Miscellaneous Supporting Information

Paragraph 28

Each carrier shall provide information on its average total compensation per employee and the amount of this total compensation represented by postemployment benefits.

We ask parties and commenters to provide similar data for the economy as a whole for comparison.

RESPONSE

See Exhibits 28-A and 28-B.

Paragraph 29

Because the accruals for Postemployment benefits generally represent non-cash expenses that may never be paid, we direct parties to describe the provisions they have made, if any, to return to ratepayers the over-accrual, if any, of the non-cash expenses if exogenous treatment is given for these amounts.

Parties should describe any plans they have to return such monies to customers through voluntary PCI reductions or other means.

Parties shall also describe how they recognize these gains from such over-accruals on their books of account.

RESPONSE

The company's 1993 accrual for Postemployment benefits was calculated in accordance with the requirements of SFAS-112. As noted in the company's response to the Commission's questions in Paragraph 26, only 1993 SFAS-112 data is relevant to the determination of the specific amount of Bell Atlantic's Postemployment benefit-related costs that are eligible for exogenous treatment.

Future adjustments to the price cap formula's productivity factor could reflect industry-wide productivity growth, which implicitly reflects, among other things, the cumulative impact of various endogenous changes, including the possible future avoidance of payments for Postemployment benefit-related expenses previously accrued.

All aggregate actuarial gains or losses from over/under accruals are fully recognized and posted to the appropriate liability accounts in the following year, once the amount of the gain or loss is determined.

Paragraph 30

The accrual calculations used by the companies to develop their claims for exogenous treatment for SFAS-112 amounts are, in part, based on the postemployment benefits provided pursuant to contracts between the companies and their employees. Many of these contracts are currently being renegotiated. Postemployment benefits reportedly have been a significant issue in these negotiations. Since any change in postemployment benefits affects future accrued amounts, it is therefore, necessary to compare new postemployment benefits contracts to prior calculated accruals to determine whether the prior calculations were reasonable.

In particular, we are interested in determining whether the underlying actuarial assumptions have changed. During the course of this investigation, the parties shall document any and all changes made in postemployment benefits offerings to employees and shall also submit any such new contracts with employees and their representative unions affecting postemployment benefits.

RESPONSE

The company will provide copies of new contracts with its unions as soon as they are finalized and printed. However, as noted in the Company's response to paragraph 26, the United States Court of Appeals for the District of Columbia Circuit has directed the Commission to grant exogenous treatment for GAAP changes, once mandated by the Commission. The company's exogenous cost filing for SFAS-112 expenses was based on certain company postemployment benefit expenses as existed in 1993, when the company adopted SFAS-112. The exogenous event **was** the adoption of SFAS-112 effective January 1, 1993. The exogenous event is **not** determined by the amount of on-going postemployment benefit expenses. Changes in SFAS 112 expenses that occur in years subsequent to adoption are endogenous to the company's operations, and are not eligible for exogenous treatment, regardless of whether the post-1993 SFAS 112 expenses increase or decrease.

There were no changes made in postemployment benefits offerings to employees in 1994. See Exhibit 30-A for changes in management postemployment benefits effective 1/1/95. Also, please note that the recently negotiated contracts with the International Brotherhood of Electrical Workers (IBEW) in New Jersey and Pennsylvania are not final because they allow the IBEW to unilaterally adopt the provisions of the contracts that are still under negotiation with the Communications Workers of America (CWA). As such, Bell Atlantic has not negotiated any (final) contracts with its unions since the company adopted SFAS 112 (effective January 1, 1993). In addition, effective January 1, 1996, Bell Atlantic converted its management pension plan to a defined benefit cash balance plan, under which it will continue to provide a pension benefit to an employee that leaves the company due to long term disability. The employee will receive a benefit equal to the value in his/her cash balance account, at the time that they leave the company. There will be no restrictions on years of service, as there was under the terms of the original disability pension benefit.

