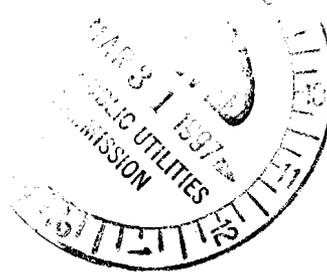


NYNEX

March 28, 1997

Mr. Thomas B. Getz
Executive Director & Secretary
New Hampshire Public Utilities Commission
8 Old Suncook Road
Concord, NH 03301-7319



Dear Mr. Getz,

Please find enclosed New England Telephone's 1996 Annual Report. These schedules reflect results for the year ending December 31, 1996. All amounts are on a MR combined basis and are accounted for as prescribed under the Uniform System of Accounts.

If you have any questions or require additional information, please call me on (617) 743-1186.

Sincerely,

A handwritten signature in black ink that reads "Kevin J. O'Quinn".

Kevin J. O'Quinn
Director-Regulatory & Finance

Attachment

cc: Eugene Sullivan (letter only)

REC'D
MAR 31 10 58 AM '97
PUBLIC UTILITIES



March 28, 1997

Mr. Thomas B. Getz
Executive Director & Secretary
New Hampshire Public Utilities Commission
8 Old Suncook Road
Concord, NH 03301-7319

Dear Mr. Getz,

Please find enclosed New England Telephone's 1996 Annual Report. These schedules reflect results for the year ending December 31, 1996. All amounts are on a MR combined basis and are accounted for as prescribed under the Uniform System of Accounts.

If you have any questions or require additional information, please call me on (617) 743-1186.

Sincerely,

Kevin J. O'Quinn
Director-Regulatory & Finance

Attachment

cc: Eugene Sullivan (letter only)

0310 10 1997

16 MAR 29 1997

0310 10 1997

**Annual Report of New England Telephone and Telegraph Company
Year Ended December 31, 1996**

CONTENTS OF REPORT

Pages prior to this report are exact reproductions of the same pages filed with the Federal Communications Commission excepting, that certain data required by Item 4, Schedule A-6 is incorporated by reference only, in the report to the Federal Communications Commission.

Certain schedules containing data for the State of New Hampshire, only, and information required by the New Hampshire Public Utilities Commission are filed in the following order:

Schedule A-5 Cities and towns in New Hampshire in which the New England Telephone and Telegraph Company conducts its telephone business

Schedule A-6	Payments to Individuals
Schedule I-1	Income Statement Accounts
Schedule B-1	Balance Sheet Accounts
Schedule B-12B	Analysis of Telecommunications Plant-in-Service Retired
Schedule B-12C	Analysis of Entries in Property Held for Future Telecommunications Use
Schedule B-12D	Capital Leases
Schedule B-13A	Analysis of Telecommunications Plant Acquired
Schedule B-5	Analysis of Entries in Accumulated Depreciation
Schedule B-14B	Bases of Charges for Depreciation
Schedule B-15	Analysis of Entries in Accumulated Amortization
Schedule B-30B	Net Deferred Operating Income Taxes
Schedule B-30C	Net Deferred Non-Operating Income Taxes
Schedule I -35A	Increase in Operating Expenses
Schedule I-36D	Extraordinary Items

TABLE OF CONTENTS (Page 2)

Schedule I-39	Special Expenses Attributed to Formal Regulatory Cases .
Schedule I-40	Advertising
Schedule I-41	General Services and Licenses
Schedule I-42	Membership Fees and Dues
Statement 1	
Statement 2	
Statement 3	
Employees Telephone Service	

CITIES AND TOWNS IN NEW HAMPSHIRE IN WHICH THE NEW ENGLAND TELEPHONE AND TELEGRAPH COMPANY CONDUCTS ITS TELEPHONE BUSINESS

New England Telephone and Telegraph Company

Year Ended December 31, 1996

Schedule A-5

(Code) (MMYY)
NETC 1296

Acworth	Dalton	Harts Location	Mount Vernon	Sargents Purchase
Albany	Danbury	Haverhill		Seabrook
Alexandria	Danville	Hebron	Nashua	Second College Grant
Allenstown	Deerfield	Hill	Nelson	Sharon
Alstead	Deering	Hinsdale	New Boston	Sheburne
Alton	Derry	Holderness	Newbury	Somersworth
Amherst	Dixville	Hollis	New Castle	South Hampton
Andover	Dorchester	Hooksett	New Durham	Springfield
Antrim	Dover	Hopkinton	Newfields	Stark
Ashland	Dublin	Hudson	Newington	Stewartstown
Atkinson	Dummer		New Hampton	Stratford
Auburn	Dunbarton	Jackson	New Ipswich	Stratham
	Durham	Jeffrey	New London	Stratford
		Jefferson	New Market	Stoddard
Barnstead			Newport	Sugar Hill
Barrington	East Kingston	Keene	Newton	Sullivan
Barlett	Easton	Kensington	Northfield	Sunapee
Bath	Eaton	Kingston	North Hampton	Sury
Beans's Purchase	Effingham		Northumberland	Sutton
Bedford	Ellsworth		Northwood	Swanzy
Belmont	Enfield	Laconia	Nottingham	
Bennington	Epping	Lancaster		Tamworth
Benton	Epsom	Landaff	Orange	Temple
Berlin	Errol	Langdon	Orford	Thompson and Meserve
Bethlehem	Exeter	Lebanon	Ossipee	Purchase
Boscawen		Lee		Thornoton
Bow	Farmington	Lempster		Tilton
*Bradford	Fitzwilliam	Lincoln	Pelham	Troy
Brentwood	Francesstown	Lisbon	Pembroke	Tuftonboro
Bridgewater	Franconia	Litchfield	Peterborough	
Bristol	Franklin	Littleton	Piermont	
Brookfield	Freedom	Livemore	Pinkhams Grant	Unity
Brookline	Freemont	Londonderry	Pittsburg	
		Loudon	Pittsfield	Wakefield
*Cambridge	Gilford	Lyman	Plainfield	Walpole
Campton	Gilmanton	Lyme	Plaislow	Warner
Canaan	Gilesum	Lyndeborough	Plymouth	Warren
Candia	Goffstown		Portsmouth	Washington
Canterbury	Gorham	Madbury		Waterville Valley
Carroll	Goshen	Madison	Randolph	Wears
Center Harbor	Grafton	Manchester	Raymond	Wentworth
Charlestown	Granthem	Marbleborough	Richmond	Wentworths Location
Chatham	Greenfield	Marlow	Rindge	Westmoreland
Chester	Greenland	Martins Location	Rochester	Whitefield
Chesterfield	Greens Grant	Mason	Rollinsford	Wilmot
Chichester	Greenville	Meredith	Roxbury	Wilton
Claremont	Groton	Merimack	Rumney	Winchester
Clarksville		Middleton	Rye	Windham
Colebrook	Hampstead	Milan		Wolfeboro
Columbia	Hampton	Milford	Salem	Woodstock
Concord	Hampton Falls	Milton	Salisbury	
Conway	Hancock	Millsfield	Sanbornston	
Conrsh	Hanover	Monroe	Sandown	
Croyden	Harrisville	Moultonborough	Sandwich	

* Cities and towns in which the respondent has toll circuits but in which it has no local service.

**Annual Report of New England Telephone (State of New Hampshire) year ended
December 31, 1996.**

A-6 Payments to individuals

See attached

NOTE: PEC R represents charges booked directly to New Hampshire.

PEC 1 represents charges booked to the Company some of which are allocated back to New Hampshire at a rate of approximately 11.515%.

Companies listed have received \$10,000 or more from New England Telephone Company (all five states).

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 1

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	A-COPY INC	19,631.00
	ABC RELOCATION SVCS	10,736.00
	ABSTRACT & TITLE SVC INC	111,202.93
	ACCREDITED ENVIRONMENTAL	27,502.82
	ADC TELECOMMUNICATIONS	928,345.31
	AGL SYSTEMS INC	11,650.00
	AIRGAS NORTHEAST	10,309.17
	ALCATEL NETWORK SYSTEMS I	1,559,907.90
	ALFRED F CONTARINO C/O	107,853.96
	ALL STATE ABATEMENT PROF	27,692.60
	ALLSAFE & LOCK INC	10,987.25
	ALTERNATIVE RESOURCES COR	276,244.63
	ALTURDYNE INC	12,797.39
	AMERICAN CONSTRUCTION INC	353,444.98
	AMERICAN ELECTRICAL TESTI	26,256.72
	AMERICAN INSUL WIRE CORP	41,169.29
	ANDERSON LIVINGSTON	16,598.00
	ANIXTER	141,871.46
	APEX TELECOMMUNICATIONS	24,119.00
	APLIED INNOVATION INC	231,482.89
	ARI	523,765.75
	ARM	23,662.93
	ASPLUNDH	71,889.76
	ASSEMBLY OF GOD	12,000.00
	AT&T	32,177.54
	AT&T NETWORK SYSTEMS	2,089,397.34
	ATLANTIC MANCHESTER	337,752.00
	ATLANTIC TELCOM SERVICES	64,120.05
	AUSTRON INC	14,843.34
	AVIS	12,675.79
	BABSON COLLEGE	11,900.00
	BARCLAY WATER MANAGEMENT	18,735.60
	BARTLETT TREE EXPERTS	16,414.72
	BEACON ELECTRIC INC	91,598.55
	BECKWITH ELEVATOR CO	22,538.41
	BEECHWOOD DATA SYS (BDSI)	72,482.72
	BELL ATLANTIC NYNEX	88,857.95
	BILL GEALY ELECTRIC	33,777.13
	BLC CORPORATION	1,050,134.21
	BMC GENERAL CONTRACTORS	317,125.19
	BOYNTON LAW FIRM	12,324.18
	BRADLEY R JONES	33,278.00
	BRAM MAINT MGMT	31,488.50
	BRETTON WOODS TELEPHONE C	57,987.44
	BROWNING FERRIS INDUSTRIE	81,384.97
	BRULOTTE INC	50,903.37
	BUD'S AUTO SERVICE	13,862.46
	BUNKER & SAVAGE	14,517.68

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 2

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	BURKE BROS EXCAVATION INC	34,729.75
	BUSINESS & INDUSTRY	28,265.00
	BUTLER FLEET SERVICES INC	963,323.06
	BUTLER SERVICE GROUP AND	95,942.85
	BUTLER SERVICE GROUP INC	13,048.63
	C & I INVESTMENT ASSOC	592,304.56
	CAPONE PLUMBING HEATING	69,230.75
	CAPPELLO TRUCK	24,259.00
	CASWELL EICHLER & HILL IN	19,376.82
	CENTRAL CLEANING INC	1,070,992.66
	CENTRAL MAINE POWER	16,561.58
	CENTRAL MAINE POWER CO	17,894.72
	CHAMBERLAIN CONSTRUCTION	281,139.90
	CHARLES L VINCENT INC	592,532.07
	CHASE USA PURCHASING CARD	51,369.64
	CHICHESTER TELE COMPANY	233,782.71
	CHILDRENS HOSPITAL	15,385.77
	CITIZENS UTILITIES CO	47,863.38
	CITY OF BERLIN	11,229.19
	CITY OF CLAREMONT	21,030.45
	CITY OF CONCORD	154,818.26
	CITY OF DOVER	84,989.04
	CITY OF FRANKLIN	12,971.32
	CITY OF KEENE	103,522.58
	CITY OF LACONIA	38,922.00
	CITY OF LEBANON	42,030.05
	CITY OF MANCHESTER	631,045.71
	CITY OF NASHUA	79,035.28
	CITY OF PORTSMOUTH	62,029.99
	CITY OF SOMERSWORTH	114,143.25
	COGNITRONICS CORP	44,412.23
	COLE CONSTRUCTION CO	16,840.00
	COLLEGE FOR LIFELONG	10,407.00
	COLONIAL PARK II LTD PAR-	152,316.75
	COMMONWEALTH MAINTENANCE	411,050.68
	COMMUNICATIONS MFG CO	10,089.92
	CONCORD ELECTRIC	176,209.09
	CONCORD ELECTRIC CO	28,271.81
	CONDON ELECTRIC INC	33,294.53
	CONNECTICUT VALLEY ELECTR	48,448.40
	CONSOLIDATED UTIL EQUIP	30,829.01
	CONSTELL	22,646.48
	CONSULTANTS & DESIGNERS I	58,364.90
	CONTOOCOOK VAL TELEPHONE	931,043.05
	CONTRACT SOLUTIONS	27,189.50
	COPLEY SYSTEMS	11,291.43
	CSI SYSTEMS INC	45,855.35
	CIDI	371,772.64

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 3

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R .	CUSTOM WELDING & FABRICAT	12,748.99
	CYBERNETICS SYSTEMS INT.	192,170.90
	CYN ENVIRONMENTAL SVCS	93,424.47
	DANELLA RENTAL SYSTEMS IN	13,790.00
	DATA CABLE NETWORKS INC	10,571.48
	DATA GENERAL	44,952.70
	DAVID T. PARENT ELECT.SVC	41,191.68
	DEBRA M LAROCHE	49,034.10
	DENNIS MIRES PA	104,108.37
	DEX COMPANY	47,603.58
	DIELECTRIC COMMUNICATIONS	67,945.00
	DIG SAFE SYSTEM INC	45,484.45
	DON HENRY JR.SONS	77,906.54
	DSC COMMUNICATIONS	14,062.65
	DSC MARKETING SERVICE INC	2,123,005.72
	DUNBARTON TELEPHONE CO	238,981.55
	DYNAMIC DIVICES INC	69,086.00
	E R FIELD INC	13,415.25
	EAST COAST UTILITY CONSTR	41,234.60
	EASTMAN KODAK COMPANY	21,055.19
	EDWARDS & COMPANY INC	14,060.10
	ELECTRONIC SERVICES INC	21,410.50
	ELLIOT HOSPITAL	36,391.18
	EMBASSY SUITES	12,981.62
	ENERGY DYNAMICS INC	687,522.66
	ENERGY NORTH NAT GAS INC	76,581.85
	ENGINEERED SYSTEMS INC	14,612.40
	ENPRO SERVICES INC	80,111.30
	ENVIRONMENTAL PROTECTION	14,966.50
	EQUIPMENT PROTECTION SVC	241,538.00
	ETNA RD REALTY TRUST	165,256.80
	EXCEL MECHANICAL SERVICES	28,288.74
	EXECUTIVE DIRECTOR BUREAU	3,497,475.47
	EXETER & HAMPTON	96,090.06
	EXETER & HAMPTON ELECTRIC	130,514.78
	FIRST BAPTIST CHRUCH OF	25,000.00
	FIRST NATIONAL BANK OF BO	8,548,455.26
	FIRST NEW HAMPSHIRE INVES	166,046.64
	FLEET FUELING	41,373.12
	FLUID TRANSFER PRODUCTS	11,565.50
	FORMULA DEVELOPMENT INC	23,761.62
	FORUM TEMPORARY SERVICES	10,207.42
	FUGRO EAST INC	10,895.50
	FUJITSU NETWORK	2,074,508.05
	GCR TRUCK TIRE CENTER INC	20,532.87
	GILBANE BUILDING CO	555,142.31
	GILMAN ELECTRICAL SUPPLY	17,977.62
	GLIDDEN ROOFING	37,778.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 4

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	GOFFSTOWN GREEN THUMB	21,787.00
	GRAINGER	62,289.59
	GRANITE STATE ELECTRIC	266,893.49
	GRANITE STATE TELE INC	969,405.65
	GRAPPONE AUTO JUNCTION	11,901.65
	GRASS VALLEY	48,626.04
	GRAYBAR ELECTRIC CO INC	47,033.88
	GREATER MANCHESTER	15,320.00
	GREEN MOUNTAIN POWER CORP	12,074.84
	GULF OIL	417,118.79
	GZA REMEDIATION INC	76,066.63
	HAMPTON BEACH IMPROVEMENT	72,788.89
	HARON CORPORATION	371,972.72
	HARRIS CORP	57,901.08
	HARRISON CONFERENCE	12,120.00
	HARVARD MANAGEMENT CO	239,428.46
	HARVARD MANAGEMENT CO INC	105,496.81
	HATFIELD MORAN & BARRY	19,000.00
	HAWKINS SAFETY EQPT CO	12,371.10
	HEKIMIAN LABORATORIES INC	114,483.26
	HENDRY TELEPHONE PRODUCTS	119,149.17
	HESSER COLLEGE	11,059.00
	HIGHLANDS INDUSTRIAL	86,155.49
	HOLLIS TELEPHONE CO	213,135.82
	HOLT AVE REALTY ASSOC	284,000.04
	HOLT AVENUE RESEARCH & IBM	27,216.00
	IBM CORPORATION - SD9	18,503.10
	IBX CORPORATION	14,344.00
	IKON CORPORATION	15,330.00
	IKON CAPITAL	60,100.16
	IKON OFFICE SOLUTIONS	12,628.09
	INDUSTRIAL AIR	143,326.17
	INFOLOGUE INC	30,300.00
	INFORMIX SOFTWARE INC	11,410.79
	INFRA-RED BUILDING & INSIDE OUT LANDSCAPING	13,271.58
	INTEGRATED RESEARCH INC	13,237.60
	INTELL ELM STREET LLC	14,896.84
	INTERLAKES JANITORIAL SVC	2,250,253.91
	JAMES A KILEY CO	114,123.00
	JAMES VERRA & ASSOC INC	19,231.82
	JANIPRO BUILDING CLEASING	42,506.00
	JCR CONSTRUCTION CO INC	125,085.00
	JP HEART INC	251,840.88
	KASELAAN & D'ANGELO ASSOC	45,500.00
	KEARSARGE TELEPHONE CO	11,149.00
	KELLY CONSTRUCTION CO INC	505,591.03
	KELLY SERVICES INC	29,858.54
		154,782.78

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 5

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	KELLY TEMPORARY SERVICES	27,573.14
	KINGSTON POLICE DEPT	13,662.49
	KRONE, INC.	28,054.61
	KYKLOS CORPORATION	20,036.00
	LACASSE PAVING & CONST CO	130,996.64
	LADISHEFF GEN CONTRACTORS	10,754.00
	LAKELAND MANAGEMENT CO	10,417.33
	LAMOUNTAIN BROS INC	29,079.00
	LARRY G CUSHING & SONS	24,618.84
	LE BAGLEY CO INC	248,801.05
	LEHRER MCGOVERN BOVIS INC	449,380.00
	LESLEY COLLEGE	10,295.00
	LEXUS INC.	85,206.82
	LIAKOS & SONS	13,452.50
	LITTLETON WATER & LIGHT	44,966.05
	LOCKE OFFICE PRODUCTS	14,234.87
	LUCAS TREE EXPERT CO	256,372.83
	LUCENT TECHNOLOGIES	912,198.81
	LUCENT TECHNOLOGIES INC	16,610,272.17
	LVI ENVIRONMENTAL SERVICE	25,093.00
	MANCHESTER POLICE DEPT	72,500.63
	MANCHESTER WATER WORKS	10,501.77
	MARCOR ENVIROMENTAL INC	18,039.50
	MARELD CO INC	204,619.85
	MARELD COMPANY INC	18,333.33
	MARY B DUPREE	12,400.00
	MATERIAL INSTALLATIONS IN	22,838.00
	MAURICES ENTERPRISES	38,354.00
	MAYNARD & PAQUETTE INC	13,906.91
	MCINTOSH COLLEGE	10,382.50
	MERIDEN TELEPHONE COMPANY	60,155.63
	MERRIMACK COUNTY TELE CO	558,136.05
	MIDWAY EXCAVATORS INC	20,000.00
	MILFORD POLICE DEPT	17,917.50
	ML HOLDINGS C/O MULKIN CO	39,507.96
	MMSTV ASSOCIATE	294,999.96
	MOBILE COMM	20,999.92
	MOBILE TOOL INTERN'L INC	27,210.60
	MOBILECOMM	16,306.83
	MOBILEMEDIA	16,477.20
	MOHAWK LTD	16,031.50
	MORNEAU MOVERS INC.	24,858.51
	MOTOROLA	16,268.19
	MOUNTAIN LIMITED	313,409.74
	MOUNTAIN LTD	634,915.78
	MR ERNEST GOUDREAU	15,000.00
	N.W. ALBEE ENTERPRISES	74,802.00
	NASHUA POLICE DEPARTMENT	23,325.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 6

