1 + Line 2)	1,326	3,037	2,925	1,136	507	6,348	5,329	20,608
4. Applicable State Tax Rates	10.290%	2.400%	6.000%	9.225%	8.700%	0.000%	12.250%	5.760%
5. State Deferred Taxes (Line 3 * Line 4)	136	73	176	105	44	0	653	1,187
6. Averaged Deferred Tax Balance (Line 5 / 2)	68	37	88	53	22	0	327	595

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
 1991 INCREMENTAL DEFERRED TAXES - FIT
 (\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental OPEB Interstate Expenses (WP 6-24, Line 9)	1,322	3,029	2,916	1,133	508	6,329	5,315	20,550
2. Incremental OPEB Interstate Depreciation Expense (WP 6-26, Line 5)	4	8	9	3	1	19	14	58
3. State Income Taxes not Recognized for Tax Purposes (WP 6-27, Line 5)	136	73	176	105	44	0	653	1,187
4. Total Interstate Expenses not Recognized for FIT Purposes (Line 1 + Line 2 - Line 3)	1,190	2,964	2,749	1,031	463	6,348	4,676	19,421
5. Applicable FIT Rate	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%	34.00%
6. FIT Deferred Taxes (Line 4 * Line 5)	405	1,008	935	351	157	2,158	1,590	6,604
7. Averaged Deferred Tax Balance (Line 6 / 2)	203	504	468	176	79	1,079	795	3,304

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

POSTRETIREMENT BENEFITS OTHER THAN PENSIONS (OPEB)
1991 INCREMENTAL UNFUNDED LIABILITY
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Incremental Unfunded Liability (WP 6-20, Line 3)	5,708	16,508	14,754	5,110	1,897	28,990	28,432	101,399
2. Total Operating Expenses Total Company (FCC Report 43-01 3rd Qtr 1991 Row 1190)	304,241	943,504	920,270	291,151	118,761	1,665,655	1,624,083	5,867,665
3. Depreciation/Amortization Total Company (FCC Report 43-01 3rd Qtr 1991 Row 1180)	76,029	237,223	252,257	85,794	31,505	425,430	408,458	1,516,696
4. Total Expense Less Depreciation Total Company (Line 2 - Line 3)	228,212	706,281	668,013	205,357	87,256	1,240,225	1,215,625	4,350,969
5. Total Operating Expenses Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1190)	78,277	189,618	203,406	70,391	33,932	404,063	333,262	1,312,949
6. Depreciation/Amortization Interstate (FCC Report 43-01 3rd Qtr 1991 Row 1180)	23,666	55,752	67,030	23,369	9,903	124,364	98,486	402,570
7. Total Expense Less Depreciation Interstate (Line 5 - Line 6)	54,611	133,866	136,376	47,022	24,029	279,699	234,776	910,379
8. % Interstate (Line 7 / Line 4)	23.93%	18.95%	20.42%	22.90%	27.54%	22.55%	19.31%	20.92%
9. Incremental Unfunded Liability Allocated to Interstate (Line 1 * Line 8)	1,366	3,128	3,013	1,170	522	6,537	5,490	21,226

NOTE 1: Bell Atlantic is the sum of the jurisdictions.

INCREMENTAL INTERSTATE REVENUE REQUIREMENT CALCULATION
FOR OTHER POST RETIREMENT EMPLOYMENT BENEFITS (OPEB)
FOR 1991
(\$000)

	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
	-----	-----	-----	-----	-----	-----	-----	-----
1. Expenses Less Depreciation (WP 6-24, Ln 9)	1,322	3,029	2,918	1,133	508	6,329	5,315	20,550
2. Depreciation Expenses (WP 6-26, Ln 5)	4	8	9	3	1	19	14	50
3. State Income Taxes (Line 4 * Tax Rate/(1 - Tax Rate))	(5)	(3)	(6)	(4)	(2)	0	(24)	(44)
4. Net Return (Line 12 * 11.25%)	(43)	(109)	(101)	(38)	(17)	(233)	(171)	(712)
5. F. I. T. (Line 4 * 34%/(1-34%))	(22)	(56)	(52)	(20)	(9)	(120)	(88)	(367)
6. Revenue Requirement (Sum of Lines 1 through 5)	1,256	2,869	2,768	1,071	479	5,995	5,026	19,855
7. Total Plant In Service (WP 6-25, Ln 6)	29	61	61	22	10	132	109	424
8. Accumulated Depreciation (Ln 2 / 2)	2	4	5	2	1	10	7	31
9. Accumulated Deferred State Taxes (WP 6-27, Ln 6)	68	37	88	53	22	0	327	595
10. Accumulated Deferred FIT (WP 6-28, Ln 7)	203	504	468	176	79	1,079	795	3,304
11. Unfunded Liability (WP 6-29, Ln 9 / 2)	683	1,564	1,507	585	261	3,269	2,745	10,614
12. Net Rate Base (Lines 7 - 8 + 9 + 10 - 11)	(385)	(966)	(895)	(336)	(151)	(2,068)	(1,521)	(6,322)

NOTE 1: Bell Atlantic is the sum of the jurisdictions.