EXHIBITS

BELL ATLANTIC POSTEMPLOYMENT BENEFIT
PAY-AS-YOU GO AMOUNTS REFLECTED IN RATES
ON INITIAL DATE OF PRICE CAP REGULATION
(Dollars)

	1990 Cash Expense (A)	1991 Cash Expense (B)	Split Year Cash Expense (C)=(A+B)/2	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	1,025,105	1,423,518	1,224,312	N/A	N/A	22.22%	271,993
MD	1,576,867	2,235,798	1,906,333	N/A	N/A	22.22%	423,511
VA	1,537,748	2,388,143	1,962,946	N/A	N/A	22.22%	436,088
WV	622,043	808,982	715,513	N/A	N/A	22.22%	158,958
NJ	5,974,714	5,553,080	5,763,897	N/A	N/A	22.22%	1,280,509
PA	4,776,021	5,765,789	5,270,905	N/A	N/A	22.22%	1,170,986
DE	242,872	157,619	200,246	N/A	N/A	22.22%	44,487
NSI	437,687	625,922	531,805	N/A	N/A	22.22%	118,146
Total	16,193,057	18,958,851	17,575,954	1,194,183	265,300	22.22%	3,904,678

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.

Exhibit 18-3-A

PART 69 IMPACT OF BELL ATLANTIC
CASH AMOUNTS PRIOR TO ADOPTION OF SFAS 112
(Dollars)

	Note 1 Interstate Split Year Cash Expense (A)	Total Common Line Cash Expense (B)=(A)*P69 RATIO	Total Switched Cash Expense (C)=(A)*P69 RATIO	Total Special Cash Expense (D)=(A)*P69 RATIO	Total IX Cash Expense (E)=(A)*P69 RATIO
DC	271,993	122,880	102,240	41,374	5,499
MD	423,511	191,332	159,194	64,422	8,563
VA	436,088	197,014	163,922	66,335	8,817
WV	158,958	71,814	59,751	24,180	3,214
NJ	1,280,509	578,502	481,332	194,784	25,890
PA	1,170,986	529,022	440,163	178,124	23,676
DE	44,487	20,098	16,722	6,767	899
NSI	118,146	53,375	44,410	17,972	2,389
Total	3,904,678	1,764,037	1,467,735	593,959	78,947

Part 69 Corporate Operations ratios (Note 2):

	Total Interstate	Total Common Line	Total Switched	Total Special	Total IX
Bell Atlantic Corp Oper Exp	265,300	119,856	99,724	40,356	5,364
Part 69 ratios		45.18%	37.59%	15.21%	2.02%

Note 1: Column G of Exhibit 18-2-A.
Note 2: Bell Atlantic 1990 Annual Access Tariff Filing, filed 4/2/90, COS-7(P), row 7331, Cols (i) , (n), (o) and (r).

EFFECT OF THE PRICE CAP FORMULA ON BELL ATLANTIC
CASH AMOUNT UP TO THE DATE OF CONVERSION TO SFAS-112

LINE	DESCRIPTION	SOURCE	CL	SWITCHED	SPECIAL	IX	TOTAL
1.	CASH EXP. PRIOR TO EXOG. TREATMENT	Exhibit 18-3-A	1,764,037	1,467,735	593,959	78,947	3,904,678
2.	1/1/91 - PCI	BA Transmittal No. 394-Amended	0.9846	0.9831	0.9814	0.9956	
3.	7/1/91 - PCI	BA Transmittal No. 436-Second Amended	0.9344	0.9733	0.9853	1.0095	
4.	8/1/91 - PCI	BA Transmittal No. 447	0.9257	0.9642	0.9749	1.0062	
5.	3/19/92 - PCI	BA Transmittal No. 501	0.928447	0.966528	0.978047	1.007429	
6.	7/1/92 - PCI	BA Transmittal No. 513	0.865701	0.937730	0.957816	0.987284	
7.	DIFF 1/1/91 & 7/1/91	1-(L2-L3)	0.949800	0.990200	1.003900	1.013900	
8.	DIFF 7/1/91 & 8/1/91	1-(L3-L4)	0.991300	0.990900	0.989600	0.996700	
9.	DIFF 8/1/91 & 3/19/92	1-(L4-L5)	1.002747	1.002328	1.003147	1.001229	
10.	DIFF 3/19/92 & 7/1/92	1-(L5-L6)	0.937254	0.971202	0.979769	0.979855	
11.	CASH EXPENSE AS OF 1/1/91	L1*L2	1,736,871	1,442,930	582,911	78,600	3,841,313
12.	CASH EXPENSE AS OF 7/1/91	L11*L7	1,649,680	1,428,790	585,184	79,692	3,743,347
13.	CASH EXPENSE AS OF 8/1/91	L12*L8	1,635,328	1,415,788	579,098	79,429	3,709,644
14.	CASH EXPENSE AS OF 3/19/92	L13*L9	1,639,820	1,419,084	580,921	79,527	3,719,352
15.	CASH EXPENSE AS OF 7/1/92	L14*L10	1,536,928	1,378,217	569,168	77,925	3,562,238