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	NASHUA POLICE DEPT	194,523.64
	NATIONAL SERVICE CLEANING	64,110.00
	NEC AMERICA INC	474,626.57
	NEW ENGLAND ELECTRIC CO	78,455.00
	NEW ENGLAND EQUIPT FINANC	1,157,680.05
	NEW ENGLAND TRAFFIC	357,488.75
	NEW HAMPSHIRE CHARITABLE-	13,500.00
	NEW HAMPSHIRE COLLEGE	37,213.16
	NEW HAMPSHIRE ELECTRIC	824,649.61
	NEW HAMPSHIRE PERFORMING	13,000.00
	NEWBRIDGE NETWORK INC	281,856.59
	NEWTON INSTRUMENT CO INC	32,610.06
	NH ORTHOPAEDIC SURGERY PA	25,224.30
	NH SPINE INSTITUTE	15,804.50
	NORMS TRANSMISSION SERVIC	12,663.92
	NORTEL COMMUNICATIONS	12,333.35
	NORTHEAST UTILITIES	54,684.17
	NORTHEAST WASTE SERVICES	12,290.81
	NORTHERN TELCOM INC	12,807.80
	NORTHERN TELECOM	2,200,219.82
	NORTHERN TELECOM INC	45,404.57
	NORTHERN UTILITIES INC	30,650.60
	NORTHFIELD TELEPHONE CO	58,260.23
	NORTON ASSET MANAGEMENT	154,767.60
	NOTHERN DESIGN	533,030.51
	NOTRE DAME COLLEGE	11,000.00
	NYNEX ENTERPRISES	512,412.11
	O'LEARY/VINCUNAS	102,112.16
	ON TARGET	288,823.00
	OPTICAL DATA SYSTEMS INC	87,459.45
	ORACLE CORPORATION	11,259.15
	PAIRGAIN CORRESPONDENCE	17,760.42
	PAIRGAIN TECHNOLOGIES INC	13,610.55
	PAIRGAIN TECHNOLOGIES INC	61,883.08
	PATRIOT INVESTMENT CO	13,929.00
	PAYWISE INC	11,890.01
	PC & MAC CONNECTION	51,777.10
	PC CONNECTION INC	11,146.50
	PEABODY OFFICE FURNITURE	97,325.64
	PENNOCK REFRIGERATION	11,623.12
	PENNONI ASSOCIATES INC	112,381.12
	PHH VEHICLE MGMT SVC	18,374.62
	PILGRIM PRESSURE CLEANING	12,342.34
	PITNEY BOWES CREDIT CORP	12,626.88
	PITNEY BOWES INC	70,648.70
	PLUG IN STORAGE SYSTEMS I	25,951.79
	PNC BANK	17,018.57
	PORTA SYSTEMS CORP	30,822.15

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 7

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	PORTSMOUTH POLICE DEPT	70,605.00
	POWERHOUSE CONSULTING INC	134,308.19
	POWERSAFE STANBY BATTERIE	161,534.29
	PSNH	68,066.34
	PUBLIC SERVICE CO OF NEW	4,305,598.57
	QUORUM LTD PARTNERSHIP	74,452.17
	R H YOUNG GENERAL	35,310.28
	R S AUDLEY INC	12,600.00
	R.JOSEPH DEVER	13,000.00
	RAYCHEM CORP	57,394.81
	RAYMOND S NOTT	22,275.00
	REILLY ELECTRIC COMPANY	52,574.06
	RESIDENCE INN MERRIMACK	184,976.83
	RESPOND FIRST AID SYSTEMS	16,550.82
	ROBBINS AUTO PARTS INC	39,344.93
	RYMES HEATING OILS INC	10,131.07
	SCHAAL ELECTRIC	22,880.79
	SCIRE PLG.& HTG.CONTR	202,136.75
	SHARADA TECHNOLOGIES INC	75,800.00
	SHERMAN GREINER HALLE LTD	10,947.10
	SIECOR CORP	396,134.24
	SIECOR CORPORATION	35,458.42
	SIERRA TELCOM SVCS INC	25,233.76
	SIGMA CONSULTANTS INC	89,427.71
	SIMPLEX TECHNOLOGIES, INC	26,000.00
	SOUCY ELECTRIC	100,357.49
	SOUTHWESTERN BELL TELE	14,045.58
	STARCHER'S EXPERT TREE SV	28,971.00
	STATE OF NEW HAMPSHIRE	14,606,628.08
	STOCKBRIDGE DOOR CO	14,470.28
	STONEYS TIRE	10,714.03
	STRAFFORD TECHNOLOGY INC	11,614.25
	SUBURBAN PROPANE	16,041.62
	SWISSOTEL	16,057.74
	T-NETIX INC	165,387.80
	TAD RESOURCES	74,278.90
	TECH ROOFING SERVICE INC	13,812.26
	TECHNICAL TEMPS	25,608.15
	TEKTRONIX INC	52,157.96
	TELCO SYSTEMS	205,854.81
	TELCOR COMMUNICATIONS	22,825.42
	TELCOR COMMUNICATIONS, INC	35,414.26
	TELE-PATH INSTRUMENTS	37,899.70
	TELECOM SOLUTIONS	54,567.80
	TELECOMMUNICATIONS	41,722.60
	TELESECTOR RESOURCE GRP	17,803,553.09
	TOLLGRADE COMM INC	17,466.70
	TOWN OF BEDFORD	29,026.15

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 8

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	TOWN OF BELMONT	41,817.19
	TOWN OF BOW	10,362.00
	TOWN OF CONWAY	16,421.00
	TOWN OF DERRY	49,829.40
	TOWN OF DURHAM	33,719.82
	TOWN OF EXETER	20,764.36
	TOWN OF GOFFSTOWN	12,162.94
	TOWN OF HAMPSTEAD	10,198.50
	TOWN OF HAMPTON	12,902.19
	TOWN OF HAMPTON FALLS	10,173.08
	TOWN OF HANOVER	41,198.88
	TOWN OF HUDSON	21,118.31
	TOWN OF LITTLETON	10,131.88
	TOWN OF LONDONDERRY	25,278.86
	TOWN OF MERRIMACK	74,876.28
	TOWN OF MILFORD	24,685.87
	TOWN OF NEWMARKET	11,812.40
	TOWN OF NEWPORT	12,388.08
	TOWN OF PELHAM	17,769.00
	TOWN OF PETERBOROUGH	14,267.91
	TOWN OF RAYMOND	13,042.00
	TOWN OF RYE	18,874.23
	TOWN OF SALEM	47,970.60
	TOWN OF SALEM TREASURER	24,463.56
	TOWN OF WOLFEBORO	52,068.30
	TROMPETER ELECTRONICS	17,203.91
	TSI OF FLORIDA (TSFI)	59,077.90
	TTC	80,019.60
	UNION OIL CO	27,261.13
	UNION TELEPHONE COMPANY	439,691.73
	UNISYS CORPORATION	1,119,938.44
	UNITED PARCEL SERVICE	13,944.53
	UNITED STATES CELLULAR	11,480.85
	UNIVERSITY OF NEW HAMPSHI	13,070.68
	URBAN TREE SERVICE	107,526.97
	UTILITY CONSULTANTS INC	13,637.50
	VINCENT CONSTRUCTION	61,721.00
	VOLT DELTA RESOURCES	33,408.75
	W W GRAINGER	31,000.17
	WALKER & ASSOCIATES INC	12,327.90
	WALTER LADISHEFF	63,243.19
	WASTE MANAGEMENT DISPOSAL	40,488.11
	WASTE MANAGEMENT OF N.H.	61,471.57
	WASTE MANAGEMENT OF NH	28,068.12
	WASTE MGMT OF NH-ROCHESTE	35,208.64
	WESTERN UNION TELEGRAPH C	13,205.36
	WILTON TELEPHONE COMPANY	280,329.19
	WINMILL MECHANICAL	53,909.76

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 9

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
R	WOODSVILLE HIGH SCHOOL	11,000.00
	WOODSVILLE WATER & LIGHT	12,085.55
	WORK'N GEAR	40,293.50
	WORKFLOW PARTNERS INC.	22,484.50
	WORLD TELNET INC	15,200.00
	XEROX CORP	29,958.32
	XEROX CORPORATION	90,005.12
	YORK INTERNATIONAL CORP	25,256.20
	ZEE INDUSTRIES INC.	412,260.79
	AMOUNT PAID FOR PEC ==>	118,005,375.90
1	A COPY	18,276.38
	A-COPY	50,243.02
	ACS COMMERCIAL SVS CORP	12,014.89
	ADIDAS PRINTING CO INC	10,011.50
	ADVERTISING CONCEPTS INC	87,505.75
	AFFORDABLE HOUSING PGM	12,000.00
	AIRTOUCH PAGING	10,302.64
	ALAN R GOODMAN ATTORNEY	115,680.37
	ALEXEI STOTSKI AND	25,000.00
	ALLEN DANIEL ASSOC INC	17,255.27
	ALLIANCE FOR EDUCATION	18,035.00
	ALLIED SECURITY	74,643.53
	ALTERNATIVE RESOURCES COR	162,906.71
	AMERICAN COMPUTER	37,596.00
	AMERICAN EXPRESS TRAVEL	4,256,510.87
	AMERICAN NETWORK EXCHANGE	54,428.00
	AMERICAN TELNET	3,045,229.48
	AMERICAN TELNET INC	144,059.73
	AMERIVISION AMERITEL COMM	22,138.25
	AMERIVISION/AMERITEL COMM	1,700,572.96
	AMICA MUTUAL INS CO &	12,131.00
	AMS IMAGING	17,866.58
	ANACOMP INC	106,720.91
	ANALYSIS & PROGRAMMING CO	60,804.02
	ANGELINA BRUNO & ATTY	25,000.00
	ANNA MARIA COLLEGE	15,873.00
	ANNE CROWLEY AND	25,000.00
	ANTI DEFAMATION LEAGUE	15,000.00
	ARLINGTON CENTER GARAGE &	39,838.43
	ARM	134,758.90
	ASSOCIATED CREDIT SERVICE	710,212.17
	ASSOCIATED GRANTMAKERS OF	50,000.00
	ASSOCIATED MICRO SVCS	95,794.91
	AT&T	1,088,213.87
	AT&T ATLANTA ASSET SVCS	124,411.88
	AT&T COMMUNICATION	916,836,198.45

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 10

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	AT&T LANGUAGE LINE SVCS	127,372.50
	AT&T NETWORK SYSTEMS	16,615,806.43
	BABSON COLLEGE	79,417.50
	BANK OF BOSTON	375,654,328.60
	BANYAN SYSTEMS INC	128,575.92
	BAY NETWORKS	63,684.20
	BAYBANK	20,494.27
	BAYER FINANCIAL SERVICES	23,823.80
	BAYSTATE HEALTH CARE	1,391,190.72
	BELL ATLANTIC NYNEX	141,209.41
	BELMONT SPRINGS WATER CO	12,125.28
	BENJAMIN FRANKLIN SMITH-P	10,439.93
	BENTLEY COLLEGE	20,487.00
	BERKLEE COLLEGE OF MUSIC	18,590.00
	BERKSHIRE ARMORED CAR SVC	63,865.03
	BESCOP INC	11,289.75
	BETHCO	23,656.50
	BILL ARNOLD ASSOC INC	20,915.13
	BOSTON BALLET	30,000.00
	BOSTON COLLEGE	38,158.02
	BOSTON COLLEGE ATHLETIC	20,000.00
	BOSTON COMMUNITY SCHOOLS	15,000.00
	BOSTON EDISON COMPANY	14,241.72
	BOSTON EDUCATION	25,000.00
	BOSTON EDUCATIONAL	48,000.00
	BOSTON MANAGEMENT CONSORT	12,900.00
	BOSTON MUNICIPAL RESEARCH	20,750.00
	BOSTON PARKS & RECREATION	26,500.00
	BOSTON PARTNERS IN	12,500.00
	BOSTON UNIVERSITY	139,745.90
	BOY SCOUTS OF AMERICA	33,500.00
	BOYS & GIRLS CLUBS OF	26,750.00
	BURNS INT'L SECURITY SVCS	11,333.09
	BUSINESS FRIENDS FOR THE	20,000.00
	BUSINESS PLANNING INC	22,100.00
	BUSINESS VOLUNTEERS FOR	13,050.00
	CAMBRIDGE COLLEGE	17,887.50
	CANDACE & TERRY BASTIAN	12,772.00
	CANON USA INC	19,192.71
	CAREER DIMENSIONS	13,847.73
	CENTRAL GRAPHICS COMPANY	109,165.15
	CENTRAL MASS HEALTH CARE	1,145,937.16
	CHAMBER OF COMMERCE MA	48,907.50
	CHARLES A HUBBARD LAW	126,150.21
	CHASE MANHATTAN BANK	18,734,375.00
	CHASE USA PURCHASING CARD	10,076.63
	CHEMICAL BANK	3,984,550.25
	CITIBANK N A	6,125,000.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 11

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	CITIZENS SCHOLARSHIP	370,207.20
	CITY OF BOSTON	33,066.00
	CLARK UNIVERSITY	23,870.00
	COASTWAY CREDIT UNION	10,641.00
	COCHRANE SEMINAR SERVICES	11,106.77
	COLLECTION CONTROL SVCS	684,583.79
	COMMERCE INS A/S/O	19,880.22
	COMMERCE INSURANCE CO	16,971.96
	COMMERCE INSURANCE CO INC	15,000.00
	COMMERCIAL UNION INS	11,712.27
	COMMERCIAL UNION INS CO	10,126.03
	COMMONWEALTH OF MASS	1,324,011.27
	COMMONWEATH OF	60,000.00
	COMMUNICATIONS TEST DESIG	16,203.23
	COMMUNICATIONS WORKERS OF	693,475.82
	COMMUNITY HEALTH PLAN	1,803,887.64
	COMPUTECH SOLUTIONS	83,696.20
	COMPUTER MAINTENANCE TRAI	49,717.10
	COMPUTER SERVICE OF	15,884.75
	COMPUTER SYSTEMS REPAIR	347,152.05
	CONSTELL	76,541.88
	CONTRACT SOLUTIONS	18,111.51
	COOPERS & LYBRAND LLP	610,328.00
	COPE INC	988,454.97
	COPLEY BUSINESS SVC INC	33,200.77
	COPLEY SYSTEMS CORP	12,096.65
	CORNING LABS	12,992.20
	CRAIG L LEBOWITZ	31,250.00
	DAKCS SOFTWARE SYSTEMS	103,617.06
	DATA CAP INC	19,916.14
	DATA COLLABORATIVE, INC.	48,782.50
	DATA GENERAL	352,467.51
	DATA GENERAL CORPORATION	18,034.91
	DATA PLUS BUSINESS SYS IN	26,308.00
	DAVID PUCHACZ & ATTORNEY	212,000.00
	DAVOX CORPORATION	294,660.37
	DEBORAH PERKINS &	35,000.00
	DECISION ONE CORP	33,226.18
	DECISIONONE	49,162.50
	DIAL LONG DISTANCE	418,164.34
	DIANE BELL AND HER	37,071.13
	DIANE FERREIRA AND	36,000.00
	DICKINSON DIRECT	365,102.87
	DIGITAL EQUIPMENT CORP	14,928.27
	DIMOCK COMMUNITY HEALTH C	20,500.00
	DISTINCTIVE PROMOTIONS IN	27,204.94
	DSC MARKETING SERVICE INC	728,437.50
	DUN & BRADSTREET	19,864.50

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 12

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	EASTERN NAZARENE COLLEGE	112,886.00
	EASTMAN KODAK COMPANY	93,863.58
	EDUCATION DEVELOPMENT	25,400.00
	EEG & ASSOCIATES	22,433.66
	EKCC	17,036.56
	ELIZABETH BRAMAN AND	35,000.00
	ELRICK & LAVIDGE INC	449,069.10
	EMMANUEL COLLEGE	199,205.00
	ENHANCED SERVICES BILLING	2,728,706.65
	EPIC DATA CORPORATION	76,110.46
	EQUIFAX CREDIT	81,539.90
	EXCEL TELECOMMUNICATIONS	13,666,314.45
	EXPRESS MAIL	28,152.45
	FALLON COMMUNITY HEALTH P	1,052,719.80
	FEDERAL EXPRESS CORP	10,023.37
	FEDERAL TRANSTEL	2,256,019.79
	FEDERAL TRANSTEL INC	534,736.11
	FINANCAL SECTY IBEW 2222	1,602,928.23
	FINANCIAL SECRETARY IBEW	546,733.89
	FINANCIAL SECTY IBEW 2320	581,672.44
	FINANCIAL SECTY IBEW 2321	695,250.27
	FINANCIAL SECTY IBEW 2322	25,147.23
	FINANCIAL SECTY IBEW 2324	434,994.02
	FINANCIAL SECTY IBEW 2325	520,018.71
	FINANCIAL SECTY IBEW 2326	313,079.84
	FINANCIAL SECTY IBEW 2327	493,684.12
	FIRST COLONY LIFE INS	31,250.00
	FIRST DATA CORP	4,301,876.21
	FIRST NATIONAL BK OF CHG	100,707.43
	FIRST NEW HAMPSHIRE BANK	27,301.81
	FIRST NEW HAMPSHIRE INVES	13,915.87
	FIRST SECURITY SERVICES	712,407.30
	FIRST TRUST BANK	203,546.00
	FITS SYSTEMS INC	12,992.00
	FLEET BANK	2,890,074.90
	FORUM PERSONNEL INC	12,566.26
	FORUM STAFFING	90,535.74
	FORUM TEMPORARY SERVICES	47,512.91
	FOX COMPUTER PARTS INC	11,501.55
	FRONTIER BUDGET CALL C/O	2,628,670.20
	FRONTIER OPERATOR SVCS	1,024,271.08
	GE CAPITAL ASSIGNMENT	25,000.00
	GEAR FOR SPORTS	12,249.39
	GEMMA LAW ASSOCIATES &	22,000.00
	GEMMA LAW ASSOCIATES AND	42,000.00
	GLENN ASSOCIATES INC	683,843.19
	GRAYBAR ELECTRIC CO INC	13,533.53
	GRC INTERNATIONAL	72,765.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 13

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	GREATER BOSTON CHAMBER OF HARRISON CONFERENCE	58,445.00
	HARRISON CONFERENCE SVCS	30,126.62
	HARRISON CONFERENCE SVCS	1,479,362.13
	HARVARD PILGRIM HEALTH	954,939.92
	HAWTHORN SYSTEMS INC	133,933.84
	HEALTHSOURCE	2,788,955.80
	HEALTHSOURCE C M H C	246,567.56
	HEALTHSOURCE MAINE	2,413,985.68
	HELEN & BRUCE BLAKE	550,000.00
	HENRY ND LEE AND	42,000.00
	HEWLETT-PACKARD	11,849.14
	HMO BLUE CROSS, BLUE	11,198,189.96
	HMO MAINE	1,505,332.12
	HOLD BILLING SERVICES	103,291.63
	HOLIDAY INN	15,802.39
	HRVD COM HLTH WLLSLEY	5,963,700.64
	HUBBARD & FERRIS	919,850.37
	IBEW-COPE	97,734.20
	IBM	136,360.15
	IBM CORP	386,787.91
	IBM CORPORATION	125,946.59
	IBM CORPORATION - SD9	205,791.99
	IBM CORPORATION-JGH	414,637.65
	IDENTIFICATION SYSTEMS IN	12,798.05
	IKON	15,294.01
	IKON CAPITAL	102,588.25
	IMI SYSTEMS INC	66,507.50
	IMPACT PLUS	109,234.12
	IMR CAPITAL CORP AND	135,000.00
	IMR CAPITAL CORPORATION	167,500.00
	INFINITY FEDERAL CREDIT	30,172.25
	INFORMATION STRUCTURES IN	50,576.21
	INNERCONNECTIONS UNL INC	65,218.26
	INOVA CORP	28,032.45
	INTEGRETEL INC CLIENT T	2,684,688.82
	INTERNAL REVENUE SERVICE	62,225.26
	INTERNATIONAL BROTHERHOOD	599,926.58
	INTERNATIONAL NETWORK	21,375.00
	INTERNATIONAL TELEMEDIA	3,912,216.99
	INTERSTATE OFFICE	16,734.71
	J.A. MITCHELL ASSOCIATES	39,900.00
	JAMES A DUMONT AS	220,000.00
	JAMES DONAHUE	10,503.40
	JAMES F HOUGHTON	45,631.72
	JAYMIL ACTIVE FURNITURE	16,726.28
	JAYNE WOOD AND	45,000.00
	JN MULDOON COMPANY	34,455.00
	JOANNE ZAIKEN &	33,000.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 14

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	JOB'S FOR MASSACHUSETTS	12,500.00
	JOHN BRAMAN AND	15,000.00
	JOHN HANCOCK AUTOMACT COL	28,055.30
	JOHN HANCOCK VARIABLE	82,544.25
	JOHN W HYATT AND	1,500,000.00
	JOSEPH A MATAIS	46,875.00
	JUDITH LIMA AND LYNDA	25,000.00
	JUNIOR ACHIEVEMENT	50,400.00
	KAISER FOUNDATION HEALTH	351,568.92
	KATHLEEN CULLINANE AND	20,000.00
	KELLEY AND TREHUB ATTYS	18,000.00
	KELLY MARTIN AND	12,000.00
	KELLY SERVICES INC	174,227.38
	KEOGH MOTIVATION PLANS IN	33,231.41
	KONICA BUSINESS MACHINE	63,676.65
	KOSTANTINOS VAITIS AND	25,000.00
	LANIER WORLDWIDE INC	11,521.77
	LAW OFFICES OF	95,000.00
	LCI INTERNATIONAL INC	6,945,208.65
	LD SERVICES INC	1,469,529.57
	LDDS METOMEDIA	2,765,288.69
	LEO W FRASER	43,940.00
	LESLEY COLLEGE	122,010.00
	LEXUS INC.	49,956.52
	LEXUS TEMPORARIES INC	46,595.77
	LIBERTY MUTUAL A/S/O	10,860.94
	LIFELINE-UNIVERSITY OF	30,909.79
	LOGIC WORKS	13,300.00
	LOUIS GINSBERG FOR	82,500.00
	LUCENT TECHNOLOGIES	14,772.85
	LUCENT TECHNOLOGIES INC	3,213,959.55
	MAC PRESS INC	10,399.05
	MAIL TECHNOLOGY/FIELD CO.	820,916.00
	MANPOWER INC	16,979.35
	MARGARET DEARBORN AND	17,500.00
	MARIA VALASQUEZ &	10,250.00
	MARIEANN CAMPOPIANO AND	23,000.00
	MARIO SIMEOLA ATTORNEY	21,000.00
	MARITZ INC	350,944.53
	MARITZ MARKETING RESEARCH	387,788.14
	MARITZ PERFORMANCE IMPROV	238,923.87
	MARITZ TRAVEL COMPANY	87,237.66
	MARKETING INFORMATION TEC	13,615.00
	MASS NETWORKS EDUCATION	20,000.00
	MASSACHUSETTS AMATEUR	12,000.00
	MASSACHUSETTS BUSINESS	15,000.00
	MASSACHUSETTS CARING FOR	20,000.00
	MASSACHUSETTS COALITION	18,500.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 15