Exhibit 18-4-A

Bell Atlantic - Network Service Group
Cash Costs
RELATED TO SFAS 112
1991-1994

	1991	1992	1993	1994
Bell Atlantic Total	18,958,851	20,364,785	21,276,942	14,376,833

Costs displayed in this exhibit reflect total Bell Atlantic postemployment benefit cash costs related to SFAS 112, including all Network Services Incorporated (NSI) cash costs. Bell Atlantic postemployment benefit cash costs displayed in Exhibits 20-1-A and 20-1-B include only those NSI cash costs that are allocated to Bell Atlantic's Operating Telephone Companies.

During 1990, the cost of postretirement health and life insurance benefits was $179.5 million and $3.9 million, respectively.

Postemployment Benefits

The Financial Accounting Standards Board has issued Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" (Statement No. 112), which the Company is required to adopt by 1994. Statement No. 112 requires accrual accounting for the estimated cost of benefits provided to former or inactive employees after employment but before retirement. The Company expects that the cumulative effect of adopting Statement No. 112 will result in an after-tax charge of between $50 million and $70 million, but the ongoing level of operating expense will not significantly change.

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,		
	1992	1991	1990
	(Dollars in Millions)		
Compensation	$ 42.2	$ 39.7	$ 28.9
Interest incurred	57.7	61.3	64.4
Dividends	(35.7)	(37.6)	(37.9)
Other trust earnings and expenses, net	.1	(.1)	(.5)
Net leveraged ESOP cost	64.3	63.3	54.9
Additional ESOP cost	26.0	27.5	33.1
Total ESOP cost	$ 90.3	$ 90.8	$ 88.0
Dividends received for debt service	$ 43.4	$ 42.2	$ 52.8
Total company contributions to trusts	$ 88.1	$ 92.2	$ 75.7

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

	1993			1992		
	Health	Life Insurance	Total	Health	Life Insurance	Total
	(Dollars in Millions)					
Accumulated postretirement benefit obligation attributable to:						
Retirees	$2,218.0	$ 295.0	$2,513.0	$1,893.7	$247.6	$2,141.3
Fully eligible plan participants	319.8	.3	320.1	450.1	79.2	529.3
Other active plan participants	1,362.1	174.0	1,536.1	1,074.4	139.5	1,213.9
Total accumulated postretirement benefit obligation	3,899.9	469.3	4,369.2	3,418.2	466.3	3,884.5
Fair value of plan assets	676.9	600.9	1,277.8	512.8	537.1	1,049.9
Accumulated postretirement benefit obligation in excess of (less than) plan assets	3,223.0	(131.6)	3,091.4	2,905.4	(70.8)	2,834.6
Unrecognized net gain (loss)	(528.8)	101.5	(427.3)	(233.8)	41.4	(192.4)
Unamortized prior service cost	(65.3)	(7.4)	(72.7)	(84.5)	(9.2)	(93.7)
Accrued (prepaid) postretirement benefit obligation	$2,628.9	$ (37.5)	$2,591.4	$2,587.1	$ (38.6)	$2,548.5

The assumed discount rate used to measure the accumulated postretirement benefit obligation was 7.25% at December 31, 1993 and 7.75% at December 31, 1992. The assumed rate of future increases in compensation levels was 5.25% at December 31, 1993 and 1992. The expected long-term rate of return on plan assets was 8.25% for 1993 and 1992 and 7.5% for 1991. The medical cost trend rate in 1993 was approximately 13.0%, grading down to an ultimate rate in 2003 of approximately 5.0%. The dental cost trend rate in 1993 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 1993 net periodic postretirement benefit cost by $48.0 million and would have increased the accumulated postretirement benefit obligation as of December 31, 1993 by $493.7 million.