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	MASSACHUSETTS PRE	20,000.00
	MASSACHUSETTS TAXPYER FND	37,320.00
	MASSASOIT COMMUNITY COLLE	22,459.14
	MATRIX TELECOM	73,547.65
	MATRIX TELECOM INC	3,895,173.16
	MATTHEW GAGNON & ATTY	11,500.00
	MATTHEW THORNTON HEALTH P	3,521,369.60
	MCI METRO	19,056.03
	MCI TELECOMM CORP	232,056,375.47
	MCINTOSH COLLEGE	13,015.00
	MEDICAL CENTER OF CENTRAL	10,585.00
	MELLON BANK N A	28,270.15
	METROMEDIA COMMUNICATIONS	1,227,765.86
	METROPOLITAN COLLECTION B	844,860.74
	METROPOLITAN LIFE INS CO	64,188.30
	METROPOLITAN PARKING SYS	17,314.00
	METROPOLITAN SPRINGFIELD	24,857.00
	MFS INTELENET	94,812.18
	MICHAEL W &	10,784.99
	MICHELLE ANDREWS &	75,000.00
	MOBILE COMM	39,337.65
	MOBILECOMM	13,743.45
	MOUNTAIN LIMITED	22,340.83
	MOUNTAIN LTD	20,834.43
	MUELLER TECHNICAL RESEARC	42,998.00
	MURPHY ASSOCIATES	14,412.38
	MUSEUM OF FINE ARTS BOSTO	709,388.61
	MVP HEALTH PLAN	16,251.56
	NANCY RIVERA	39,800.00
	NATIONAL BOND & TRUST	6,298,353.61
	NATIONAL COMPUTER SYSTEMS	17,803.32
	NATIONAL URBAN LEAGUE INC	160,000.00
	NATIONWIDE A/S/O	10,210.25
	NATIONWIDE COLLECTION SYS	364,347.07
	NEIGHBORHOOD HEALTH PLAN	241,387.36
	NETWORK ACCESS INC	259,768.14
	NEW BOSTON SYSTEM INC	29,811.16
	NEW ENGLAND COUNCIL	16,250.00
	NEW ENGLAND HOLOCAUST	25,000.00
	NEW ENGLAND TELEPHONE	19,920.57
	NEW ENGLAND TELEPHONE & T	25,050.36
	NEW ENGLAND TELEPHONE CO	47,514.37
	NEW HAMPSHIRE COLLEGE	25,374.12
	NEWBURY COLLEGE	14,404.50
	NICHOLS COLLEGE	15,180.50
	NORMAN SCHNITTKIND AND	20,000.00
	NORTHEAST CHAPTER AAEE	11,035.00
	NORTHEAST SECURITY	56,496.67

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 16

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	NORTHEAST SECURITY INC	31,113.29
	NORTHEASTERN UNIVERSITY	130,966.00
	NORTHERN ESSEX COMMUNITY-	19,119.66
	NORTHERN MASS TELEPHONE	31,569.00
	NORTHERN TELECOM	16,116,817.04
	NRI	21,033.61
	NYNEX	11,680,240.19
	NYNEX MOBILE COMMUNICATIO	39,140.93
	NYNEX/PAC/NA	22,482.80
	NYS CORP TAX	187,526.63
	OLD COLONY Y	15,000.00
	ONCOR COMMUNICATIONS INC	3,612,088.14
	OPERATOR ASSISTANCE NTWK	16,175,893.92
	OPTICAL DATA SYSTEMS, INC	17,985.01
	ORACLE CORPORATION	11,512.70
	PAMELA LEMBO &	15,000.00
	PATRICK E KILLAY	25,000.00
	PAYWISE INC	2,055,378.64
	PECKHAM & LOBEL	75,000.00
	PEOPLE KARCH INTERN'L/COR	29,644.36
	PERIPHERAL PARTS SUPPORT	231,219.15
	PETER L HATEM ATTORNEY	29,788.62
	PHILIP A CEFALO &	24,000.00
	PHOENIX HOME LIFE MUTUAL	100,756.87
	PHYSICIANS HEALTH SERVICE	23,376.60
	PILGRIM HEALTH CARE	2,607,645.52
	PILGRIM HEALTHCARE	7,110,769.82
	PILGRIM TELEPHONE INC	1,966,921.79
	PIONEER INSTITUTE INC	25,000.00
	PITNEY BOWES	20,532.44
	PITNEY BOWES CREDIT CORP	23,637.99
	PITNEY BOWES INC	44,684.18
	PITTMAN	12,220.70
	PNC BANK	365,098,324.06
	POLAND SPRING	37,693.55
	POLAND SPRING WATER CO	22,078.39
	POSTAGE BY PHONE	22,000.00
	POSTMASTER	14,259,269.20
	POSTMASTER (BRAINTREE)	1,075,000.00
	POSTMASTER (MANCHESTER)	180,806.00
	POSTMASTER HOLLISTON	3,275,000.00
	POWERHOUSE CONSULTING INC	815,300.34
	PRIVATE INDUSTRY COUNCIL	15,500.00
	PRO HEALTH INC	13,656.00
	PUERTO RICAN FAMILY INSTI	25,000.00
	PURE WATER SYSTEMS INC	11,755.42
	QMS INC	14,982.17
	QUINCY SCHOOL COM COUNCL	10,350.00

TELESECTOR RESOURCES GROUP, INC.
 MATERIALS MANAGEMENT DIVISION
 MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
 FOR YEAR OF 1996

PAGE: 17

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	RADISSON INN MARLBOROUGH	23,172.90
	READY WILLING ENABLE INC	13,500.00
	RENTOKIL-BOSTON(22)	19,937.42
	RESPOND FIRST AID SYSTEMS	14,889.16
	RESPOND INC.	20,000.00
	RICHARD G BENNETT	100,000.00
	RICHARD HOVASSE AND	42,000.00
	RICHARD SCHLESINGER ATTY	17,808.49
	ROBERT V AND	40,000.00
	ROBERT Y PICK M D	76,462.50
	ROCKLAND TRUST CO IBEW	306,942.06
	RODMAN FORD SALES INC	30,000.00
	ROYAL PLAZA CORP	176,257.90
	SAFETY INS A/S/O	20,149.51
	SALEM STATE COLLEGE/RESOU	79,458.00
	SALESTAR	12,500.00
	SALVATORE LOMBARDI &	10,500.00
	SARATOGA NAT BANK	12,670.26
	SCHOOL VOLUNTEERS FOR	15,000.00
	SECTY TREAS CWA 1302	50,908.81
	SECURICOR TELESCEIENCES	46,500.00
	SENN DELANEY LEADERSHIP	216,408.15
	SIMMONS COLLEGE	21,530.00
	SMITH & SOWALSKY	114,549.90
	SMITH COLLEGE	25,000.00
	SNET DIVERSIFIED GROUP IN	267,217.97
	SOFTLINE CONSULTING CORP	42,090.00
	SOUND & MEDIA TECHNOLOGIE	16,342.18
	SOUTHERN MASS TELEPHONE	42,753.20
	SPRINT	151,896.62
	SPRINT COMMUNICATION CO	15,007.60
	SPRINT 1-800-54NYNEX	55,113.78
	SPRINT-NATIONAL ACCOUNTS	1,022,521.00
	STATE LEGISLATIVE LEADERS	21,638.00
	STATE OF RHODE ISLAND	11,316.74
	STATE ST BANK & TRUST CO	120,341,250.00
	STATE STREET BANK	41,660.56
	STATE STREET BANK & TRUST	1,205,577.05
	STEPHEN SIMKUS AND	23,000.00
	STEVE ALPERT PRODUCTIONS	29,758.19
	STEVEN H KOTKOFSKI AND	60,000.00
	STRATEGIC PRICING GRP INC	15,055.20
	STRAWBERRY BANKE INC	50,000.00
	SUFFOLK UNIVERSITY	30,706.00
	SUN MICROSYSTEMS INC	59,996.87
	SUPERIOR PRINTING CO	24,356.79
	SUSAN ARCURI & ATTY	75,000.00
	SWISSOTEL	14,500.27

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 18

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	SYSTEM STUDIES INC	10,930.00
	SYSTEMATIC BINDING CORP	17,706.00
	TAB PRODUCTS CO.	11,500.00
	TAC STAFFING SVCS	24,022.09
	TAC TEMPS	15,965.04
	TAD RESOURCES	63,824.61
	TAD RESOURCES INT INC	41,796.50
	TAD TECHNICAL SERVICES CO	10,041.20
	TELCO DEVELOPMENT GRP INC	24,531,525.87
	TELECOM USA INC	2,180,070.49
	TELEMATION INT'L	526,566.95
	TELEPHONE BILLING SVCS IN	537,892.83
	TELEPHONE CR UNION OF NH	27,661.50
	TELEPHONE PIONEERS OF AM	12,157.50
	TELEPHONE PIONEERS OF AME	62,023.00
	TELEPHONE WORKERS CREDIT	18,765.25
	TELERESOURCE	44,055.20
	TEN POINT COALITION	12,500.00
	THE BOSTON PRIVATE	34,516.69
	THE CHILDREN'S MUSEUM	30,250.00
	THE COMPUTER MERCHANT LTD	41,040.00
	THE COPLEY PLAZA	14,790.17
	THE OCCUPATIONAL	12,960.00
	THE PARTNERSHIP INC	20,000.00
	THE SPORTS MUSEUM OF NE	27,500.00
	THE TAYLOR RESEARCH &	152,315.01
	THE WESTIN HOTEL -WALTHAM	12,918.36
	THOMAS PULLANO C/O	10,799.85
	THOMAS SHERWIN CHAPTER NO	44,320.50
	TMA-TELESYSTEMS MARKETING	60,634.82
	TOUCH 1 COMMUNICATION INC	5,033,274.36
	TRA	14,969.95
	TRANS NATIONAL COMM	1,816,114.71
	TRANS UNION CORP	304,232.92
	TRANS UNION NEW YORK DIV	37,341.36
	TRG	24,296,172.53
	TRINITY COLLEGE	10,929.00
	TRUSTEES OF BOSTON UNIVER	11,079.89
	TRW INFORMATION SVCS DIV	25,604.82
	TUFTS ASSOC HEALTH PLAN	4,949,362.96
	U S HEALTHCARE (MASS)	338,696.48
	UNISYS CORPORATION	2,008,301.50
	UNITED HEALTH PLNS OF NE	4,547,445.04
	UNITED PARCEL SERVICE	335,675.04
	UNITED STATES POSTAL	15,666.86
	UNITED WAY OF MASS BAY IN	88,655.92
	UNITED WAY OF TRI-STATE	200,000.00
	UNITED WAYS OF EASTERN	105,000.00

TELESECTOR RESOURCES GROUP, INC.
MATERIALS MANAGEMENT DIVISION
MAPS90 NE PYMTS > \$10,000 FOR PEC R & 1
FOR YEAR OF 1996

PAGE: 19

JOURNAL AREA (PEC)	SUPPLIER	AMOUNT PAID
1	UNITEDWAY OF TRI STATE	1,132,136.64
	UNIVERSITY OF MASSACHUSET	40,391.50
	UNIVERSITY OF VERMONT	16,037.50
	UNIVERSITY OF RHODE ISLAND	12,085.00
	URBAN LEAGUE EASTERN MASS	22,500.00
	US HEALTHCARE (NY,NJ, CT)	22,667.12
	US POSTMASTER ANDOVER	11,172.00
	US SPRINT COMM	65,186,350.26
	V VAN JOHNSON III AND	15,937.75
	VALLEY 2000 INC C/O	15,000.00
	VARTEC TELECOM INC	4,421,312.94
	VERILINK CORPORATION	11,209.96
	VOLT DELTA RESOURCES INC	2,384,531.51
	VRS BILLING SYSTEMS INC	1,567,689.42
	VSI	146,132.00
	WA WILDE COMPANY	224,116.66
	WALLACE COMPUTER SERVICE	69,390.13
	WALTER HILL JR AND	30,000.00
	WALTER SCHLOSS AND	15,000.00
	WANG CENTER	41,000.00
	WANG LABORATORIES INC	10,096.60
	WAUSAU INSURANCE CO	229,068.67
	WEST INTERACTIVE CORP	79,051.24
	WESTERN MASS TELEPHONE	19,991.70
	WESTERN UNION FINANCIAL	18,066.58
	WESTVACO	25,111.80
	WILSON LEARNING	175,000.00
	WINDHAM PROFESSIONALS INC	26,536.68
	WORCESTER AREA BUSINESS	15,000.00
	WORLD TRADE CENTER BOSTON	55,202.50
	XEROX CORP	131,390.96
	XEROX CORPORATION	285,972.02
	XYZ TWO WAY RADIO SERVICE	15,121.67
	ZEITECH INC	12,985.00
	ZERO PLUS DIALING INC	31,709,042.55
	AMOUNT PAID FOR PEC ===>	2,466,250,966.89
	TOTALS ===>	2,584,256,342.79

COMPANY: New England Telephone
SERVICE AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
USOA: NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (a)	Amount (b)
REVENUE ACCOUNTS		
Local Network Revenues		
5001	Basic area revenue	164,906
5002	Optional extended area revenue	0
5003	Cellular mobile service revenue	0
5004	Other mobile service revenue	2,216
510	Basic local Service Revenue	167,122
5010	Public telephone revenue	5,382
5040	Local private line revenue	6,239
5050	Customer premises revenue	(8)
5060	Other local exchange revenue	29,614
5069	Other local exchange revenue settlements	0
520	Local Network Service Revenue	208,349
Network Access Services Revenues		
5081	End user revenue	35,136
5082	Switched access revenue	116,094
5083	Special access revenue	19,592
5084	State access revenue	6,983
5080	Network access revenue	177,805
Long Distance (LD) Network Services Revenues		
5100	LD message revenue (Class A)	84,389
	LD inward-only revenue	4,907
	LD outward-only revenue	0
5110	Unidirectional LD Revenue	4,907
5121	Subvoice grade LD private network revenue	190
5122	Voice grade LD private network revenue	3,150
5123	Audio program grade LD private network revenue	0
5124	Video program grade LD private network revenue	0
5125	Digital transmission LD private network revenue	1,716
5126	LD private network switching revenue	0
5128	Other LD private network revenue	0
5129	Other LD private network revenue settlements	85
5120	Long Distance Private Network Revenue	5,141
5160	Other long distance revenue	879
5169	Other long distance revenue settlements	0
525	LD Network Service Revenues	95,316
Miscellaneous Revenues		
5230	Directory revenue	36,529
5240	Rent revenue	3,027
5250	Corporate operations revenue	174
5261	Special billing arrangements revenue	18
5262	Customer operations revenue	108
5263	Plant operations revenue	0
5264	Other incidental regulated revenue	3,661
5269	Other revenue settlements	0
5260	Miscellaneous Revenue (Class A)	3,787
5270	Carrier billing and collection revenue	5,054
5200	Miscellaneous Revenue	48,571
5280	Nonregulated Revenue	6,280
1	Uncollectible revenue-telecommunications	6,584
2	Uncollectible revenue-other	0
5300	Uncollectible Revenue	6,584
530	Total Operating Revenues	529,737

COMPANY: New England Telephone
STUDY AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
: NENH

Approved by OMB
3060-0395
Expires xx/xx/xx
Unrestricted Version
SUBMISSION 1
TABLE I-1
PAGE 2 OF 5

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
EXPENSE ACCOUNTS						
Plant Specific Operations						
6112	Motor vehicle	6,558	711	244	2,610	2,993
610	Clearance - Motor vehicle	6,009	594	206	2,474	2,735
615	Net Balance - Motor vehicle	549	117	38	136	258
6113	Aircraft	0	0	0	0	0
620	Clearance - Aircraft	0	0	0	0	0
625	Net Balance - Aircraft	0	0	0	0	0
6114	Special purpose vehicle	0	0	0	0	0
630	Clearance - Special purpose vehicle	0	0	0	0	0
635	Net Balance - Special purpose vehicle	0	0	0	0	0
6115	Garage work equipment	76	4	1	0	71
6116	Other work equipment	1,083	120	39	28	896
640	Clearance - Other work equipment	1,086	(13)	(4)	26	1,077
645	Net Balance - Other work equipment	(3)	133	43	2	(181)
6110	Network support	622	254	82	138	148
6121	Land & building	12,347	999	321	5,334	5,693
6122	Furniture & artworks	121	0	0	1	120
6123	Office equipment	1,528	625	192	315	396
6124	General purpose computers	14,652	60	19	1	14,572
6120	General support	28,648	1,684	532	5,651	20,781
6211	Analog electronic	1,619	832	263	3	521
	Digital electronic	6,625	3,056	959	105	2,505
	Electro-mechanical	0	0	0	0	0
6210	Central Office-switching	8,244	3,888	1,222	108	3,026
6220	Operator systems	4	3	1	0	0
6231	Radio systems	107	69	23	0	15
6232	Circuit equipment	6,647	4,709	1,452	44	442
6230	Central office-transmission	6,754	4,778	1,475	44	457
6311	Station apparatus	0	0	0	0	0
6341	Large PBX	0	0	0	0	0
6351	Public telephone terminal equipment	1,256	657	216	27	356
6362	Other terminal equipment	5,918	4,474	1,353	363	(272)
6310	Information origination/termination expense	7,174	5,131	1,569	390	84
6411	Poles	1,810	375	120	879	436
6421	Aerial cable	28,684	16,440	5,179	779	6,286
6422	Underground cable	1,328	532	398	66	332
6423	Buried cable	2,605	1,667	516	57	365
6424	Submarine cable	0	0	0	0	0
6425	Deep sea cable	0	0	0	0	0
6426	Intrabuilding network cable	135	88	27	4	16
6431	Aerial wire	176	111	33	7	25
6441	Conduit systems	293	35	11	3	244
6410	Cable and wire	35,031	19,248	6,284	1,795	7,704
650	Total Plant Specific Operations	86,477	34,986	11,165	8,126	32,200

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 DD: From Jan 1996 To Dec 1996
 : NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
Plant Nonspecific Operations						
6511	PHFTU	0	0	0	N/A	0
6512	Provisioning	1,258	67	22	N/A	1,169
660	Clearance - Provisioning	1,256	0	0	N/A	1,256
665	Net Balance - Provisioning	2	67	22	N/A	(87)
6510	Other property plant and equipment expense	2	67	22	N/A	(87)
6531	Power	2,943	0	0	N/A	2,943
6532	Network administration	1,516	1,389	451	N/A	(324)
6533	Testing	12,054	8,049	2,543	N/A	1,462
6534	Plant operations administration	9,344	4,418	1,350	N/A	3,576
670	Clearance - Plant operations administration	914	491	173	N/A	250
675	Net Balance - Plant operations administration	8,430	3,927	1,177	N/A	3,326
6535	Engineering	7,494	3,406	1,198	N/A	2,890
680	Clearance - Engineering	1,368	465	158	N/A	745
685	Net Balance - Engineering	6,126	2,941	1,040	N/A	2,145
6530	Network Operations	31,069	16,306	5,211	N/A	9,552
6540	Access	100	0	0	N/A	100
6561	Depreciation-TPIS	108,321	N/A	N/A	N/A	108,321
6562	Depreciation-PHFTU	0	N/A	N/A	N/A	0
6563	Amortization-tangible	594	N/A	N/A	N/A	594
6564	Amortization-intangible	0	N/A	N/A	N/A	0
6565	Amortization-other	275	N/A	N/A	N/A	275
6560	Depreciation & Amortization Expense	109,190	N/A	N/A	N/A	109,190
Total Plant Nonspecific Operations		140,361	16,373	5,233	N/A	118,755
Customer Operations						
6611	Product management	12,510	633	215	N/A	11,662
6612	Sales	8,605	2,377	746	N/A	5,482
6613	Product advertising	3,214	0	0	N/A	3,214
6610	Marketing Expense	24,329	3,010	961	N/A	20,358
6621	Call completion	2,718	1,521	451	N/A	746
6622	Number services	5,198	2,234	706	N/A	2,258
6623	Customer services	27,385	13,344	4,104	N/A	9,937
6620	Service Expense	35,301	17,099	5,261	N/A	12,941
700	Total Customer Operations	59,630	20,109	6,222	N/A	33,299
Corporate Operations						
6711	Executive	4,331	209	52	N/A	4,070
6712	Planning	14	0	0	N/A	14
6710	Executive and Planning	4,345	209	52	N/A	4,084
6721	Accounting & finance	3,477	994	328	N/A	2,155
6722	External relations	4,260	572	192	N/A	3,496
6723	Human resources	5,180	37	13	N/A	5,130
6724	Information management	8,197	0	0	N/A	8,197
6725	Legal	2,352	0	0	N/A	2,352
6726	Procurement	1,775	29	10	N/A	1,736
6727	Research and development	3,180	0	0	N/A	3,180
6728	Other general and administrative	39,701	2,083	(4,359)	N/A	41,977
6720	General & Administrative	68,122	3,715	(3,816)	N/A	68,223

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
6790	Provision for uncollectible notes	0	N/A	N/A	N/A	0
710	Total Corporate Operations Expense	72,467	3,924	(3,764)	N/A	72,307
720	Total Operating Expenses	358,935	75,392	18,856	8,126	256,561
730	Income Before Other Operating Items and Taxes	170,802	N/A	N/A	N/A	N/A

COMPANY: New England Telephone
STUDY AREA: New Hampshire
FROM: From Jan 1996 To Dec 1996
C NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)
<u>Other Operating Income and Expense</u>		
7110	Income from custom work	7
7130	Return from nonregulated use of regulated facilities	0
7140	Gains/losses from foreign exchange	0
7150	Gains/losses from disposition of land & artworks	0
7160	Other operating gains and losses	(58)
7100	Other operating income and expenses	(51)
<u>Operating Taxes</u>		
7210	Operating investment tax credits-net	1,317
7220	Operating Federal income taxes	72,832
7230	Operating state and local income taxes	7,459
7240	Operating other taxes	2,568
7250	Provision for deferred operating income tax-net	(24,993)
7200	Operating taxes	56,549
<u>Nonoperating income and expense</u>		
7310	Dividend income	0
7320	Interest income	53
7330	Income from sinking and other funds	0
7340	Allowance for funds used during construction (AFUDC)	1,414
7350	Gains/losses from the disposition of property	0
7360	Other nonoperating income	20,297
7370	Special charges	2,404
7300	Nonoperating income and expense	19,360
<u>Nonoperating Taxes</u>		
7410	Nonoperating investment tax credits-net	0
7420	Nonoperating Federal income taxes	(183)
7430	Nonoperating state and local income taxes	(15)
7440	Nonoperating other taxes	0
7450	Provision for deferred nonoperating income tax-net	6,921
7400	Nonoperating taxes	6,723
<u>Interest and Related Items</u>		
7510	Interest on funded debt	18,020
7520	Interest expense-capital leases	0
7530	Amortization of debt issuance expense	115
7540	Other interest deductions	439
7500	Interest and related items	18,574
<u>Extraordinary Items</u>		
7610	Extraordinary income credits	0
7620	Extraordinary income charges	0
7630	Current income tax effect of extraordinary items-net	0
7640	Provision for deferred income tax effect of items-net	0
7600	Extraordinary items	0
<u>Jurisdictional Differences & Nonregulated Income</u>		
7910	Income effects of jurisdictional differences-net	(57)
7990	Nonregulated net income	0
790	Net Income	108,208

COMPANY: New England Telephone
STUDY AREA: New Hampshire
TOD: From Jan 1996 To Dec 1996
A: NENH

Approved by OMB
3060-0395
Expires xx/xx/xx
Unrestricted Version
SUBMISSION 1
TABLE B-1
PAGE 1 OF 2

TABLE B-1 - BALANCE SHEET ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)
<u>Plant</u>						
2001	Telecommunications plant in service (TPIS)	1,507,167	96,123	64,912	(847)	1,537,531
2002	Property held for future telecom use (PHFTU)	0	0	0	0	0
2003	Telephone plant under construction (TPUC)	24,043	4,404	0	0	28,447
2004	Reserved	N/A	N/A	N/A	N/A	N/A
2005	Telecommunications plant adjustment	0	0	0	0	0
2006	Nonoperating plant	236	0	0	0	236
2007	Goodwill	0	0	0	0	0
210	Total Plant	1,531,446	100,527	64,912	(847)	1,566,214
<u>TPIS - General Support</u>						
2111	Land	3,688	5	0	0	3,693
2112	Motor vehicles	563	0	324	1	240
2113	Aircraft	0	0	0	0	0
2114	Special purpose vehicles	106	0	0	(1)	105
2115	Garage work equipment	628	0	7	0	621
2116	Other work equipment	12,666	1,174	103	0	13,737
2121	Buildings	79,862	2,237	804	0	81,295
2122	Furniture	5,730	49	1,201	28	4,606
2123	Office equipment	26,600	989	13,853	2	13,738
2124	General purpose computers	18,569	550	138	(271)	18,710
2110	Land and Support	148,412	5,004	16,430	(241)	136,745
<u>TPIS - Central Office</u>						
2210	Analog electronic switching	21,506	564	11,408	(419)	10,243
2212	Digital electronic switching	254,219	20,165	2,746	344	271,982
2215.1	Step-by-step switching	0	0	0	0	0
2215.2	Crossbar switching	0	0	0	0	0
2215.3	Other electro-mechanical switching	0	0	0	0	0
2215	Electro-mechanical switching	0	0	0	0	0
2210	Central Office - Switching	275,725	20,729	14,154	(75)	282,225
2220	Operator Systems	1,755	864	0	0	2,619
2231.1	Satellite & earth stations	0	0	0	0	0
2231.2	Other radio facilities	6,249	1	3,579	1	2,672
2231	Radio systems	6,249	1	3,579	1	2,672
2232	Circuit equipment	283,005	34,002	17,265	(1,283)	298,459
2230	Central Office - Transmission	289,254	34,003	20,844	(1,282)	301,131
<u>TPIS - Information Origination/Termination</u>						
2311	Station apparatus	1,318	0	1,318	0	0
2321	Customer premises wiring	0	0	0	0	0
2341	Large PBX	0	0	0	0	0
2351	Public telephone terminal equipment	6,262	763	688	0	6,337
2362	Other terminal equipment	15,827	1,058	2,283	754	15,356
2310	Information Origination/Termination	23,407	1,821	4,289	754	21,693
<u>TPIS - Cable & Wire</u>						
2411	Poles	113,818	5,104	864	0	118,058
2421	Aerial cable	397,351	18,973	3,612	0	412,712
2422	Underground cable	105,948	4,294	1,828	0	108,414
2423	Buried cable	46,720	2,054	1,148	0	47,626
2424	Submarine cable	1,178	0	2	0	1,176
2425	Deep sea cable	0	0	0	0	0
2426	Intrabuilding network cable	1,182	15	0	0	1,197
2431	Aerial wire	5,700	136	488	(2)	5,346
2431	Conduit systems	89,319	2,777	108	(1)	91,987
2430	Cable & Wire	761,216	33,353	8,050	(3)	786,516
240	Total TPIS (before amortizable assets)	1,499,769	95,774	63,767	(847)	1,530,929

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 Period: From Jan 1996 To Dec 1996
 C NENH

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 1
 TABLE B-1
 PAGE 2 OF 2

TABLE B-1 - BALANCE SHEET ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)

TPIS Amortizable Assets						
2681	Capital leases	0	0	0	0	0
2682	Leasehold improvements	7,398	349	1,145	0	6,602
2680	Amortizable Tangibles	7,398	349	1,145	0	6,602
2690	Intangibles	0	0	0	0	0
260	Total TPIS	1,507,167	96,123	64,912	(847)	1,537,531

B-12B. ANALYSIS OF TELECOMMUNICATIONS PLANT-IN-SERVICE RETIRED

1. Respondents shall report in column (b) amounts charged or credited to the accounts identified in column (a) that are related to plant sold with traffic and in column (c) amounts charged or credited to the accounts identified in column (a) that are related to other plant retired.
2. Charges to Account 3100, Accumulated Depreciation, reported in column (c) shall be reported gross before salvage and cost of removal entries (see Schedule 14A).
3. In the space provided at the bottom of the schedule, respondents shall provide a full explanation of other accounts charged or credited.

Line No.	Account Charged (or Credited) (a)	AMOUNTS RELATING TO	
		Plant Sold With Traffic (b)	Other Plant Retired (c)
1	3100 Accumulated Depreciation	\$	\$ 64,912,470
2	3200 Accumulated Depreciation - Held for Future Telec. Use		
3	3300 Accumulated Depreciation - Nonoperating		
4	3410 Accumulated Amortization - Capitalized leases		
5	3420 Accumulated Amortizaion - Leasehold Improvements		
6	3500 Accumulated Amortization - Intangible		
7	3600 Accumulated Amortization - Other		
8	2006 Nonoperating Plant		
9	7150 Gains and Losses from the Disposition of Land and Artwork		
10	7160 Other Operating Gains and Losses		
11	Cash or Other Asset Account (Net Selling Price of Depreciable Plant Sold With Traffic)		
12	Cash or Other Asset Account (Net Selling Price of Nondepreciable Plant Sold)		
13	Other Accounts Specified		
14			
15			
	Totals	\$	\$ 64,912,470

FULL EXPLANATION OF AMOUNTS REPORTED ABOVE ON LINE 13:

B-12C. ANALYSIS OF ENTRIES IN PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE (Account 2002)

1. Respondents shall list in column (a) each item amounting individually to \$5,000 or more and report all others in the aggregate. Amounts reported on this schedule shall be rounded to the nearest thousand dollars.
2. In column (b) respondents shall enter the date the property was recorded in Account 2002, Property Held for the Future Telecommunications Use.
3. In column (c) respondents shall enter the dollars related to the property identified in column (a) at the beginning of the calendar year covered by the report.

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book cost of Property Beginning of Year (c)
1	Nothing to report		\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			

B-12C. ANALYSIS OF ENTRIES IN PROPERTY HELD FOR FUTURE TELECOMMUNICATIONS USE (Account 2002) (continued)

4. In column (d) and (e) respondents shall enter additions and retirements, respectively.
5. In column (f) respondents shall enter transfers and adjustments and corrections during the calendar year and fully explain each amount recorded in column (f) which exceeds \$1,000.
6. In column (g) respondents shall enter the dollars related to the property identified in column (a) remaining Account 2002 at the close of the calendar year.

Line No.	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book cost of Property at End of Year (g)
1	\$ Nothing to report	\$	\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				

B-12D. CAPITAL LEASES

1. In Column (a) on page 1, the respondents shall list in account number order each category of plant (Class A account level) for which capital leases are recorded.
2. In succeeding columns, respondents shall disclose in column (b) the present value of the lease commitment at the inception of the lease, in column (c) the accumulated amortization at the close of the period covered by the report, and column (d) the net book value balance at the close of the period (column b minus column c).

Line No.	Type of Property (a)	Capitalized Amount (b)	Accumulated Amortization in Account 3410 (c)	Balance (d)
1	Nothing to report	\$	\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30		Total		

B-12D. CAPITAL LEASES (continued)

3. In Column (e) on page 2, the respondents shall list in account number order each category of plant for which capital leases are recorded. Line numbers on page 2 shall correspond with line numbers on page 1.
4. In column (f) and (g) respondents shall disclose the amount of the lease obligation to be paid during the coming year to the lessor and the remaining long-term lease obligation at the close of the year covered by the report.
5. In column (h), (i) and (j), respondents shall report the annual lease cost components called for in the column headings and paid during the year covered by the report.

Line No.	Type of Property (e)	Lease Obligations		Annual Lease Cost Components		
		Current Account 4060 (f)	Long-Term Account 4250 (g)	Amortization Account 6563 (h)	Interest Account 7520 (i)	Other (j)
1	Nothing to report	\$	\$	\$	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30	Total					

B-13A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACQUIRED (Account 1439)

- Report separately each acquisition with respect to which an amount was included in account 1439 at any time during the year, except that minor acquisitions, each with a purchase price of less than \$10,000 accounted for (a) on the basis of cost of acquisition, or (b) on the basis of original cost where there were no entries in account 2005, "Telecommunications Plant Adjustment" may be reported in the aggregate on a separate line for each group.
- List first the data relating to those acquisitions included in account 1439 at the beginning of the year (except minor acquisitions) and then list data for the acquisitions during the year.

Line No.	Name of Vendor (a)	DEBITS DURING THE YEAR				
		Balance at Beginning of the Year (b)	Purchase Price (c)	Reserve Requirement (d)	Acquisitions Expenses (e)	Other (f)
	Nothing to report	\$	\$	\$	\$	\$
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	Total	\$	\$	\$	\$	\$

B-13A. ANALYSIS OF TELECOMMUNICATIONS PLANT ACQUIRED (Account 1439) (continued)

- 3. Show in notes the character of amounts reported in column (i).
- 4. Clearances of residual credit amounts from account 1439 to account 2005 shall be reported in column (h) enclosed in parentheses.

Line No.	Name of Vendor (a)	CREDITS DURING THE YEAR				Balance at End Of the Year (k)
		Amounts Cleared to		Other Clearances		
		Account 2001 (g)	Account 2005 (h)	Acct. No. (i)	Amount (j)	
	Nothing to report	\$	\$	\$	\$	\$
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21	Total	\$	\$	\$	\$	\$

B-13B. ANALYSIS OF TELECOMMUNICATIONS PLANT PURCHASED FROM OR SOLD TO AFFILIATES

1. Report separately by affiliate and account number, sales and/or purchases with respect to which an amount was included in Account 2001 at any time during the year. The net book value included in column (f) shall equal gross investment less applicable accumulated depreciation and other appropriate items (column (e)).
2. A "P" in column (a) represents a purchase. An "S" in column (a) represents a sale.

Line No.	Type of Trans. (a)	Name of Affiliate (b)	Original Cost (c)	Accumulated Depreciation (d)	Other (e)	Net Book Value (f)	Fair Market Value (g)	Purchase Price (h)	Sale Price (i)
1			\$	\$	\$	\$	\$	\$	\$
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									

COMPANY: New England Telephone
 COMPANY AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	Beginning Balance (b)	CREDITS DURING THE YEAR		
			Accruals (c)	Salvage (d)	Other Credits (e)
0100	Motor Vehicles	492	12	14	0
0110	Aircraft	0	0	0	0
0120	Special Purpose Vehicles	62	5	0	0
0130	Garage Work Equipment	364	36	0	3
0140	Other Work Equipment	5,430	904	0	50
0150	Buildings	22,319	2,230	0	0
0160	Furniture	1,064	378	2	148
0180	Office Support Equipment	550	311	0	0
0190	Company Communications Equipment	12,787	3,024	500	74
0200	General Purpose Computers	6,815	4,002	(4)	0
0210	Total Support Assets	49,883	10,902	512	275
0220	Analog Electronic Switching	12,454	7,598	43	0
0230	Digital Electronic Switching	95,671	19,739	61	0
0240	Step-by-Step Switching	1,791	0	0	0
	Crossbar Switching	124	0	0	0
0260	Other electro-mechanical Switching	0	0	0	0
0270	Total Central Office-Switching	110,040	27,337	104	0
0280	Operator Systems	239	523	0	0
0290	Satellite and Earth Station Facilities	0	0	0	0
0300	Other radio facilities	4,869	345	0	0
0310	Circuit equipment	153,933	24,983	294	0
0320	Total Central Office-Transmission	158,802	25,328	294	0
0330	Station Apparatus	1,133	65	0	0
0340	Customer Premises Wiring	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0

COMPANY: New England Telephone
 Y AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENE

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	Beginning Balance (b)	CREDITS DURING THE YEAR		
			Accruals (c)	Salvage (d)	Other Credits (e)
0360	Public telephone terminal equipment	3,395	741	0	0
0370	Other terminal equipment	10,714	1,241	142	0
0380	Total Information Origination/Termination	15,242	2,047	142	0
0390	Poles	51,007	6,722	3	0
0400	Aerial Cable	228,838	24,959	531	0
0410	Underground Cable	52,262	5,161	66	0
0420	Buried Cable	25,191	2,674	0	0
0430	Submarine Cable	731	53	0	0
0440	Deep Sea Cable	0	0	0	0
0450	Intrabuilding Network Cable	490	82	0	0
0460	Aerial Wire	6,862	545	0	0
0470	Conduit Systems	20,247	1,988	0	0
0480	Total Cable and Wire Facilities	385,628	42,184	600	0
	Total Accumulated Depreciation	719,834	108,321	1,652	275

COMPANY: New England Telephone
 Y AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0100	Motor Vehicles	0	324	(3)	0	197
0110	Aircraft	0	0	0	0	0
0120	Special Purpose Vehicles	0	0	0	0	67
0130	Garage Work Equipment	0	7	0	0	396
0140	Other Work Equipment	0	103	(1)	0	6,282
0150	Buildings	0	804	274	0	23,471
0160	Furniture	0	1,201	0	0	391
0180	Office Support Equipment	0	458	3	0	400
0190	Company Communications Equipment	0	13,395	0	0	2,990
0200	General Purpose Computers	0	138	0	0	10,675
0210	Total Support Assets	0	16,430	273	0	44,869
0220	Analog Electronic Switching	0	11,408	152	104	8,431
0230	Digital Electronic Switching	0	2,746	105	(70)	112,690
0240	Step-by-Step Switching	0	0	0	(105)	1,896
	Crossbar Switching	0	0	1	0	123
0260	Other electro-mechanical Switching	0	0	0	0	0
0270	Total Central Office-Switching	0	14,154	258	(71)	123,140
0280	Operator Systems	0	0	1	0	761
0290	Satellite and Earth Station Facilities	0	0	0	0	0
0300	Other radio facilities	0	3,579	83	0	1,552
0310	Circuit equipment	0	17,265	166	(298)	162,077
0320	Total Central Office-Transmission	0	20,844	249	(298)	163,629
0330	Station Apparatus	0	1,318	0	0	(120)
0340	Customer Premises Wiring	0	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0	0

COMPANY: New England Telephone
 SERVICE AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0360	Public telephone terminal equipment	0	688	10	0	3,438
0370	Other terminal equipment	0	2,283	18	0	9,796
0380	Total Information Origination/Termination	0	4,289	28	0	13,114
0390	Poles	0	864	806	0	56,062
0400	Aerial Cable	0	3,612	1,366	0	249,350
0410	Underground Cable	0	1,828	451	0	55,210
0420	Buried Cable	0	1,148	75	0	26,642
0430	Submarine Cable	0	2	0	0	782
0440	Deep Sea Cable	0	0	0	0	0
0450	Intrabuilding Network Cable	0	0	0	0	572
0460	Aerial Wire	0	488	47	0	6,872
0470	Conduit Systems	0	108	35	0	22,092
0480	Total Cable and Wire Facilities	0	8,050	2,780	0	417,582
	Total Accumulated Depreciation	0	63,767	3,589	(369)	763,095

NEW ENGLAND TELEPHONE & TELEGRAPH COMPANY
STATE OF NEW HAMPSHIRE
BASES OF CHARGES FOR DEPRECIATION - INTERSTATE
YEAR ENDED DECEMBER 31, 1996