Postretirement benefits other than pensions have been included in collective bargaining agreements and have been modified from time to time. The Company has periodically modified benefits under plans maintained for its management employees. Expectations with respect to future amendments to the Company's postretirement benefit plans have been reflected in determining the Company's postretirement benefit cost under Statement No. 106.

Postemployment Benefits

Effective January 1, 1993, the Company adopted Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" (Statement No. 112). Statement No. 112 requires accrual accounting for the estimated cost of benefits provided to former or inactive employees after employment but before retirement. This change principally affects the Company's accounting for disability and workers' compensation benefits, which previously were charged to expense as the benefits were paid.

The cumulative effect at January 1, 1993 of adopting Statement No. 112 reduced net income by $85.0 million, net of a deferred income tax benefit of $50.6 million. The adoption of Statement No. 112 did not have a significant effect on the Company's ongoing level of operating expense in 1993.

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 with shares of the Company's common stock. Two leveraged employee stock ownership plans (ESOPs) were established to purchase the Company's common stock and fund the Company's matching contribution. Common stock is allocated from the ESOP trusts 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.

Assumptions used in the actuarial computations for postretirement benefits are as follows at December 31:

	1994	1993	1992
Discount rate	8.25%	7.25%	7.75%
Rate of future increases in compensation levels	5.25	5.25	5.25
Medical cost trend rate:			
Year ending	12.00	13.00	14.50
Ultimate (year 2003)	5.00	5.00	5.00
Dental cost trend rate	4.00	4.00	4.00

The expected long-term rate of return on plan assets was 8.25% for 1994, 1993, and 1992. 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 1994 net periodic postretirement benefit cost by $51.4 million and would have increased the accumulated postretirement benefit obligation as of December 31, 1994 by $419.5 million.

Postretirement benefits other than pensions have been included in collective bargaining agreements and have been modified from time to time. The Company has periodically modified benefits under plans maintained for its management employees. Expectations with respect to future amendments to the Company's postretirement benefit plans have been reflected in determining the Company's postretirement benefit cost under Statement of Financial Accounting Standards No. 106, "Accounting for Postretirement Benefits Other Than Pensions."

Postemployment Benefits

Effective January 1, 1993, the Company adopted Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" (Statement No. 112). Statement No. 112 requires accrual accounting for the estimated cost of benefits provided to former or inactive employees after employment but before retirement. The cumulative effect at January 1, 1993 of adopting Statement No. 112 reduced net income by $85.0 million, net of a deferred income tax benefit of $50.6 million. The adoption of Statement No. 112 did not have a significant effect on the Company's ongoing level of operating expense.

In the third quarter of 1994, the Company recorded a pretax charge of $161.9 million, in accordance with Statement No. 112, to recognize benefit costs for the separation of employees who are entitled to benefits under preexisting separation pay plans. The charge, which was actuarially determined, represents benefits earned through July 1, 1994 for employees who are expected to receive separation payments in the future. The Company separated approximately 400 management and associate employees in 1994 and expects to separate an additional 5,200 employees through 1997, pursuant to initiatives announced in August 1994. The separation benefit costs associated with this workforce reduction are included in the charge.

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 with shares of the Company's common stock. Two leveraged employee stock ownership plans (ESOPs) were established to purchase the Company's common stock and fund the Company's matching contribution. Common stock is allocated from the ESOP trusts 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. At December 31, 1994, the number of unallocated and allocated shares of common stock was 9,999,125 and 7,021,123, respectively. All ESOP shares are included in earnings per share computations.

The ESOP trusts were funded by the issuance of $790.0 million in ESOP Senior Notes. Effective January 1, 1993, the annual interest rate on the ESOP Senior Notes was reduced from 8.25% to 8.17%. The ESOP Senior Notes are payable in semiannual installments, which began on January 1, 1990 and end in the year 2000. The ESOP trusts 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.