FORM M SCHEDULE B-14B

LINE	ACCOUNT NUMBER and TITLE OF PLANT ACCOUNTS and SUBACCOUNTS	DEPR. ALLOW. METHOD (b)	DEPR. PROCE- DURES (c)	WHOLE or REM LIFE (d)	AVERAGE REMAINING LIFE (YEARS) (e)	FUTURE NET SALVAGE (%) (f)	DEPRECIATION RESERVE (\$) (g)	RATE (%) (h)	RATIO OF DEPR RESERVE TO AVG. MONTHLY BOOK COST (%) (i)	
1	2112	MOTOR VEHICLES	SL	ELG	R	0.6	11	197,231	2.7	49.09%
2	2114	SPEC PURP VEHICLES	SL	ELG	R	8.3	0	68,651	4.8	65.27%
3	2115	GARAGE WORK EQPT.	SL	ELG	R	7.2	0	397,076	5.8	63.68%
4	2118	OTHER WORK EQPT.	SL	ELG	R	8.2	0	6,257,396	7.0	47.48%
5	2121	BUILDINGS	SL	ELG	R	24.0	5	23,470,221	2.8	29.13%
6	2122.1	FURNITURE	SL	ELG	R	8.4	0	417,441	9.6	8.04%
7	2123.1	OFFICE SUPP. EQPT.	SL	ELG	R	6.0	0	449,627	13.5	15.77%
8	2123.2	OFFICIAL COMM. EQPT.	SL	O	R	3.2	0	2,939,124	14.3	16.97%
9	2124	GEN PURP. COMPUTERS	SL	ELG	R	2.9	0	10,673,961	21.8	57.26%
10	2211	ANALOG ELEC. SWITCH	SL	ELG	R	1.1	-2	8,430,841	40.1	53.11%
11	2212	DIGITAL ELEC. SWITCH	SL	ELG	R	8.2	0	112,691,593	7.6	42.83%
12	2215.1	ELECT MECH SXS	SL	O	R	0.0	0	1,896,675	0.0	0.00%
13	2215.2	ELECT MECH X-BAR	SL	O	R	0.0	0	123,565	0.0	0.00%
14	2220	OPERATOR SYSTEMS	SL	ELG	R	4.0	0	759,557	21.6	34.75%
15	2231	RADIO SYSTEMS	SL	ELG	R	3.6	-5	1,551,992	7.5	34.79%
16	2232.11	CIRCUIT EQ. DDS	SL	ELG	R	3.6	-5	2,083,062	10.5	72.75%
17	2232.1	CIRCUIT EQ. DIGITAL	SL	ELG	R	5.6	0	141,924,760	8.6	59.35%
18	2232.2	CIRCUIT EQ. ANALOG	SL	ELG	R	3.3	-5	18,067,341	7.9	82.71%
19	2311	STATION APPARATUS	SL	O	R	1.9	0	(120,524)	7.4	-18.28%
20	2351	PUB.TEL TERM.EQPT.	SL	O	R	3.6	0	3,497,713	12.1	54.57%
21	2362.7/9	OTHER TERM.EQ. OTHER	SL	O	R	4.6	-5	9,795,583	8.1	62.82%
22	2411	POLE LINES	SL	ELG	R	19.1	-55	58,069,969	5.8	48.36%
23	2421.11	AERIAL CA EXCH MET	SL	ELG	R	10.4	-24	222,559,908	6.4	63.13%
24	2421.12	AERIAL CA EXCH NMET	SL	ELG	R	16.3	-24	3,276,740	6.5	22.02%
25	2421.21	AERIAL CA TOLL MET	SL	ELG	R	1.8	-20	15,576,691	0.0	112.01%
26	2421.22	AERIAL CA TOLL NMET	SL	ELG	R	15.6	-17	7,935,472	5.7	33.47%
27	2422.11	UNDRGD CA EXCH MET	SL	ELG	R	14.0	-17	41,375,428	4.7	53.18%
28	2422.12	UNDRGD CA EXCH NMET	SL	ELG	R	14.0	-17	3,621,318	6.5	31.05%
29	2422.21	UNDRGD CA TOLL MET	SL	ELG	R	1.7	-29	4,734,088	0.0	127.60%
30	2422.22	UNDRGD CA TOLL NMET	SL	ELG	R	15.0	-17	5,478,665	5.5	39.10%
31	2423.11	BURIED CA EXCH MET	SL	ELG	R	9.9	-10	26,308,702	5.7	56.36%
32	2423.12	BURIED CA EXCH NMET	SL	ELG	R	15.8	-10	4,165	5.2	31.91%
33	2423.21	BURIED CA TOLL MET	SL	ELG	R	2.4	-5	317,705	3.1	74.54%
34	2423.22	BURIED CA TOLL NMET	SL	ELG	R	16.1	-5	13,912	5.2	26.34%
35	2424.11	SUB CA EXCH MET	SL	ELG	R	10.8	-10	708,567	4.4	68.32%
36	2424.12	SUB CA EXCH NMET	SL	ELG	R	18.7	-5	1,478	4.7	21.71%
37	2424.21	SUB CA TOLL MET	SL	ELG	R	9.3	-5	71,268	5.2	69.96%
38	2424.22	SUB CA TOLL NMET	SL	ELG	R	0.0	0	0	0	0.00%
39	2426.11	INTRA NTWK CA MET	SL	ELG	R	11.9	-28	515,054	7.0	51.49%
40	2426.12	INTRA NTWK CA NMET	SL	ELG	R	16.0	-27	56,340	6.4	29.87%
41	2431	AERIAL WIRE	SL	O	R	4.9	-69	6,872,556	9.9	124.46%
42	2441	CONDUIT	SL	ELG	R	40.0	-10	22,091,029	2.2	24.37%

B-15. ANALYSIS OF ENTRIES IN ACCUMULATED AMORTIZATION (Accounts 3410, 3420, 3500, 3600)

1. For each account identified in the column headings for columns (b) through (e), respondents shall enter credits to accumulated amortization for charges to the account identified in column (a). If charges are made to an account not specified in column (a), respondents shall insert the account number and title in the space provided in column (a) and the amounts in the appropriate column.
2. At the bottom of the schedule respondents shall describe how the annual amortization charges were determined for amounts reported in columns (d) and (e).

Line No.	Particulars (a)	Amounts Applicable to Account 3410 (b)	Amounts Applicable to Account 3420 (c)	Amounts Applicable to Account 3500 (d)	Amounts Applicable to Account 3600 (e)
1	Balance at beginning of the year	\$ (10)	\$ 4,604,111	\$	\$
	ADDITIONS DURING THE YEAR				
	Charged or (credited) to account:				
2	7160 Other Operating Gains and Losses				
3	7300 Non-operating Income				
4	6563.1 Amortization Expense	0			
	- Capitalized leases				
5	6563.2 Amortization Expense		594,373		
	- Leasehold Improvements				
6	6564 Amortization Expense				
	- Intangible				
7	6565 Amortization Expense - Other				
	Other accounts (specify):				
8					
9					
10					
11	Total additions during the Year	\$ 0	\$ 594,373	\$	\$
	CLEARANCES DURING THE YEAR				
	Clearance from account:				
12	2005 Telecom. Plant Adjustment	0	1,148,349		
13	2681 Capital leases				
14	2682 Leasehold Improvements				
15					
	Other accounts (specify):				
16					
17					
18					
19	Total clearances during the year	\$ 0	\$ 1,148,349	\$	\$
20	Balance at end of year	\$ (10)	\$ 4,050,135	\$	\$

BASIS OF ANNUAL AMORTIZATION CHARGES

B-16. STATEMENT OF CASH FLOWS

1. Report below by source the amounts applicable to increase and decrease in cash and cash equivalents for the year.
2. For all compound amounts reported, a separate schedule is to be prepared with detail breakdown indicating applicable balance sheet accounts and amounts.

Line No.	Description of Item (a)	Amount (b)	Amount (c)
	Increase/(Decrease) in Cash and Cash Equivalents		
	Cash flows from Operating Activities:		
1	Net Income		\$
	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
2	Depreciation and Amortization	\$	
3	Provision for Losses for Accounts Receivable		
4	Deferred Income Taxes - Net		
5	Unmortized ITC - Net		
6	Allowance for Funds Used During Construction		
7	Net Change in Operating Receivables		
8	Net Change in Materials, Supplies and Inventories		
9	Net Charge in Operating Payables and Accrued Liabilities		
10	Net Charge in Other Assets and Deferred Charges		
11	Net Charge Other in Liabilities and Deferred Credits		
12	Other (explained)		
13	Total Adjustments		
14	Net Cash provided by (used in) Operating Activities	XXXXXXXXXXXX XXXXXXXXXXXX	\$

B-30B. NET DEFERRED OPERATING INCOME TAXES (Accounts 4100 and 4340)

- In column (b) respondents shall provide the beginning balance for the year for each of the line items in column (a).
- In columns (c) and (d) respondents shall provide the account numbers and amounts, respectively, for current year deferrals.
- In column (e) respondents shall provide the amounts for the current year amortizations.
- In column (f) respondents shall provide the adjustments debit or (credit) made to the items in column (a) if the adjustment amounts to \$10,000 or more. Each adjustment shall also be explained at the bottom of this schedule.
- In column (g) respondents shall provide the ending balance for the year.

Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)
	PROPERTY RELATED						
	NET CURRENT OPERATING INCOME TAXES (Account 4100)						
	Provision for Deferred Operating Income Taxes-Net						
1.	Federal Income Taxes						
2.	State and Local Income Taxes						
3.	Total Net Current Operating Income Taxes (Account 4100)	\$ NONE	7250	\$ NONE	\$ NONE	\$ NONE	\$ NONE
	NET NON-CURRENT OPERATING INCOME TAXES (Account 4340)						
	Provision for Deferred Operating Income Taxes-Net						
4.	Federal Income Taxes	101,214,057		2,273,764	(17,211,672)		86,276,149
5.	State and Local Income Taxes	21,059,899		1,790,946	(3,614,205)		19,236,640
6.	Total Net Current Operating Income Taxes (Account 4100)	\$122,273,956	7250	\$4,064,710	(\$20,825,877)	\$0	\$105,512,789
7.	TOTAL PROPERTY RELATED DEFERRED OPERATING INCOME TAXES	\$122,273,956		\$4,064,710	(\$20,825,877)		\$105,512,789
	NONPROPERTY RELATED						
	NET CURRENT OPERATING INCOME TAXES (Account 4100)						
	Provision for Deferred Operating Income Taxes-Net						
8.	Federal Income Taxes	(4,545,329)		1,109,858	1,839,395		(1,596,076)
9.	State and Local Income Taxes	(883,314)		248,853	314,527		(319,934)
10.	Total Net Current Operating Income Taxes (Account 4100)	(\$5,428,643)	7250	\$1,358,711	\$2,153,922	\$0	(\$1,916,010)
	NET NON-CURRENT OPERATING INCOME TAXES (Account 4340)						
	Provision for Deferred Operating Income Taxes-Net						
11.	Federal Income Taxes	(24,112,810)		(9,232,407)	(1,039,671)		(34,384,888)
12.	State and Local Income Taxes	(5,084,811)		(1,336,617)	(135,185)		(6,556,613)
13.	Total Net Non-current Operating Income Taxes (Account 4340)	(\$29,197,621)	7250	(\$10,569,024)	(\$1,174,856)	\$0	(\$40,941,501)
14.	TOTAL NONPROPERTY RELATED DEFERRED OPERATING INCOME TAXES	(\$34,626,264)		(\$9,210,313)	\$979,066	\$0	(\$42,857,511)
15.	TOTAL DEFERRED OPERATING INCOME TAXES	\$87,647,692		(\$5,145,603)	(\$19,846,811)	\$0	\$62,655,278

B-30C. NET DEFERRED NON-OPERATING INCOME TAXES (Accounts 4110 and 4350)

1. In column (b) respondents shall provide the beginning balance for the year for each of the line items in column (a).
2. In columns (c) and (d) respondents shall provide the account numbers and amounts, respectively, for current year deferrals.
3. In column (e) respondents shall provide the amounts for the current year amortizations.
4. In column (f) respondents shall provide the adjustments debit or (credit) made to the items in column (a) if the adjustment amounts to \$10,000 or more. Each adjustment shall also be explained at the bottom of this schedule.
5. In column (g) respondents shall provide the ending balance for the year.

Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)
	PROPERTY RELATED						
	NET CURRENT NON-OPERATING INCOME TAXES (Account 4110)						
	Provision for Deferred Non-Operating Income Taxes-Net						
1.	Federal Income Taxes		7450				
2.	State and Local Income Taxes		7450				
	Deferred Income Tax Effect of Extraordinary Items-Net						
3.	Federal Income Taxes		7640				
4.	State and Local Income Taxes		7640				
5.	Total Net Current Non-Operating Income Taxes (Account 4110)	\$ NONE		\$ NONE	\$ NONE	\$ NONE	\$ NONE
	NET NON-CURRENT NON-OPERATING INCOME TAXES (Account 4350)						
	Provision for Deferred Non-Operating Income Taxes-Net						
6.	Federal Income Taxes		7450				
7.	State and Local Income Taxes		7450				
	Deferred Income Tax Effect of Extraordinary Items-Net						
8.	Federal Income Taxes		7640				
9.	State and Local Income Taxes		7640				
10.	Total Net Noncurrent Non-Operating Income Taxes (Account 4350)	\$ NONE		\$ NONE	\$ NONE	\$ NONE	\$ NONE
11.	TOTAL PROPERTY RELATED DEFERRED NON-OPERATING INCOME TAXES	\$ NONE		\$ NONE	\$ NONE	\$ NONE	\$ NONE

B-30C. NET DEFERRED NON-OPERATING INCOME TAXES (Accounts 4110 and 4350) (Cont'd)

Line No.	Particulars (a)	Balance at Beginning of Year (b)	Account (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance at End of Year (g)
	NONPROPERTY RELATED						
	NET CURRENT NON-OPERATING INCOME TAXES (Account 4110)						
	Provision for Deferred Non-Operating Income Taxes-Net						
12.	Federal Income Taxes	(3,769,113)	7450	2,515,689			(1,253,424)
13.	State and Local Income Taxes	(948,972)	7450	427,121			(521,851)
	Deferred Income Tax Effect of Extraordinary Items-Net						
14.	Federal Income Taxes	0	7640				
15.	State and Local Taxes	0	7640				
16.	Total Net Current Non-Operating Income Taxes (Account 4110)	(\$4,718,085)		\$2,942,810	\$0	\$0	(\$1,775,275)
	NET NON-CURRENT NON-OPERATING INCOME TAXES (Account 4350)						
	Provision for Deferred Non-Operating Income Taxes-Net						
17.	Federal Income Taxes	(5,233,570)	7450	3,459,362			(1,774,208)
18.	State and Local Income Taxes	(1,103,461)	7450	519,052			(584,409)
	Deferred Income Tax Effect of Extraordinary Items-Net						
19.	Federal Income Taxes	0	7640	0			0
20.	State and Local Income Taxes	0	7640	0			0
21.	Total Net Noncurrent Non-Operating Income Taxes (Account 4350)	(\$6,337,031)		\$3,978,414	\$0	\$0	(\$2,358,617)
22.	TOTAL NONPROPERTY RELATED DEFERRED NON-OPERATING INCOME TAXES	(\$11,055,116)		\$6,921,224	\$0	\$0	(\$4,133,892)

I-35A INCREASE IN OPERATING EXPENSES

Give explanation of all accounts, over \$500, that have increased 10% or more over the prior year.

- 6115. Garage Work Equipment is up year over year by \$48,398 mostly due to increased contract services.
- 6121. Land and Building Expense is up \$843,019 largely due to increased contract services and energy expenditures offset in part by credits billed by Corporate Services to other NYNEX-New England jurisdictions.
- 6122. Furniture and Artworks Expense is up \$23,880 primarily due to increased material purchases offset in part by lower affiliated charges for materials management.
- 6212. Digital Electronic Expense is up \$4,416,168 due almost entirely to a reclassification in 1995 of plant labor to the Market Area Center located in NH which serves several state jurisdictions.
- 6411. Pole Expense is up \$241,871 due for the most part to attachment fees and other contract services.
- 6423. Buried Cable Expense is up \$538,104 due mostly to Plant Labor & Loadings and contract services.
- 6426. Intrabuilding Network Cable Expense is up by \$29,794 due primarily to increased Plant Labor & Loadings and decreased Reimbursable Billing.
- 6431. Aerial Wire Expense is up \$39,611 due for the most part to Plant Labor & Loadings.
- 6531. Power Expense is up \$321,217 due in large part to increased Energy costs and decreased Reimbursable Billing.
- 6533. Testing Expense is up \$1,482,221 due to Plant Labor & Loadings, Affiliated Charges from Belcore and Corporate Charges related to Business Centers [ICSC/BCSC].
- 6561. Depreciation is up \$5,351,466 due primarily to increases in depreciable plant and adjustments related to the change in underlying economic lives.
- 6563. Amortization of Tangible Assets is up \$58,331 due primarily to increases in amortizable assets.
- 6611. Product Management is up \$2,558,608 due mostly to net increases in Affiliated Charges from TRG.
- 6612. Sales is up \$1,440,209 due for the most part to increases in Affiliated Charges from TRG net of decreases in Salaries & Wages and Corporate Transactions.
- 6711. Executive is up \$1,566,681 largely due to increases in Affiliated Charges from TRG.
- 6725. Legal is up \$216,544 largely due to increases in Affiliated Charges from TRG.

I-36D. EXTRAORDINARY ITEMS (Accounts 7610, 7620, 7630, 7640)

1. Give below a brief description of each item included in accounts 7610. Extraordinary Income Credits and 7620, Extraordinary Income Charges.
2. Give reference to Commission approval, including date of approval for extraordinary treatment of any item.
3. Income tax effects relating to each extraordinary item should be listed in Column (c) and Column (d).

Line No.	Description of Items (a)	Gross Amount (b)	Current Income Tax Effect (c)	Account 7640 Provision for Deferred Income Tax Effect (d)
1	Account 7610 Extraordinary Income Credits	\$	\$	
2				
3	Nothing to report			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	TOTALS	\$	\$	
16	Account 7620 Extraordinary Income Charges	\$	\$	
17				
18	Nothing to report			
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30	TOTALS	\$	\$	
31	Net Extraordinary Items	\$	\$	

I-37. NONOPERATING INCOME AND EXPENSES (Account 7300)

Line No	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)
1	7310 Dividend Income	\$	\$
2	7320 Interest Income		
3	7330 Income From Sinking and Other Funds		
4	7340 Allowance for Funds Used During Construction		
5	7350 Gains or Losses for the Disposition of Certain Property		
6	7355 Equity in Earnings of Affiliated Companies		
7	7360 Other Nonoperating Income		
8	7370 Special Charges		
9	Total Nonoperating Income and Expenses	\$	\$

I-38. OTHER OPERATING INCOME AND EXPENSES (Account 7100)

Line No	Item (a)	Amount for the Current Year (b)	Increase Over Preceding Year (c)
1	7110 Income from Custom Work	\$	\$
2	7130 Return from Nonregulated Use of Regulated Facilities		
3	7140 Gains and Losses from Foreign Exchange		
4	7150 Gains and Losses from the Disposition of Land and Artwork		
5	7160 Other Operating Gains and Losses		
6	Total Other Operating Income and Expenses	\$	\$

I-39. SPECIAL EXPENSES ATTRIBUTABLE TO FORMAL REGULATORY CASES

1. Show, to the extent indicated by the following instructions and columnar captions, the expenses incurred during the year in connection with formal cases before Federal, State and other regulatory commissions, and in cases in which such a commission is a party, including to the same extent, the cost of defense and prosecution of petitions and complaints presented to such commissions and the cost of valuations, inventories and appraisals of plant made for rate-case purposes and those taken in compliance with State and other regulatory authorities.
2. Expenses in connection with the procurement of franchises, issuance of capital stock and funded debt, and the expenses of securing certificates of convenience and necessity shall not be included in this schedule.
3. Give in column (a) a complete description of the regulation, hearing, or case that occasioned the items reported, including its number or other identification and the name of the regulatory commission concerned.
4. Column (b) shall include special assessments by regulatory commissions pertaining to the proceedings reported. General assessments by such commissions shall not be included in this schedule.
5. Column (c) shall include amounts such as fees, retainers, and expenses (excepting minor expenses not readily separable) paid to attorneys, consultants, and others not carried on the payroll of respondent.
6. Column (d) shall include salaries and wages and readily associated expenses of employees that have been employed or retained in service by respondent solely or almost entirely because of one or more of the proceedings reported.
7. Total expenses reported in columns (b), (c) and (d) shall be reported in column (e).

Line No.	Description of Regulation or Case (a)	Special Assessments by Regulatory Commissions (b)	OTHER SPECIAL EXPENSES		Total Reported Expenses and Assessments (e)
			Fees, Retainers Expenses, and Other Billed Items (c)	Incremental Payroll Costs and Directly Associated Expenses (d)	
1	Arbitration for Interconnection #DE 96-252	\$	\$	\$	\$
2			360,681		360,681
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13		Total	\$	\$ 360,681	\$

I-40. ADVERTISING

1. Respondents shall disclose on line 1, the total amount charged to Account 6613, Product Advertising. Those costs shall include costs incurred in developing and implementing promotional strategies to stimulate the purchase of products and services.
2. Respondents shall disclose on line 2 the total amount of external relations expenditures to include cost to maintain relations with the government, regulators, other companies and the general public.
3. On line 3 respondents shall disclose the total costs incurred that are typically given special regulatory scrutiny for ratemaking purposes. These costs are presumed to be excluded from the costs of service in setting rates.

Line No.	Account No. (a)	Account Title (b)	Amount During the Year (c)
1	6613	Product Advertising	\$ 3,213,620
2	6722	External Relations *	4,260,111
3	7370	Special Charges	
		Other (Specify):	
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36		*Includes all External Relations expense, not just	
37		advertising.	
38			
39		Total	\$ 7,473,731

I-41. GENERAL SERVICES AND LICENSES

1. Respondents shall enter in column (a) the name of the affiliate to whom respondents paid \$10,000 or more for services received under a license agreement, a general service contract, or other arrangement providing for the furnishing of general account, engineering, financial, legal, patent, and other general services.
2. Respondents shall describe in column (b) the type of service provided.

Line No.	Name of Affiliate (a)	Service Provided (b)	Amount (c)
1	NYNEX Corporate	\$ Billing associated with the provision of Technical, Regulatory, Government Relations, Centralized Data Processing Services, Marketing and Method Services, Training Systems support and Bellcore projects. The respondent paid for materials, apparatus, equipment, supplies and services.	\$ 2,366,939
2	Telesector Resources Group		83,286,787
3	Bellcore		2,465,444
4	NYNEX Government Affairs		63,923
5	NYNEX Science & Technology		202,152
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42	Aggregate of All Other Amounts		
43		Total	\$ 88,385,245

I-42. MEMBERSHIP FEES AND DUES

1. Respondents shall disclose in column (b) the number of organizations, in column (c) the number of memberships and in column (d) the amount paid for membership fees and dues for each line item in column (a).
2. Respondents shall specify in column (a) any other type of organization not provided for elsewhere on this schedule.