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40

EXOGENOUS COST SUMMARY
FOR EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
($000)

		SOURCE	AMOUNT
1.	COMMON LINE	WP 6-40-8, Line 5 Col B x 12 / 7.1	23,037
2.	TRAFFIC SENSITIVE	WP 6-40-8, Line 5 Col C x 12 / 7.1	9,691
3.	TRUNKING	WP 6-40-8, Line 5 Col D x 12 / 7.1	16,948
4.	INTEREXCHANGE	WP 6-40-8, Line 5 Col E x 12 / 7.1	1,063
5.	TOTAL INTERSTATE	SUM OF 1 THRU 4	50,739

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-1
(REVISED)

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 TOTAL COMPANY INCREMENTAL COSTS
($000)

		SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	1993 SFAS 112 Transition Obligation Costs	Accounting Records	7,025	22,093	14,738	12,308	1,469	45,464	27,735	130,832
2.	1993 Cash Costs (Note 2)	Accounting Records	1,322	2,477	1,801	994	185	8,386	6,063	21,228
3.	1993 SFAS 112 On-Going Accrual (Change in Liability)	Accounting Records	(407)	876	1,601	(589)	69	686	(81)	2,156
4.	1993 Total Postemplyment Benefit Costs	Ln1 + Ln2 + Ln3	7,940	25,446	18,140	12,713	1,723	54,536	33,717	154,216
5.	Total Incremental SFAS 112 Costs	Ln4 - Ln2	6,618	22,969	16,339	11,719	1,538	46,150	27,654	132,988
6.	SFAS 112 Costs as Filed	Ln 5 - Ln 3	7,025	22,093	14,738	12,308	1,469	45,464	27,735	130,832

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

NOTE 2: In Transmittal No. 704, Bell Atlantic stated the Transition Obligation as $128.7M, added on-going accrual expenses and deducted cash expenses to derive an incremental value of $130.8M. In preparing the Direct Case, Bell Atlantic checked calculations against actual books and records and discovered inadvertent errors, corrected here. The cash cost as originally filed were understated by $19.4M. Moreover, the $130.8 identified in transmittal No. 704 as incremental SFAS 112 cost is actually the amount of the transition obligation. Therefore, Bell Atlantic understated the total company impact by $2.1M. Based on the corrected figures, Bell Atlantic's filing underrecovers the interstate portion of the cost by this amount. Because Bell Atlantic is not seeking exogenous treatment for that amount, this underrecovery provides further protection against double counting or other overstatement of SFAS 112 costs. Revised workpapers showing what the allocation of the corrected numbers would have been are attached (see Exhibit 20-1-B)

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-2

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL INTERSTATE EXPENSES
($000)

		SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	1993 Transition Obligation Costs	Workpaper 6-40-1, Line 6	7,025	22,093	14,738	12,308	1,469	45,464	27,735	130,832
2.	Total Corporate Operations Expenses Total Company	FCC Report 43-01, 1993, Column (b)	64,205	174,881	165,875	62,575	27,438	303,541	305,142	1,103,657
3.	Total Corporate Operations Expenses Subject to Separations	FCC Report 43-01, 1993, Column (f)	52,949	157,289	150,350	58,646	25,684	281,922	284,396	1,011,236
4.	% Subject to Separations	Line 3 / Line 2	0.8247	0.8994	0.9064	0.9372	0.9361	0.9288	0.9320	N/A
5.	Expenses Subject to Separations	Line 1 x Line 4	5,793	19,871	13,359	11,535	1,375	42,226	25,849	120,007
6.	Total Corporate Operations Expenses Assigned to Interstate	FCC Report 43-01, 1993, Column (h)	14,355	36,446	36,572	15,407	7,689	73,372	67,199	251,040
7.	Percent Interstate	Line 6 / Line 3	0.2711	0.2317	0.2432	0.2627	0.2994	0.2603	0.2363	N/A
8.	Expenses Assigned to Interstate	Line 5 x Line 7	1,571	4,604	3,250	3,030	412	10,989	6,108	29,964