Line No.	Particulars (a)	NUMBER OF		Amount Amount (d)
		Organizations (b)	Memberships (c)	
	EXPENDITURES CHARGED TO OPERATING EXPENSES			
1	Associations of Telecommunications Companies			
2	Trade, Technical and Professional Associations			\$23,777
	Other Organizations (specify type):			
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	Total			\$ 23,777
	EXPENDITURES CHARGED TO ACCOUNT 7370			
16	Social and Athletic Clubs			\$ 7
17	Service Clubs (Rotary, Kiwanis, etc.)			79,369
18	Other Organizations (specify type):			35
19				
20				
21	Trade, Technical and Professional Associations			7,953
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37	Total			\$ 87,364

STATEMENT 1

NYNEX-NEW ENGLAND TELEPHONE COMPANY
INFORMATION REQUIRED BY NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

TELEPHONE SERVICE REQUIRED FOR THE PROPER ADMINISTRATION OF THE COMPANY'S BUSINESS IS FURNISHED WITHOUT CHARGE AT THE RESIDENCE OF CERTAIN EMPLOYEES AND EXCHANGE AGENTS. THE NUMBER OF SUCH SERVICES FURNISHED IN NEW HAMPSHIRE ON DECEMBER 31, 1996 WAS:

EMPLOYEES.....	544
EXCHANGE.....	0
TOTAL.....	544

TELEPHONE SERVICE IS FURNISHED WITHOUT CHARGE AT THE RESIDENCE OF EMPLOYEES HAVING THIRTY OR MORE YEARS OF TELEPHONE COMPANY NYNEX-NET CREDITED SERVICE AND TO EMPLOYEES RETIRED ON SERVICE OR DISABILITY PENSIONS. THE NUMBER OF SUCH SERVICES FURNISHED IN NEW HAMPSHIRE ON DECEMBER 31, 1996 WAS:

EMPLOYEES.....	0
RETIRED EMPLOYEES	1,889
TOTAL	1,889

TELEPHONE SERVICE IS FURNISHED AT ONE-HALF THE ESTABLISHED RATES TO EMPLOYEES OF SIX MONTH'S SERVICE, TO EXCHANGE AGENTS AND TO RETIRED EMPLOYEES ON SPECIAL PENSIONS. THE NUMBER OF SUCH SERVICES FURNISHED IN NEW HAMPSHIRE ON DECEMBER 31, 1996 WAS:

EMPLOYEES.....	1,348
EXCHANGE AGENTS.....	0
RETIRED EMPLOYEES.....	4
TOTAL	1,352

ESTIMATED REVENUE.... \$1.8M

STATEMENT 2

NYNEX-NEW ENGLAND TELEPHONE COMPANY
INFORMATION REQUIRED BY NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DIRECTORS' SERVICE

TELEPHONE SERVICE IS NOT PROVIDED WITHOUT CHARGE TO THE
COMPANY DIRECTORS.

STATEMENT 3

NYNEX-NEW ENGLAND TELEPHONE
INFORMATION REQUIRED BY NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

OBSOLETE RATES - DECEMBER 31, 1996

NOTHING TO REPORT

NYNEX-NEW ENGLAND TELEPHONE COMPANY
EMPLOYEES TELEPHONE SERVICE
STATE OF NEW HAMPSHIRE

NUMBER OF EMPLOYEES PROVIDED WITH
TELEPHONE SERVICE AT REDUCED RATES IN 1996.....3,785

ESTIMATED ANNUAL INTRASTATE REVENUE RELATED TO
EMPLOYEES PROVIDED WITH TELEPHONE SERVICE AT
REDUCED RATES IN 1996.....\$1.8M

ANNUAL REPORT
of

New England Telephone & Telegraph Company

TO THE
STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION
For the year ended December 31,
1996

OATH

State of New Hampshire.
County of Hillsborough ss.

We, the undersigned, _____ and Kevin O'Quinn
of the New England Telephone Co. utility, on our oath do severally say that the foregoing report has been prepared, under our direction, from the original books, papers and records of said utility, that we have carefully examined the same, and declare the same to be a complete and correct statement of the business and affairs of said utility, in respect to each and every matter and thing therein set forth to the best of our knowledge, information and belief; and that the accounts and figures contained in the foregoing report embrace all of the financial operations of said utility during the period for which said report is made.


Director

Subscribed and sworn to before me this

27th day of March 1997
Linda M. Carter



November 25, 1997

Mr. Thomas B. Getz
Executive Director & Secretary
New Hampshire Public Utilities Commission
8 Old Suncook Road
Concord, NH 03301-7319

RE: FCC Report 43-02 ARMIS - Submission 2 for the year 1996

Dear Mr. Getz:

Attached please find the revised New England Telephone Company 1996 data for the USOA Report, FCC Report 43-02. This revised report corrects certain data reported in Table B-1 and in Table I-1. Please note that these corrections affected the Company report only and did not impact the State reports previously filed.

If you have any questions, please call me at (617) 743-1186.


Kevin J. O'Quinn
Director-Regulatory Accounting

Attachment

11/25/97 10:00:00 AM

ANNUAL REPORT

ARMIS 4302

NEW ENGLAND TELEPHONE COMPANY

1095 AVENUE OF THE AMERICAS 10036

TO THE

FEDERAL COMMUNICATIONS COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1996

New England Telephone Company
Annual Report to the Federal Communications Commission
ARMIS 4302
For the Year Ended December 31, 1996

Schedule Title	Schedule Number
General Corporate Information Schedules:	
Identity of Respondent	C-1
Control Over Respondent	C-2
Board of Directors and General Officers	C-3
Stockholders	C-4
Important Changes During the Year	C-5
Balance Sheet Schedules:	
Balance Sheet Accounts	B-1
Statement of Cash Flows	B-2
Investment in Affiliated Companies	B-3
Analysis of Assets Purchased or Sold to Affiliates	B-4
Analysis of Entries in Accumulated Depreciation	B-5
Summary of Investment and Accumulated Depreciation by Jurisdiction	B-6
Basis of Charges for Depreciation	B-7
Capital Leases	B-8
Deferred Charges	B-9
Accounts Payable to Affiliates	B-10
Long-Term Debt	B-11
Net Deferred Income Taxes	B-12
Other Deferred Credits	B-13
Capital Stock	B-14
Capital Stock and Funded Debt Reacquired or Retired During the Year	B-15
Income Statement Schedules:	
Income Statement Accounts	I-1
Analysis of Services Purchased From or Sold to Affiliates	I-2
Pension Cost	I-3
Other Operating Taxes	I-4
Prepaid Taxes and Tax Accruals	I-5
Special Charges	I-6
Donations or Payments by Persons Other Than Employees	I-7

C/ . New England Telephone
 S :EA: All
 PE. . From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-1 - IDENTITY OF RESPONDENT

Row No.	Classification (a)	Description (b)
0100	Exact Name of Respondent	New England Telephone & Telegraph Company
0110	Date of Incorporation	10/19/1883
0120	State of Incorporation	State of New York
States of Operation		
0130	State of Operation	Maine
0131	State of Operation	Massachusetts
0132	State of Operation	New Hampshire
0133	State of Operation	Rhode Island
0134	State of Operation	Vermont
Laws Affecting Organization.		
0200	Date of Passage	
0201	Date of Filing Certificate	10/19/1883
0202	Date of Reorganization	
0230	Date of Receivership	
0240	Date of Trust	
Partnership.		
0250	Partner and Date of Formation	
0251	Partner and Date of Formation	
0252	Partner and Date of Formation	
0253	Partner and Date of Formation	
0254	Partner and Date of Formation	
0255	Partner and Date of Formation	
0256	Partner and Date of Formation	
0257	Partner and Date of Formation	
0258	Partner and Date of Formation	
0260	Law of State or Territory	
0261	Continuation of Law of State or Territory	
0262	Continuation of Law of State or Territory	
0270	Law of State or Territory	
0271	Continuation of Law of State or Territory	
0272	Continuation of Law of State or Territory	
0280	Law of State or Territory	
0281	Continuation of Law of State or Territory	
0282	Continuation of Law of State or Territory	
0290	Law of State or Territory	
0291	Continuation of Law of State or Territory	
0292	Continuation of Law of State or Territory	

C New England Telephone
 STU AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-2 - CONTROL OVER RESPONDENT

Row No.	Classification (a)	Description (b)
0100	The Form of Control	Sole

Directly Controlling Organization or Person		
0110	Name and Address of Controlling Organization	NYNEX Corporation
0111	Continuation of data on Controlling Organization	1095 Avenue of the Americas
0112	Continuation of data on Controlling Organization	New York, New York 10036

Joint Controlling Organization or Person		
0150	Name and Address of Organization or Person	
0151	Continuation of Organization Controlling Jointly	
0152	Continuation of Organization Controlling Jointly	
0160	Name and Address of Organization or Person	
0161	Continuation of Organization Controlling Jointly	
0162	Continuation of Organization Controlling Jointly	
0170	Name and Address of Organization or Person	
0171	Continuation of Organization Controlling Jointly	
0172	Continuation of Organization Controlling Jointly	
0180	Name and Address of Organization or Person	
0181	Continuation of Organization Controlling Jointly	
0182	Continuation of Organization Controlling Jointly	
0190	Name and Address of Organization or Person	
0191	Continuation of Organization Controlling Jointly	
0192	Continuation of Organization Controlling Jointly	
0200	The Means by Which Control Was Held	Through ownership of voting securities
0210	The Extent of Control	100%

Indirect Control		
0300	Name of Org. Who Controlled Directly Contr. Org.	
0310	Name of Org. Who Controlled Directly Contr. Org.	
0320	Name of Org. Who Controlled Directly Contr. Org.	
0330	Name of Org. Who Controlled Directly Contr. Org.	
0340	Name of Org. Who Controlled Directly Contr. Org.	
0350	Name of Org. Who Controlled Directly Contr. Org.	
0360	Name of Org. Who Controlled Directly Contr. Org.	
0370	Name of Org. Who Controlled Directly Contr. Org.	
0380	Name of Org. Who Controlled Directly Contr. Org.	
0390	Name of Org. Who Controlled Directly Contr. Org.	

CF : New England Telephone
S : EA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE C-2 - CONTROL OVER RESPONDENT

Row No.	Classification (a)	Description (b)
---------	--------------------	-----------------

Control as Trustee

0400	Name and Address of Beneficiary	
0401	Continuation of data on Beneficiary	
0402	Continuation of data on Beneficiary	
0410	Name and Address of Beneficiary	
0411	Continuation of data on Beneficiary	
0412	Continuation of data on Beneficiary	
0420	Name and Address of Beneficiary	
0421	Continuation of data on Beneficiary	
0422	Continuation of data on Beneficiary	
0430	Name and Address of Beneficiary	
0431	Continuation of data on Beneficiary	
0432	Continuation of data on Beneficiary	
0440	Name and Address of Beneficiary	
0441	Continuation of data on Beneficiary	
0442	Continuation of data on Beneficiary	
0450	Name and Address of Beneficiary	
0451	Continuation of data on Beneficiary	
0452	Continuation of data on Beneficiary	
0460	Name and Address of Beneficiary	
0461	Continuation of data on Beneficiary	
0462	Continuation of data on Beneficiary	
0470	Name and Address of Beneficiary	
0471	Continuation of data on Beneficiary	
0472	Continuation of data on Beneficiary	
0480	Name and Address of Beneficiary	
0481	Continuation of data on Beneficiary	
0482	Continuation of data on Beneficiary	
0490	Name and Address of Beneficiary	
0491	Continuation of data on Beneficiary	
0492	Continuation of data on Beneficiary	

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSAs: NETC

TABLE C-3 - BOARD OF DIRECTORS AND GENERAL OFFICERS

Row No.	Classification (a)	Name and Address (City and State) (b)	SEC Form 10-K or Title and Department Over Which Jurisdiction is Exercised (c)	Term Expires (d)	Served Continuously From (e)
0100	SEC 10-K	N/A			N/A
0101	Director	Lilyan H. Affinito-New York, NY	Director	1997	03/27/1985 to 12/31/1996
0102	Director	Joseph A. Califano, Jr.-Roxbury, CT	Director	1997	06/17/1992 to 12/31/1996
0103	Director	Arnold J. Eckelman-Goldens Bridge, NY	Director	1997	03/01/1993 to 12/31/1996
0104	Director	Thomas F. Gilbane, Jr.-Providence, RI	Director	1997	01/01/1995 to 12/31/1996
0105	Director	Ronald A. Homer-Brookline, MA	Director	1997	01/01/1995 to 12/31/1996
0106	Director	Alice Stone Iichman-Bronxville, NY	Director	1997	10/01/1987 to 12/31/1996
0107	Director	Richard A. Jaikut-Bedford, NY	Director	1997	03/01/1990 to 12/31/1996
0108	Director	John F.X. Mannion-Fayetteville, NY	Director	1997	10/25/1984 to 12/31/1996
0109	Director	Jane E. Newman-North Hampton, NH	Director	1997	01/01/1995 to 12/31/1996
0110	Director	Donald B. Reed-New York, NY	Director	1997	01/01/1995 to 12/31/1996
0111	Director	Paul L. Snyder-Williamsville, NY	Director	1997	10/25/1984 to 12/31/1996
0112	Director	Ira Stepanian-Boston, MA	Director	1997	01/01/1995 to 12/31/1996
0113	Director	Frank J. Tasco-Manhasset, NY	Director	1997	06/01/1988 to 12/31/1996

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
NETC
NETC

TABLE C-3 - BOARD OF DIRECTORS AND GENERAL OFFICERS

Row No.	Classification (a)	Name and Address (City and State) (b)	SEC Form 10-K or Title and Department Over Which Jurisdiction is Exercised (c)	Term Expired or Current Term Will Expire (d)	Served Continuously From (e)
0201	Officer	Richard A. Jalkut-New York, NY	President & Chief Executive Officer-All Departments	1997	03/01/1991 to 12/31/1996
0202	Officer	Melvin Meskin-New York, NY	Vice President-Finance & Treasurer	1996	02/01/1994 to 06/19/1996
0203	Officer	John W. Diercksen-New York, NY	Acting Vice President-Finance & Treasurer	1997	06/01/1996 to 12/31/1996
0204	Officer	Paulette M. Balich-Boston, MA	Vice President-State Market Area	1997	09/01/1993 to 12/31/1996
0205	Officer	Wayne A. Budd-Boston, MA	Senior Vice President-New England	1997	06/19/1996 to 12/31/1996
0206	Officer	Patt Taylor-Boston, MA	Vice President-Mass Market Area	1997	05/01/1994 to 12/31/1996
0207	Officer	John W. Diercksen-New York, NY	Controller	1997	02/01/1994 to 12/31/1996
0208	Officer	Patrick A. Lee-New York, NY	General Counsel & Secretary	1997	06/21/1995 to 12/31/1996
0209	Officer	Brian R. Lane-Boston, MA	Vice President-Core Marketing	1996	01/01/1994 to 06/19/1996
0210	Officer	Douglas J. Mello-New York, NY	Vice President-Business Markets	1996	07/01/1991 to 06/19/1996

CC | New England Telephone
 S | EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-4 - STOCKHOLDERS

Row No.	Classification (a)	Description (b)	Number (c)
0100	Class of Stock	Common	N/A
0110	Stockholder	NYNEX Corporation	1
0111	Stockholder	1095 Avenue of the Americas	
0112	Stockholder	New York, New York 10036	
0113	Stockholder		
0114	Stockholder		
0115	Stockholder		
0116	Stockholder		
0117	Stockholder		
0118	Stockholder		
0119	Stockholder		
0120	Stockholder		
0121	Stockholder		
0122	Stockholder		
0123	Stockholder		
0124	Stockholder		
0125	Stockholder		
0126	Stockholder		
0127	Stockholder		
0128	Stockholder		
0129	Stockholder		
0130	Stockholder		
0131	Stockholder		
0132	Stockholder		
0133	Stockholder		
0134	Stockholder		
0135	Stockholder		
0136	Stockholder		
0137	Stockholder		
0138	Stockholder		
0139	Stockholder		
0140	Total Number of Shares Held	N/A	1
0150	Total Holders of Class of Stock	N/A	1
0160	Date of Compilation	12/31/1996	N/A
0170	Purpose of Compilation	General	N/A

CC New England Telephone
 SE EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

	Extensions of System	

0110	Name of Extension	None
0111	Continuation of data on Extension of System	
0112	Continuation of data on Extension of System	
0120	Name of Extension	
0121	Continuation of data on Extension of System	
0122	Continuation of data on Extension of System	
0130	Name of Extension	
0131	Continuation of data on Extension of System	
0132	Continuation of data on Extension of System	
0140	Name of Extension	
0141	Continuation of data on Extension of System	
0142	Continuation of data on Extension of System	
0150	Name of Extension	
0151	Continuation of data on Extension of System	
0152	Continuation of data on Extension of System	
0160	Name of Extension	
0161	Continuation of data on Extension of System	
0162	Continuation of data on Extension of System	
0170	Name of Extension	
0171	Continuation of data on Extension of System	
0172	Continuation of data on Extension of System	
0180	Name of Extension	
0181	Continuation of data on Extension of System	
0182	Continuation of data on Extension of System	
0190	Name of Extension	
0191	Continuation of data on Extension of System	
0192	Continuation of data on Extension of System	

C: New England Telephone
S: REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

	Substantial Portions or All Property Sold	

0210	Particulars of Property Sold	None
0211	Continuation of Particulars of Property Sold	
0212	Continuation of Particulars of Property Sold	
0220	Particulars of Property Sold	
0221	Continuation of Particulars of Property Sold	
0222	Continuation of Particulars of Property Sold	
0230	Particulars of Property Sold	
0231	Continuation of Particulars of Property Sold	
0232	Continuation of Particulars of Property Sold	
0240	Particulars of Property Sold	
0241	Continuation of Particulars of Property Sold	
0242	Continuation of Particulars of Property Sold	
0250	Particulars of Property Sold	
0251	Continuation of Particulars of Property Sold	
0252	Continuation of Particulars of Property Sold	
0260	Particulars of Property Sold	
0261	Continuation of Particulars of Property Sold	
0262	Continuation of Particulars of Property Sold	
0270	Particulars of Property Sold	
0271	Continuation of Particulars of Property Sold	
0272	Continuation of Particulars of Property Sold	
0280	Particulars of Property Sold	
0281	Continuation of Particulars of Property Sold	
0282	Continuation of Particulars of Property Sold	
0290	Particulars of Property Sold	
0291	Continuation of Particulars of Property Sold	
0292	Continuation of Particulars of Property Sold	
0300	Map Defining Territory	No

CC New England Telephone
 S1 EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Companies Coming Under the Direct Control of the Carrier		

1010	Form of Direct Control	None
1011	Name and Address of Company	
1012	Description of Direct Control	
1013	Continuation of Description of Direct Control	
1020	Form of Direct Control	
1021	Name and Address of Company	
1022	Description of Direct Control	
1023	Continuation of Description of Direct Control	
1030	Form of Direct Control	
1031	Name and Address of Company	
1032	Description of Direct Control	
1033	Continuation of Description of Direct Control	
1040	Form of Direct Control	
1041	Name and Address of Company	
1042	Description of Direct Control	
1043	Continuation of Description of Direct Control	
1050	Form of Direct Control	
1051	Name and Address of Company	
1052	Description of Direct Control	
1053	Continuation of Description of Direct Control	
1060	Form of Direct Control	
1061	Name and Address of Company	
1062	Description of Direct Control	
1063	Continuation of Description of Direct Control	
1070	Form of Direct Control	
1071	Name and Address of Company	
1072	Description of Direct Control	
1073	Continuation of Description of Direct Control	
1080	Form of Direct Control	
1081	Name and Address of Company	
1082	Description of Direct Control	
1083	Continuation of Description of Direct Control	
1090	Form of Direct Control	
1091	Name and Address of Company	
1092	Description of Direct Control	
1093	Continuation of Description of Direct Control	

CO: New England Telephone
 ST: SA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Changes in the Direct Control of a Company		

1110	Form of Direct Control	None
1111	Name of Company	
1112	Description of the Change in the Direct Control	
1113	Continuation of Description of Change in Direct Control	
1120	Form of Direct Control	
1121	Name of Company	
1122	Description of the Change in the Direct Control	
1123	Continuation of Description of Change in Direct Control	
1130	Form of Direct Control	
1131	Name of Company	
1132	Description of the Change in the Direct Control	
1133	Continuation of Description of Change in Direct Control	
1140	Form of Direct Control	
1141	Name of Company	
1142	Description of the Change in the Direct Control	
1143	Continuation of Description of Change in Direct Control	
1150	Form of Direct Control	
1151	Name of Company	
1152	Description of the Change in the Direct Control	
1153	Continuation of Description of Change in Direct Control	
1160	Form of Direct Control	
1161	Name of Company	
1162	Description of the Change in the Direct Control	
1163	Continuation of Description of Change in Direct Control	
1170	Form of Direct Control	
1171	Name of Company	
1172	Description of the Change in the Direct Control	
1173	Continuation of Description of Change in Direct Control	
1180	Form of Direct Control	
1181	Name of Company	
1182	Description of the Change in the Direct Control	
1183	Continuation of Description of Change in Direct Control	
1190	Form of Direct Control	
1191	Name of Company	
1192	Description of the Change in the Direct Control	
1193	Continuation of Description of Change in Direct Control	

CC New England Telephone
SI EA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Changes Affecting the Direct Control of a Company		

1210	Name of Company	None
1211	Description of the Change Affecting Direct Control	
1212	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1220	Name of Company	
1221	Description of the Change Affecting Direct Control	
1222	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1230	Name of Company	
1231	Description of the Change Affecting Direct Control	
1232	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1240	Name of Company	
1241	Description of the Change Affecting Direct Control	
1242	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1250	Name of Company	
1251	Description of the Change Affecting Direct Control	
1252	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1260	Name of Company	
1261	Description of the Change Affecting Direct Control	
1262	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1270	Name of Company	
1271	Description of the Change Affecting Direct Control	
1272	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1280	Name of Company	
1281	Description of the Change Affecting Direct Control	
1282	Continuation of Descript. of Change Affecting Dir. Ctrl.	
1290	Name of Company	
1291	Description of the Change Affecting Direct Control	
1292	Continuation of Descript. of Change Affecting Dir. Ctrl.	

FCC Report 43-02
 ARMIS USOA REPORT

C: New England Telephone
 S: EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 2
 TABLE C-5
 PAGE 6 OF 12

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Companies Coming Under Indirect Control of the Carrier		

1310	Form of Indirect Control	None
1311	Name and Address of Company	
1312	Description of Indirect Control	
1313	Continuation of Description of Indirect Control	
1320	Form of Indirect Control	
1321	Name and Address of Company	
1322	Description of Indirect Control	
1323	Continuation of Description of Indirect Control	
1330	Form of Indirect Control	
1331	Name and Address of Company	
1332	Description of Indirect Control	
1333	Continuation of Description of Indirect Control	
1340	Form of Indirect Control	
1341	Name and Address of Company	
1342	Description of Indirect Control	
1343	Continuation of Description of Indirect Control	
1350	Form of Indirect Control	
1351	Name and Address of Company	
1352	Description of Indirect Control	
1353	Continuation of Description of Indirect Control	
1360	Form of Indirect Control	
1361	Name and Address of Company	
1362	Description of Indirect Control	
1363	Continuation of Description of Indirect Control	
1370	Form of Indirect Control	
1371	Name and Address of Company	
1372	Description of Indirect Control	
1373	Continuation of Description of Indirect Control	
1380	Form of Indirect Control	
1381	Name and Address of Company	
1382	Description of Indirect Control	
1383	Continuation of Description of Indirect Control	
1390	Form of Indirect Control	
1391	Name and Address of Company	
1392	Description of Indirect Control	
1393	Continuation of Description of Indirect Control	

CO: New England Telephone
 SA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Changes in the Indirect Control of a Company		

1410	Form of Indirect Control	None
1411	Name of Company	
1412	Description of the Change in Indirect Control	
1413	Continuation of Description of Change in Indirect Ctrl.	
1420	Form of Indirect Control	
1421	Name of Company	
1422	Description of the Change in Indirect Control	
1423	Continuation of Description of Change in Indirect Ctrl.	
1430	Form of Indirect Control	
1431	Name of Company	
1432	Description of the Change in Indirect Control	
1433	Continuation of Description of Change in Indirect Ctrl.	
1440	Form of Indirect Control	
1441	Name of Company	
1442	Description of the Change in Indirect Control	
1443	Continuation of Description of Change in Indirect Ctrl.	
1450	Form of Indirect Control	
1451	Name of Company	
1452	Description of the Change in Indirect Control	
1453	Continuation of Description of Change in Indirect Ctrl.	
1460	Form of Indirect Control	
1461	Name of Company	
1462	Description of the Change in Indirect Control	
1463	Continuation of Description of Change in Indirect Ctrl.	
1470	Form of Indirect Control	
1471	Name of Company	
1472	Description of the Change in Indirect Control	
1473	Continuation of Description of Change in Indirect Ctrl.	
1480	Form of Indirect Control	
1481	Name of Company	
1482	Description of the Change in Indirect Control	
1483	Continuation of Description of Change in Indirect Ctrl.	
1490	Form of Indirect Control	
1491	Name of Company	
1492	Description of the Change in Indirect Control	
1493	Continuation of Description of Change in Indirect Ctrl.	

CC: New England Telephone
S.EA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Changes Affecting the Indirect Control of a Company		

1510	Name of Company	None
1511	Description of the Change Affecting Indirect Control	
1512	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1520	Name of Company	
1521	Description of the Change Affecting Indirect Control	
1522	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1530	Name of Company	
1531	Description of the Change Affecting Indirect Control	
1532	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1540	Name of Company	
1541	Description of the Change Affecting Indirect Control	
1542	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1550	Name of Company	
1551	Description of the Change Affecting Indirect Control	
1552	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1560	Name of Company	
1561	Description of the Change Affecting Indirect Control	
1562	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1570	Name of Company	
1571	Description of the Change Affecting Indirect Control	
1572	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1580	Name of Company	
1581	Description of the Change Affecting Indirect Control	
1582	Continuation of Descr. of Change Affecting Indir. Ctrl.	
1590	Name of Company	
1591	Description of the Change Affecting Indirect Control	
1592	Continuation of Descr. of Change Affecting Indir. Ctrl.	

CC New England Telephone
 S1 EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)

Important Contracts, Agreements, Etc.		

1610	Identification of Type and Name of Contracting Party	C-TEC Corporation
1611	Date of Contract	10/15/96
1612	Description of the Contract	Interconnection Agreement
1613	Continuation of Description of the Contract	
1620	Identification of Type and Name of Contracting Party	Freedom Ring Communications, L.L.C.
1621	Date of Contract	08/20/96
1622	Description of the Contract	Interconnection Agreement
1623	Continuation of Description of the Contract	
1630	Identification of Type and Name of Contracting Party	Hyperion Telecommunications, Inc.
1631	Date of Contract	07/26/96
1632	Description of the Contract	Interconnection Agreement
1633	Continuation of Description of the Contract	
1640	Identification of Type and Name of Contracting Party	Hyperion Telecommunications of Vermont, Inc.
1641	Date of Contract	07/26/96
1642	Description of the Contract	Interconnection Agreement
1643	Continuation of Description of the Contract	
1650	Identification of Type and Name of Contracting Party	Intermedia Communications, Inc.
1651	Date of Contract	12/09/96
1652	Description of the Contract	Interconnection Agreement
1653	Continuation of Description of the Contract	
1660	Identification of Type and Name of Contracting Party	MFS Intelenet of Massachusetts, Inc.
1661	Date of Contract	06/26/96
1662	Description of the Contract	Interconnection Agreement
1663	Continuation of Description of the Contract	
1670	Identification of Type and Name of Contracting Party	WINSTAR Wireless of Massachusetts, Inc.
1671	Date of Contract	08/22/96
1672	Description of the Contract	Interconnection Agreement
1673	Continuation of Description of the Contract	
1680	Identification of Type and Name of Contracting Party	
1681	Date of Contract	
1682	Description of the Contract	
1683	Continuation of Description of the Contract	
1690	Identification of Type and Name of Contracting Party	
1691	Date of Contract	
1692	Description of the Contract	
1693	Continuation of Description of the Contract	

C : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)
1700	Identification of Type and Name of Contracting Party	
1701	Date of Contract	
1702	Description of the Contract	
1703	Continuation of Description of the Contract	
1710	Identification of Type and Name of Contracting Party	
1711	Date of Contract	
1712	Description of the Contract	
1713	Continuation of Description of the Contract	
1720	Identification of Type and Name of Contracting Party	
1721	Date of Contract	
1722	Description of the Contract	
1723	Continuation of Description of the Contract	
1730	Identification of Type and Name of Contracting Party	
1731	Date of Contract	
1732	Description of the Contract	
1733	Continuation of Description of the Contract	
1740	Identification of Type and Name of Contracting Party	
1741	Date of Contract	
1742	Description of the Contract	
1743	Continuation of Description of the Contract	
1750	Identification of Type and Name of Contracting Party	
1751	Date of Contract	
1752	Description of the Contract	
1753	Continuation of Description of the Contract	
1760	Identification of Type and Name of Contracting Party	
1761	Date of Contract	
1762	Description of the Contract	
1763	Continuation of Description of the Contract	
1770	Identification of Type and Name of Contracting Party	
1771	Date of Contract	
1772	Description of the Contract	
1773	Continuation of Description of the Contract	
1780	Identification of Type and Name of Contracting Party	
1781	Date of Contract	
1782	Description of the Contract	
1783	Continuation of Description of the Contract	

CC New England Telephone
 S. EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Description (b)
1790	Identification of Type and Name of Contracting Party	
1791	Date of Contract	
1792	Description of the Contract	
1793	Continuation of Description of the Contract	

Changes in Accounting Standards		

1810	Identification of Change in Accounting Standards	DLA-NIRC Accounting Change
1811	Description of the Change in Accounting Standards	
1812	Continuation of Description of the Change	
1820	Identification of Change	
1821	Description of the Change	
1822	Continuation of Description of the Change	
1830	Identification of Change	
1831	Description of the Change	
1832	Continuation of Description of the Change	
1840	Identification of Change	
1841	Description of the Change	
1842	Continuation of Description of the Change	
1850	Identification of Change	
1851	Description of the Change	
1852	Continuation of Description of the Change	
1860	Identification of Change	
1861	Description of the Change	
1862	Continuation of Description of the Change	
1870	Identification of Change	
1871	Description of the Change	
1872	Continuation of Description of the Change	
1880	Identification of Change	
1881	Description of the Change	
1882	Continuation of Description of the Change	
1890	Identification of Change	
1891	Description of the Change	
1892	Continuation of Description of the Change	

CO: New England Telephone
 SA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE C-5 - IMPORTANT CHANGES DURING THE YEAR

Row No.	Classification (a)	Date of Change (c)	Description of Change (d)	Est. Inc. or Dec. in Annual Revenues (e)	Est. Savings or Add'l Cost to Pub. (f)

Important Changes in Service and Rate Schedules					

0401	Change in Service and Rate	12/01/1996	State of ME - Intralata Access	(1,955)	1,955
0402	Change in Service and Rate	12/01/1996	State of ME - Intralata Toll	(6,967)	5,705
0403	Change in Service and Rate	12/01/1996	State of ME - Exchange & Other Rates	1,915	(1,915)
0404	Change in Service and Rate	01/01/1996	State of ME - Exchange & Other Rates	(94)	94
0405	Change in Service and Rate	03/31/1996	State of ME - Intralata Toll	(2,550)	2,550
0406	Change in Service and Rate	10/15/1996	State of MA - Intralata Access	(7,440)	7,440
0407	Change in Service and Rate	10/15/1996	State of MA - Intralata Toll	(50,846)	50,846
0408	Change in Service and Rate	10/15/1996	State of MA - Exchange & Other Rates	25,909	(25,909)
0409	Change in Service and Rate	10/27/1996	State of NH - Exchange & Other Rates	201	(201)
0410	Change in Service and Rate	08/24/1996	State of RI - Intralata Toll	(3,000)	3,000
0411	Change in Service and Rate	01/31/1996	State of VT - Intralata Access	(692)	692
0412	Change in Service and Rate	01/31/1996	State of VT - Exchange & Other Rates	3,951	(3,951)
0413	Change in Service and Rate	01/31/1996	State of VT - Intralata Toll	(5,163)	5,681
0414	Change in Service and Rate	03/15/1996	State of VT - Exchange & Other Rates	7,296	(7,296)
0415	Change in Service and Rate	10/01/1996	State of VT - Exchange & Other Rates	(50)	50

COMPANY: New England Telephone
 SERVICE AREA: All
 : From Jan 1996 To Dec 1996
 C NETC

TABLE B-1 - BALANCE SHEET ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (a)	Amount (b)

	Current Assets	

1130	Cash	14,057
1140	Special cash deposits	14
1150	Working cash advances	108
1160	Temporary investments	0
1120	Cash and equivalents	14,179
1180	Telecommunications accounts receivable	951,845
1181	Accounts receivable allowance-telecommunications	47,422
1190	Other accounts receivable	167,971
1191	Accounts receivable allowance-other	0
1200	Notes receivable	0
1201	Notes receivable allowance	0
1210	Interest and dividends receivable	2,359
1220	Inventories	99,545
120	Total Noncash Current (excluding prepayments)	1,174,298
1290	Prepaid rents	214
1300	Prepaid taxes	12,308
1310	Prepaid insurance	1,976
1320	Prepaid directory expenses	0
1330	Other prepayments	37,501
1280	Prepayments	51,999
1	Other Current Assets	9,351
130	Total Current Assets	1,249,827
	Noncurrent Assets	

1401	Investments in affiliated companies	122,250
1402	Investments in nonaffiliated companies	75
1406	Nonregulated investments	0
1407	Unamortized debt issuance expense	4,864
1408	Sinking funds	0
1410	Other noncurrent assets	10,547
1437	Deferred tax regulatory asset	138,984
1438	Deferred maintenance and retirements	0
1439	Deferred charges	84,170
1500	Other jurisdictional assets-net	210,444
150	Total Noncurrent Assets	571,334

COMPANY: New England Telephone
 STATE AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 CARRIER: NETC

TABLE B-1 - BALANCE SHEET ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)
Plant						
2001	Telecommunications plant in service (TPIS)	12,344,446	869,601	695,660	757	12,519,144
2002	Property held for future telecom use (PHFTU)	373	3,661	0	0	4,034
2003	Telephone plant under construction (TPUC)	182,446	30,380	0	0	212,826
2004	Reserved	N/A	N/A	N/A	N/A	N/A
2005	Telecommunications plant adjustment	0	0	0	0	0
2006	Nonoperating plant	2,001	0	0	0	2,001
2007	Goodwill	0	0	0	0	0
210	Total Plant	12,529,266	903,642	695,660	757	12,738,005
TPIS - General Support						
2111	Land	36,495	70	0	0	36,565
2112	Motor vehicles	11,710	62	5,746	0	6,026
2113	Aircraft	0	0	0	0	0
2114	Special purpose vehicles	221	0	0	0	221
2115	Garage work equipment	4,419	2	32	0	4,389
2116	Other work equipment	104,704	11,734	(1,370)	0	117,808
2121	Buildings	851,655	25,777	6,560	0	870,872
2122	Furniture	43,513	852	6,512	(7)	37,846
2123	Office equipment	260,054	15,698	133,236	7	142,523
2124	General purpose computers	154,015	15,189	313	0	168,891
2110	Land and Support	1,466,786	69,384	151,029	0	1,385,141
TPIS - Central Office						
22	alog electronic switching	295,062	1,116	143,095	(4,941)	148,142
22	igital electronic switching	2,271,070	250,097	69,194	6,214	2,458,187
2215.1	Step-by-step switching	1	0	(1)	(2)	0
2215.2	Crossbar switching	35	0	0	1	36
2215.3	Other electro-mechanical switching	0	0	0	0	0
2215	Electro-mechanical switching	36	0	(1)	(1)	36
2210	Central Office - Switching	2,566,168	251,213	212,288	1,272	2,606,365
2220	Operator Systems	45,520	8,333	9,178	13	44,688
2231.1	Satellite & earth stations	0	1	0	0	1
2231.2	Other radio facilities	31,294	512	17,004	7	14,809
2231	Radio systems	31,294	513	17,004	7	14,810
2232	Circuit equipment	2,422,063	229,629	201,993	(13,240)	2,436,459
2230	Central Office - Transmission	2,453,357	230,142	218,997	(13,233)	2,451,269
TPIS - Information Origination/Termination						
2311	Station apparatus	12,242	0	12,242	0	0
2321	Customer premises wiring	0	0	0	0	0
2341	Large PBX	0	0	0	0	0
2351	Public telephone terminal equipment	68,546	11,143	6,467	0	73,222
2362	Other terminal equipment	189,155	19,442	26,049	12,803	195,351
2310	Information Origination/Termination	269,943	30,585	44,758	12,803	268,573
TPIS - Cable & Wire						
2411	Poles	606,929	31,692	6,503	(98)	632,020
2421	Aerial cable	2,586,794	152,298	21,434	0	2,717,658
2422	Underground cable	1,108,562	46,656	10,630	0	1,144,588
2423	Buried cable	296,058	12,232	7,473	0	300,817
2424	Submarine cable	8,326	251	153	0	8,424
2425	Deep sea cable	0	0	0	0	0
2426	Intra-building network cable	21,372	1,019	44	0	22,347
243	ial wire	34,165	1,515	3,861	0	31,819
244	duit systems	799,851	30,400	761	0	829,490
2410	Cable & Wire	5,462,057	276,063	50,859	(98)	5,687,163
240	Total TPIS (before amortizable assets)	12,263,831	865,720	687,109	757	12,443,199

COMPANY: New England Telephone
ST^T AREA: All
P From Jan 1996 To Dec 1996
C NETC

TABLE B-1 - BALANCE SHEET ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)

TPIS Amortizable Assets						

2681	Capital leases	6,020	0	0	0	6,020
2682	Leasehold improvements	74,595	3,881	8,551	0	69,925
2680	Amortizable Tangibles	80,615	3,881	8,551	0	75,945
2690	Intangibles	0	0	0	0	0
260	Total TPIS	12,344,446	869,601	695,660	757	12,519,144

TABLE B-1 - BALANCE SHEET ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)

Depreciation and Amortization		

3100	Accumulated depreciation	6,084,444
3200	Accumulated depreciation - PHFTU	2
3300	Accumulated depreciation - nonoperating	382
3410	Accumulated amortization - Capitalized leases	3,794
3420	Accumulated amortization - Leasehold improvement	32,119
3400	Accumulated amortization - Tangibles	35,913
35	Accumulated amortization - Intangibles	0
36	Accumulated amortization - Other	0
34	Total Depreciation and Amortization	6,120,741
350	Net Plant	6,617,264
360	Total Assets	8,438,425

Current Liabilities		

4010	Accounts payable	780,872
4020	Notes payable	0
4030	Advanced billing and payments	12,453
4040	Customer's deposits	5,705
4050	Current maturities - long term debt	175,211
4060	Current maturities - capital leases	497
4070	Income taxes - accrued	56,293
4080	Other taxes - accrued	16,701
4100	Net current deferred operating income taxes	(17,007)
4110	Net current deferred nonoperating income taxes	(25,454)
4120	Other accrued liabilities	254,470
4130	Other current liabilities	73,140
410	Total Current Liabilities	1,332,881

Long-Term Debt		

4210	Funded debt	2,003,965
4220	Premium on long-term debt	0
4230	Discount on long-term debt	8,879
4240	Reacquired debt	0
4250	Obligations under capital leases	1,329
4260	Advances from affiliated companies	0
4270	Other long-term debt	0
420	Total Long-Term Debt	1,996,415

COMPANY: New England Telephone
 STATE AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 CARRIER: NETC

TABLE B-1 - BALANCE SHEET ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)

Other Liabilities and Deferred Credits		

4310	Other long-term liabilities	848,512
4320	Unamortized operating investment tax credits - net	73,344
4330	Unamortized nonoperating investment tax credits - net	0
4340	Net noncurrent deferred operating income taxes	578,141
4341	Net deferred tax liability adjustments	38,182
4350	Net noncurrent deferred nonoperating income taxes	(29,117)
4360	Other deferred credits	91,847
4361	Deferred tax regulatory liability	100,802
4370	Other jurisdictional liabilities/defer credits - net	199,290
430	Total Other Liabilities and Deferred Credits	1,901,001
Stockholders' Equity		

4510	Capital stock	1,000
4520	Additional paid-in capital	2,088,082
4530	Treasury stock	0
4540	Other capital	0
4550	Retained earnings	1,119,046
440	Total Stockholders' Equity	3,208,128
450	Total Liabilities and Stockholders' Equity	8,438,425
460	Retained Earnings (Beginning of Year)	935,844
465	Net Income	650,102
470	Dividends Declared	466,900
475	Miscellaneous Debits	0
480	Miscellaneous Credits	0
4.	Retained Earnings (End of Year)	1,119,046

COMPANY: New England Telephone
STUDY AREA: All
P: From Jan 1996 To Dec 1996
NETC

TABLE B-2 - STATEMENT OF CASH FLOWS
(Dollars in Thousands)

Row No.	Description (a)	Amount (b)	Amount (c)

INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS:			

Cash Flows From Operating Activities:			

0100	Net Income/Loss	N/A	650,102
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			

0110	Depreciation and Amortization	919,123	N/A
0120	Provision for Losses for Accounts Receivables	61,972	N/A
0130	Deferred Income Taxes - Net	(22,660)	N/A
0140	Unamortized ITC - Net	(10,320)	N/A
0150	Allowance for Funds Used During Construction	(12,535)	N/A
0160	Net Change in Operating Receivables	(177,372)	N/A
0170	Net Change in Materials, Supplies & Inventories	(45,858)	N/A
0180	Net Change in Operating Payables & Accrued Liabilities	(133,387)	N/A
0190	Net Change in Other Assets and Deferred Charges	50,693	N/A
0200	Net Change in Other Liabilities and Deferred Credits	155,869	N/A
0210	Other	54,107	N/A
0220	Total Adjustments	N/A	839,632
0230	Net Cash Provided by/Used in Operating Activities	N/A	1,489,734
Cash Inflows/Outflows from Investing Activities:			