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

BELL ATLANTIC

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL DEFERRED TAXES - STATE
($000)

		SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	Incremental Interstate Expenses Not Recognized for Tax Purposes	WP 6-40-2, Line 8	1,571	4,604	3,250	3,030	412	10,989	6,108	29,964
2.	Applicable State Tax Rates		10.120%	2.700%	6.000%	9.000%	8.700%	0.000%	12.250%	N/A
3.	State Deferred Taxes	Line 1 * Line 2	159	124	195	273	36	0	748	1,535
4.	Averaged Deferred Tax Balance	Line 3 / 2	80	62	98	137	18	0	374	769

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

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-4

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL DEFERRED TAXES - FIT
($000)

		SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	Incremental Interstate Expenses	WP 6-40-2, Line 8	1,571	4,604	3,250	3,030	412	10,989	6,108	29,964
2.	State Income Taxes not Recognized for Tax Purposes	WP 6-40-3, Line 4	80	62	98	137	18	0	374	769
3.	Total Interstate Expenses not Recognized for FIT purposes	Line 1 + Line 2	1,651	4,666	3,348	3,167	430	10,989	6,482	30,733
4.	Applicable FIT Rate		35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	N/A
5.	FIT Deferred Taxes	Line 3 * Line 4	578	1,633	1,172	1,108	151	3,846	2,269	10,757
6.	Averaged Deferred Tax Balance	Line 5 / 2	289	817	586	554	76	1,923	1,135	5,380

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

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL INTERSTATE REVENUE REQUIREMENT CALCULATION
($000)

		SOURCE	DC (A)	MD (B)	VA (C)	WV (D)	DS (E)	NJ (F)	PA (G)	NOTE 1 BA (H)
1.	Expenses	WP 6-40-2, Line 8	1,571	4,604	3,250	3,030	412	10,989	6,108	29,964
2.	State Income Taxes	((Line 3 * .35%)/(1-.35% *(Statetax/1-Statetax))	2	1	2	3	0	0	8	16
3.	Net Return	Line 8 * 11.25%	42	99	77	78	11	216	170	693
4.	F. I. T.	(Line 3 * 35%)/(1-35%)	23	53	41	42	6	116	92	373
5.	Revenue Requirement	Sum of Lines 1 through 4	1,638	4,757	3,370	3,153	429	11,321	6,378	31,046
6.	Accumulated Deferred State Taxes	WP 6-40-3, Line 4	80	62	98	137	18	0	374	769
7.	Accumulated Deferred FIT	WP 6-40-4, Line 6	289	817	586	554	76	1,923	1,135	5,380
8.	Net Rate Base	Lines 6 + 7	369	879	684	691	94	1,923	1,509	6,149

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

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-6

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS112)
EXOGENOUS AMOUNTS
(000)

		JURIS	SOURCE	TOTAL INTERSTATE (A)	COMMON LINE (B)	TRAFFIC SENSITIVE (C)	TRUNKING (D)	INTER-EXCHANGE (E)	BILLING & COLLECTION (F)
1.	Interstate Revenue Requirement	DC	Workpaper 6-40-5, Line 5, Col A	1,638	402	373	758	44	60
2.	Total Corp. Oper. Expenses	DC	FCC Report 43-01, 1993, Row 1160	14,355	3,528	3,270	6,645	382	530
3.	Percent Expenses to Interstate	DC	Note 1	100.00%	24.58%	22.78%	46.29%	2.66%	3.69%
4.	Interstate Revenue Requirement	MD	Workpaper 6-40-5, Line 5, Col B	4,757	2,284	1,029	1,310	14	119
5.	Total Corp. Oper. Expenses	MD	FCC Report 43-01, 1993, Row 1160	36,446	17,502	7,887	10,032	110	915
6.	Percent Expenses to Interstate	MD	Note 1	100.00%	48.02%	21.64%	27.53%	0.30%	2.51%
7.	Interstate Revenue Requirement	VA	Workpaper 6-40-5, Line 5, Col C	3,370	1,529	651	1,071	55	65
8.	Total Corp. Oper. Expenses	VA	FCC Report 43-01, 1993, Row 1160	36,572	16,588	7,063	11,620	592	709
9.	Percent Expenses to Interstate	VA	Note 1	100.00%	45.36%	19.31%	31.77%	1.62%	1.94%
10.	Interstate Revenue Requirement	WV	Workpaper 6-40-5, Line 5, Col D	3,153	1,516	572	954	56	55
11.	Total Corp. Oper. Expenses	WV	FCC Report 43-01, 1993, Row 1160	15,407	7,407	2,795	4,662	276	267
12.	Percent Expenses to Interstate	WV	Note 1	100.00%	48.08%	18.14%	30.26%	1.79%	1.73%
13.	Interstate Revenue Requirement	DE	Workpaper 6-40-5, Line 5, Col E	429	190	82	124	18	14
14.	Total Corp. Oper. Expenses	DE	FCC Report 43-01, 1993, Row 1160	7,689	3,404	1,477	2,223	327	258
15.	Percent Expenses to Interstate	DE	Note 1	100.00%	44.27%	19.21%	28.91%	4.25%	3.36%
16.	Interstate Revenue Requirement	NJ	Workpaper 6-40-5, Line 5, Col F	11,321	4,796	2,012	4,002	224	288
17.	Total Corp. Oper. Expenses	NJ	FCC Report 43-01, 1993, Row 1160	73,372	31,081	13,041	25,937	1,450	1,863
18.	Percent Expenses to Interstate	NJ	Note 1	100.00%	42.36%	17.77%	35.35%	1.98%	2.54%
19.	Interstate Revenue Requirement	PA	Workpaper 6-40-5, Line 5, Col G	6,378	3,026	1,062	1,890	224	176
20.	Total Corp. Oper. Expenses	PA	FCC Report 43-01, 1993, Row 1160	67,199	31,882	11,187	19,914	2,360	1,856
21.	Percent Expenses to Interstate	PA	Note 1	100.00%	47.44%	16.65%	29.63%	3.51%	2.76%
22.	Interstate Revenue Requirement	BA	Lines 1+4+7+10+13+16+19	31,046	13,743	5,781	10,109	635	777
23.	Total Corp. Oper. Expenses	BA	Lines 2+5+8+11+14+17+20	251,040	111,392	46,720	81,033	5,497	6,398
24.	Percent Expenses to Interstate	BA	Note 1	100.00%	44.37%	18.61%	32.28%	2.19%	2.55%

NOTE 1: The percentage of Total Corporate Operations Expenses to Interstate is calculated by the following formula:

Common Line = Common Line / Interstate
Traffic Sensitive = Traffic Sensitive / Interstate
Trunking = Trunking / Interstate
Interexchange = Interexchange / Interstate

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-7

GNP-PI IMPACT
EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS112)
($000)

		SOURCE	AMOUNT
1	TOTAL INTERSTATE REVENUES	ARMIS 43-04, 1993, Row 4050, Col D	2,870,094
2.	END USER REVENUES	ARMIS 43-04, 1993, Row 4010, Col D	825,129
3.	INTERSTATE REVENUES LESS ENDUSER REVENUE	LINE 1 - LINE 2	2,044,965
4.	GNP-PI IMPACT	BA Transmittal # 497, WP 6-42, Ln 4	0.0124 %
5.	GNP-PI AMOUNT	LINE 3 * LINE 4	254

BELL ATLANTIC

EXHIBIT 20-1-A
WORKPAPER 6-40-8

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS112)
DISTRIBUTION OF EXOGENOUS AMOUNTS WITH GNP-PI IMPACT
(000)

	SOURCE	TOTAL INTERSTATE (A)	COMMON LINE (B)	TRAFFIC SENSITIVE (C)	TRUNKING (D)	INTER-EXCHANGE (E)	BILLING & COLLECTION (F)
1. Interstate Revenue Requirement Annual Impact	Workpaper 6-40-6, Line 22	31,046	13,743	5,781	10,109	635	777
2. Total Corp. Oper. Expenses	Workpaper 6-40-6, Line 23	251,040	111,392	46,720	81,033	5,497	6,398
3. Percent Distribution	Note 1	100.00%	44.37%	18.61%	32.28%	2.19%	2.55%
4. GNP-PI Amounts	Workpaper 6-40-7, Line 5 x Line 3	254	113	47	82	6	6
5. Adjusted Interstate Revenue	Line 1 - Line 4	30,792	13,630	5,734	10,027	629	771

NOTE 1: The percentage of Total Corporate Operations Expenses to Interstate is calculated by the following formula:

Common Line = Common Line / Interstate
Traffic Sensitive = Traffic Sensitive / Interstate
Trunking = Trunking / Interstate
Interexchange = Interexchange / Interstate

EXOGENOUS COST SUMMARY
FOR EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS112)
($000)

		SOURCE	AMOUNT
1.	COMMON LINE	WP 6-40-8, Line 5 Col B x 12 / 7.1	23,427
2.	TRAFFIC SENSITIVE	WP 6-40-8, Line 5 Col C x 12 / 7.1	9,848
3.	TRUNKING	WP 6-40-8, Line 5 Col D x 12 / 7.1	17,183
4.	INTEREXCHANGE	WP 6-40-8, Line 5 Col E x 12 / 7.1	1,073
5.	TOTAL INTERSTATE	SUM OF 1 THRU 4	51,531
6.	TOTAL INTERSTATE IN RATES	Transmittal 704, WP 6-40, Line 5	50,739
7.	UNDERRECOVERED AMOUNT	Line 5 - Line 6	792

BELL ATLANTIC

EXHIBIT 20-1-B
WORKPAPER 6-40-2
(REVISED)

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL INTERSTATE EXPENSES
($000)

		NOTE 2 SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	1993 Transition Obligation Costs	Workpaper 6-40-1, Line 5 Exhibit 20-1-A	6,618	22,969	16,339	11,719	1,538	46,150	27,654	132,988
2.	Total Corporate Operations Expenses Total Company	FCC Report 43-01, 1993, Column (b)	64,205	174,881	165,875	62,575	27,438	303,541	305,142	1,103,657
3.	Total Corporate Operations Expenses Subject to Separations	FCC Report 43-01, 1993, Column (f)	52,949	157,289	150,350	58,646	25,684	281,922	284,396	1,011,236
4.	% Subject to Separations	Line 3 / Line 2	0.8247	0.8994	0.9064	0.9372	0.9361	0.9288	0.9320	N/A
5.	Expenses Subject to Separations	Line 1 x Line 4	5,458	20,659	14,810	10,984	1,440	42,863	25,774	121,987
6.	Total Corporate Operations Expenses Assigned to Interstate	FCC Report 43-01, 1993, Column (h)	14,355	36,446	36,572	15,407	7,689	73,372	67,199	251,040
7.	Percent Interstate	Line 6 / Line 3	0.2711	0.2317	0.2432	0.2627	0.2994	0.2603	0.2363	N/A
8.	Expenses Assigned to Interstate	Line 5 x Line 7	1,480	4,787	3,602	2,886	431	11,155	6,090	30,431

NOTE 1: Bell Atlantic is the sum of the jurisdictions.
NOTE 2: All sources refer to Exhibit 20-1-B unless otherwise noted.

BELL ATLANTIC

EXHIBIT 20-1-B
WORKPAPER 6-40-3
(REVISED)

EMPLOYERS' ACCOUNTING FOR POSTEMPLOYMENT BENEFITS (SFAS 112)
1993 INCREMENTAL DEFERRED TAXES - STATE
($000)

		SOURCE	DC	MD	VA	WV	DS	NJ	PA	NOTE 1 BA
1.	Incremental Interstate Expenses Not Recognized for Tax Purposes	WP 6-40-2, Line 8	1,480	4,787	3,602	2,886	431	11,155	6,090	30,431
2.	Applicable State Tax Rates		10.120%	2.700%	6.000%	9.000%	8.700%	0.000%	12.250%	N/A
3.	State Deferred Taxes	Line 1 * Line 2	150	129	216	260	37	0	746	1,538
4.	Averaged Deferred Tax Balance	Line 3 / 2	75	65	108	130	19	0	373	770

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