0240	Construction/Acquisition of Property, Plant and Equipment	(918,458)	N/A
02	Proceeds from Disposals of Property, Plant and Equipment	(26,195)	N/A
02	Investments in & Advances to Affiliates	(39,919)	N/A
02	Proceeds from Repayment of Advances	0	N/A
0280	Other Investing Activities	0	N/A
0290	Net Cash Provided by/Used in Investment Activities	N/A	(984,572)
Cash Flows from Financing Activities:			

0300	Net Increase/Decrease in Short-Term Debt	0	N/A
0310	Advances from Affiliates	(37,088)	N/A
0320	Repayment of Advances from Affiliates	0	N/A
0330	Proceeds from Long-Term Debt	0	N/A
0340	Repayment of Long-Term Debt	(1,035)	N/A
0350	Payment of Capital Lease Obligations	(449)	N/A
0360	Proceeds from Issue of Common Stock/Equity Investment from Parent	0	N/A
0370	Repurchase of Treasury Shares	0	N/A
0380	Dividends Paid	(460,850)	N/A
0390	Other Financing Activities	0	N/A
0400	Net Cash Provided by Financing Activities	N/A	(499,422)
0410	Effect of Exchange Rate Changes on Cash	N/A	0
0420	Net Increase/Decrease in Cash and Cash Equivalents	N/A	5,740
0430	Cash & Cash Equivalents - Beginning of Period	N/A	8,439
0440	Cash & Cash Equivalents - End of Period	N/A	14,179

COMPANY: New England Telephone
ST^{TRM} AREA: All
F From Jan 1996 To Dec 1996
C NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
(Dollars in Thousands)

Row No.	Classi- cation (a)	Company Name (b)	Account 1401/1402			Account 1401/1402		
			Common (c)	Preferred (d)	Advances (e)	LT Debt (f)	Adjustments (g)	Net (h)
AFFILIATED COMPANIES								
Equity Method:								
0101	Investment	Telesector Resources Group, Inc.	122,250	0	0	0	0	122,250
0102	Investment		0	0	0	0	0	0
0103	Investment		0	0	0	0	0	0
0104	Investment		0	0	0	0	0	0
0105	Investment		0	0	0	0	0	0
0106	Investment		0	0	0	0	0	0
0107	Investment		0	0	0	0	0	0
0108	Investment		0	0	0	0	0	0
0109	Investment		0	0	0	0	0	0
0110	Investment		0	0	0	0	0	0
0111	Investment		0	0	0	0	0	0
0112	Investment		0	0	0	0	0	0
0113	Investment		0	0	0	0	0	0
0114	Investment		0	0	0	0	0	0
0115	Investment		0	0	0	0	0	0
0116	Investment		0	0	0	0	0	0
0117	Investment		0	0	0	0	0	0
0118	Investment		0	0	0	0	0	0
0119	Investment		0	0	0	0	0	0
0120	Investment		0	0	0	0	0	0
0121	Investment		0	0	0	0	0	0
0122	Investment		0	0	0	0	0	0
0123	Investment		0	0	0	0	0	0
0124	Investment		0	0	0	0	0	0
0125	Investment		0	0	0	0	0	0
0126	Investment		0	0	0	0	0	0
0127	Investment		0	0	0	0	0	0
0128	Investment		0	0	0	0	0	0
0129	All Other Inv	N/A	0	0	0	0	0	0
0130	Tot Eqty Mthd	N/A	122,250	0	0	0	0	122,250
Cost Method:								
0201	Investment		0	0	0	0	0	0
0202	Investment		0	0	0	0	0	0
0203	Investment		0	0	0	0	0	0
0204	Investment		0	0	0	0	0	0
0205	Investment		0	0	0	0	0	0
0206	Investment		0	0	0	0	0	0
0207	Investment		0	0	0	0	0	0
0208	Investment		0	0	0	0	0	0
0209	Investment		0	0	0	0	0	0
0210	Investment		0	0	0	0	0	0
0211	Investment		0	0	0	0	0	0
0212	Investment		0	0	0	0	0	0
0213	Investment		0	0	0	0	0	0
0214	Investment		0	0	0	0	0	0
0215	Investment		0	0	0	0	0	0
0216	Investment		0	0	0	0	0	0
0217	Investment		0	0	0	0	0	0
0218	Investment		0	0	0	0	0	0
0219	Investment		0	0	0	0	0	0
0220	Investment		0	0	0	0	0	0
0221	Investment		0	0	0	0	0	0
0222	Investment		0	0	0	0	0	0
0223	Investment		0	0	0	0	0	0
0224	Investment		0	0	0	0	0	0
0225	Investment		0	0	0	0	0	0
0226	Investment		0	0	0	0	0	0
0227	Investment		0	0	0	0	0	0
0228	Investment		0	0	0	0	0	0
0229	Othr Inv	N/A	0	0	0	0	0	0
0230	Cost Mthd	N/A	0	0	0	0	0	0
0240	Total Affili	N/A	122,250	0	0	0	0	122,250
0250	Non-Affili	N/A	0	0	75	0	0	75
0260	Total Invest	N/A	122,250	0	75	0	0	122,325

COMPANY: New England Telephone
STUDY AREA: All
PF From Jan 1996 To Dec 1996
C NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
(Dollars in Thousands)

Row No.	Classification (a)	Company Name (b)	Account 1160			
			Beg Balance (i)	Gross Dr. (j)	Gross Cr. (k)	Net (l)
AFFILIATED COMPANIES						
Equity Method:						
0101	Investment	Telesector Resources Group, Inc.	0	0	0	0
0102	Investment		0	0	0	0
0103	Investment		0	0	0	0
0104	Investment		0	0	0	0
0105	Investment		0	0	0	0
0106	Investment		0	0	0	0
0107	Investment		0	0	0	0
0108	Investment		0	0	0	0
0109	Investment		0	0	0	0
0110	Investment		0	0	0	0
0111	Investment		0	0	0	0
0112	Investment		0	0	0	0
0113	Investment		0	0	0	0
0114	Investment		0	0	0	0
0115	Investment		0	0	0	0
0116	Investment		0	0	0	0
0117	Investment		0	0	0	0
0118	Investment		0	0	0	0
0119	Investment		0	0	0	0
0120	Investment		0	0	0	0
0121	Investment		0	0	0	0
0122	Investment		0	0	0	0
0123	Investment		0	0	0	0
0124	Investment		0	0	0	0
0125	Investment		0	0	0	0
0126	Investment		0	0	0	0
0127	Investment		0	0	0	0
0128	Investment		0	0	0	0
0129	All Other Inv	N/A	0	0	0	0
0130	Tot Eqty Mthd	N/A	0	0	0	0
Cost Method:						
0201	Investment		0	0	0	0
0202	Investment		0	0	0	0
0203	Investment		0	0	0	0
0204	Investment		0	0	0	0
0205	Investment		0	0	0	0
0206	Investment		0	0	0	0
0207	Investment		0	0	0	0
0208	Investment		0	0	0	0
0209	Investment		0	0	0	0
0210	Investment		0	0	0	0
0211	Investment		0	0	0	0
0212	Investment		0	0	0	0
0213	Investment		0	0	0	0
0214	Investment		0	0	0	0
0215	Investment		0	0	0	0
0216	Investment		0	0	0	0
0217	Investment		0	0	0	0
0218	Investment		0	0	0	0
0219	Investment		0	0	0	0
0220	Investment		0	0	0	0
0221	Investment		0	0	0	0
0222	Investment		0	0	0	0
0223	Investment		0	0	0	0
0224	Investment		0	0	0	0
0225	Investment		0	0	0	0
0226	Investment		0	0	0	0
0227	Investment		0	0	0	0
0228	Investment		0	0	0	0
0229	Other Inv	N/A	0	0	0	0
0230	Cost Mthd	N/A	0	0	0	0
0240	Total Affili	N/A	0	0	0	0
0250	Non-Affili	N/A	0	0	0	0
0260	Total Invest	N/A	0	0	0	0

COMPANY: New England Telephone
STATION AREA: All
PF From Jan 1996 To Dec 1996
CC NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
(Dollars in Thousands)

Row No.	Classi- cation (a)	Company Name (b)	Account 1180			
			Beg Balance (m)	Gross Dr. (n)	Gross Cr. (o)	Net (p)
AFFILIATED COMPANIES						
Equity Method:						
0101	Investment	Telesector Resources Group, Inc.	0	0	0	0
0102	Investment		0	0	0	0
0103	Investment		0	0	0	0
0104	Investment		0	0	0	0
0105	Investment		0	0	0	0
0106	Investment		0	0	0	0
0107	Investment		0	0	0	0
0108	Investment		0	0	0	0
0109	Investment		0	0	0	0
0110	Investment		0	0	0	0
0111	Investment		0	0	0	0
0112	Investment		0	0	0	0
0113	Investment		0	0	0	0
0114	Investment		0	0	0	0
0115	Investment		0	0	0	0
0116	Investment		0	0	0	0
0117	Investment		0	0	0	0
0118	Investment		0	0	0	0
0119	Investment		0	0	0	0
0120	Investment		0	0	0	0
0121	Investment		0	0	0	0
0122	Investment		0	0	0	0
0123	Investment		0	0	0	0
0124	Investment		0	0	0	0
0125	Investment		0	0	0	0
0126	Investment		0	0	0	0
0127	Investment		0	0	0	0
0128	Investment		0	0	0	0
0129	All Other Inv	N/A	0	0	0	0
0130	Tot Eqty Mthd	N/A	0	0	0	0
Cost Method:						
0201	Investment		0	0	0	0
0202	Investment		0	0	0	0
0203	Investment		0	0	0	0
0204	Investment		0	0	0	0
0205	Investment		0	0	0	0
0206	Investment		0	0	0	0
0207	Investment		0	0	0	0
0208	Investment		0	0	0	0
0209	Investment		0	0	0	0
0210	Investment		0	0	0	0
0211	Investment		0	0	0	0
0212	Investment		0	0	0	0
0213	Investment		0	0	0	0
0214	Investment		0	0	0	0
0215	Investment		0	0	0	0
0216	Investment		0	0	0	0
0217	Investment		0	0	0	0
0218	Investment		0	0	0	0
0219	Investment		0	0	0	0
0220	Investment		0	0	0	0
0221	Investment		0	0	0	0
0222	Investment		0	0	0	0
0223	Investment		0	0	0	0
0224	Investment		0	0	0	0
0225	Investment		0	0	0	0
0226	Investment		0	0	0	0
0227	Investment		0	0	0	0
0228	Investment		0	0	0	0
0229	Investment		0	0	0	0
0230	Othr Inv	N/A	0	0	0	0
0231	Cost Mthd	N/A	0	0	0	0
0240	Total Affili	N/A	0	0	0	0
0250	Non-Affili	N/A	925,256	2,367,061	2,340,472	951,845
0260	Total Invest	N/A	925,256	2,367,061	2,340,472	951,845

COMPANY: New England Telephone
 STU AREA: All
 PF From Jan 1996 To Dec 1996
 C NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
 (Dollars in Thousands)

Row No.	Classi- cation (aa)	Company Name (ab)	Account 1190			
			Beg Balance (ac)	Gross Dr. (ad)	Gross Cr. (ae)	Net (af)

AFFILIATED COMPANIES						

Equity Method:						

0301	Investment	Telesector Resources Group, Inc.	23,869	99,279	120,494	2,654
0302	Investment		0	0	0	0
0303	Investment		0	0	0	0
0304	Investment		0	0	0	0
0305	Investment		0	0	0	0
0306	Investment		0	0	0	0
0307	Investment		0	0	0	0
0308	Investment		0	0	0	0
0309	Investment		0	0	0	0
0310	Investment		0	0	0	0
0311	Investment		0	0	0	0
0312	Investment		0	0	0	0
0313	Investment		0	0	0	0
0314	Investment		0	0	0	0
0315	Investment		0	0	0	0
0316	Investment		0	0	0	0
0317	Investment		0	0	0	0
0318	Investment		0	0	0	0
0319	Investment		0	0	0	0
0320	Investment		0	0	0	0
0321	Investment		0	0	0	0
0322	Investment		0	0	0	0
0323	Investment		0	0	0	0
0324	Investment		0	0	0	0
0325	Investment		0	0	0	0
0326	Investment		0	0	0	0
0327	Investment		0	0	0	0
0328	Investment		0	0	0	0
0329	All Other Inv	N/A	0	0	0	0
0330	Tot Eqty Mthd	N/A	23,869	99,279	120,494	2,654
Cost Method:						

0401	Investment	NYNEX Corporation	1,170	48,438	8,388	41,220
0402	Investment	NYNEX-New York	752	45,242	44,276	1,718
0403	Investment	NYNEX Information Resources, Inc.	867	284,709	177,736	107,840
0404	Investment	NYNEX Worldwide Services Group, Inc.	105	146	105	146
0405	Investment	NYNEX Venture Company	3	73	75	1
0406	Investment	NYNEX Computer Company	6	0	8	(2)
0407	Investment	NYNEX Science & Technology, Inc.	74	405	479	0
0408	Investment	NYNEX Network Systems	21	21	42	0
0409	Investment	NYNEX MMDS Holding Company	0	27	27	0
0410	Investment		0	0	0	0
0411	Investment		0	0	0	0
0412	Investment		0	0	0	0
0413	Investment		0	0	0	0
0414	Investment		0	0	0	0
0415	Investment		0	0	0	0
0416	Investment		0	0	0	0
0417	Investment		0	0	0	0
0418	Investment		0	0	0	0
0419	Investment		0	0	0	0
0420	Investment		0	0	0	0
0421	Investment		0	0	0	0
0422	Investment		0	0	0	0
0423	Investment		0	0	0	0
0424	Investment		0	0	0	0
0425	Investment		0	0	0	0
0426	Investment		0	0	0	0
0427	Investment		0	0	0	0
0428	Investment		0	0	0	0
0429	Other Inv	N/A	0	0	0	0
0430	Cost Mthd	N/A	2,998	379,061	231,136	150,923
0440	Total Affili	N/A	26,867	478,340	351,630	153,577
0450	Non-Affili	N/A	14,653	56,214	56,473	14,394
0460	Total Invest	N/A	41,520	534,554	408,103	167,971

COMPANY: New England Telephone
 STUDY AREA: All
 PF From Jan 1996 To Dec 1996
 C(NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
 (Dollars in Thousands)

Row No.	Classi- cation (aa)	Company Name (ab)	Account 1200			
			Beg Balance (ag)	Gross Dr. (ah)	Gross Cr. (ai)	Net (aj)
AFFILIATED COMPANIES						
Equity Method:						
0301	Investment	Telesector Resources Group, Inc.	0	0	0	0
0302	Investment		0	0	0	0
0303	Investment		0	0	0	0
0304	Investment		0	0	0	0
0305	Investment		0	0	0	0
0306	Investment		0	0	0	0
0307	Investment		0	0	0	0
0308	Investment		0	0	0	0
0309	Investment		0	0	0	0
0310	Investment		0	0	0	0
0311	Investment		0	0	0	0
0312	Investment		0	0	0	0
0313	Investment		0	0	0	0
0314	Investment		0	0	0	0
0315	Investment		0	0	0	0
0316	Investment		0	0	0	0
0317	Investment		0	0	0	0
0318	Investment		0	0	0	0
0319	Investment		0	0	0	0
0320	Investment		0	0	0	0
0321	Investment		0	0	0	0
0322	Investment		0	0	0	0
0323	Investment		0	0	0	0
0324	Investment		0	0	0	0
032	Investment		0	0	0	0
032	Investment		0	0	0	0
032	Investment		0	0	0	0
0328	Investment		0	0	0	0
0329	All Other Inv	N/A	0	0	0	0
0330	Tot Eqty Mthd	N/A	0	0	0	0
Cost Method:						
0401	Investment	NYNEX Corporation	0	0	0	0
0402	Investment	NYNEX-New York	0	0	0	0
0403	Investment	NYNEX Information Resources, Inc.	0	0	0	0
0404	Investment	NYNEX Worldwide Services Group, Inc.	0	0	0	0
0405	Investment	NYNEX Venture Company	0	0	0	0
0406	Investment	NYNEX Computer Company	0	0	0	0
0407	Investment	NYNEX Science & Technology, Inc.	0	0	0	0
0408	Investment	NYNEX Network Systems	0	0	0	0
0409	Investment	NYNEX MMDS Holding Company	0	0	0	0
0410	Investment		0	0	0	0
0411	Investment		0	0	0	0
0412	Investment		0	0	0	0
0413	Investment		0	0	0	0
0414	Investment		0	0	0	0
0415	Investment		0	0	0	0
0416	Investment		0	0	0	0
0417	Investment		0	0	0	0
0418	Investment		0	0	0	0
0419	Investment		0	0	0	0
0420	Investment		0	0	0	0
0421	Investment		0	0	0	0
0422	Investment		0	0	0	0
0423	Investment		0	0	0	0
0424	Investment		0	0	0	0
0425	Investment		0	0	0	0
0426	Investment		0	0	0	0
0427	Investment		0	0	0	0
0428	Investment		0	0	0	0
0429	Other Inv	N/A	0	0	0	0
0430	Cost Mthd	N/A	0	0	0	0
0440	Total Affili	N/A	0	0	0	0
0450	Non-Affili	N/A	0	0	0	0
0460	Total Invest	N/A	0	0	0	0

COMPANY: New England Telephone
ST AREA: All
P From Jan 1996 To Dec 1996
C NETC

TABLE B-3 - INVESTMENTS IN AFFILIATES AND OTHER COMPANIES
(Dollars in Thousands)

Row No.	Classification (aa)	Company Name (ab)	Account 1210				Total (ao)
			Beg Balance (ak)	Gross Dr. (al)	Gross Cr. (am)	Net (an)	

AFFILIATED COMPANIES							

Equity Method:							

0301	Investment	Telesector Resources Group, Inc.	3,457	9,204	10,302	2,359	127,263
0302	Investment		0	0	0	0	0
0303	Investment		0	0	0	0	0
0304	Investment		0	0	0	0	0
0305	Investment		0	0	0	0	0
0306	Investment		0	0	0	0	0
0307	Investment		0	0	0	0	0
0308	Investment		0	0	0	0	0
0309	Investment		0	0	0	0	0
0310	Investment		0	0	0	0	0
0311	Investment		0	0	0	0	0
0312	Investment		0	0	0	0	0
0313	Investment		0	0	0	0	0
0314	Investment		0	0	0	0	0
0315	Investment		0	0	0	0	0
0316	Investment		0	0	0	0	0
0317	Investment		0	0	0	0	0
0318	Investment		0	0	0	0	0
0319	Investment		0	0	0	0	0
0320	Investment		0	0	0	0	0
0321	Investment		0	0	0	0	0
0322	Investment		0	0	0	0	0
0323	Investment		0	0	0	0	0
0324	Investment		0	0	0	0	0
0325	Investment		0	0	0	0	0
0326	Investment		0	0	0	0	0
0327	Investment		0	0	0	0	0
0328	Investment		0	0	0	0	0
0329	All Other Inv	N/A	0	0	0	0	0
0330	Tot Eqty Mthd	N/A	3,457	9,204	10,302	2,359	127,263
Cost Method:							

0401	Investment	NYNEX Corporation	0	0	0	0	41,220
0402	Investment	NYNEX-New York	0	0	0	0	1,718
0403	Investment	NYNEX Information Resources, Inc.	0	0	0	0	107,840
0404	Investment	NYNEX Worldwide Services Group, Inc.	0	0	0	0	146
0405	Investment	NYNEX Venture Company	0	0	0	0	1
0406	Investment	NYNEX Computer Company	0	0	0	0	(2)
0407	Investment	NYNEX Science & Technology, Inc.	0	0	0	0	0
0408	Investment	NYNEX Network Systems	0	0	0	0	0
0409	Investment	NYNEX MMDS Holding Company	0	0	0	0	0
0410	Investment		0	0	0	0	0
0411	Investment		0	0	0	0	0
0412	Investment		0	0	0	0	0
0413	Investment		0	0	0	0	0
0414	Investment		0	0	0	0	0
0415	Investment		0	0	0	0	0
0416	Investment		0	0	0	0	0
0417	Investment		0	0	0	0	0
0418	Investment		0	0	0	0	0
0419	Investment		0	0	0	0	0
0420	Investment		0	0	0	0	0
0421	Investment		0	0	0	0	0
0422	Investment		0	0	0	0	0
0423	Investment		0	0	0	0	0
0424	Investment		0	0	0	0	0
0425	Investment		0	0	0	0	0
0426	Investment		0	0	0	0	0
0427	Investment		0	0	0	0	0
0428	Investment		0	0	0	0	0
0429	Other Inv	N/A	0	0	0	0	0
0430	Tot Cost Mthd	N/A	0	0	0	0	150,923
0440	Total Affili	N/A	3,457	9,204	10,302	2,359	278,186
0450	Non-Affili	N/A	0	0	0	0	966,314
0460	Total Invest	N/A	3,457	9,204	10,302	2,359	1,244,500

Company: New England Telephone
 Service Area: All
 Period: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-4 - ANALYSIS OF ASSETS PURCHASED FROM OR SOLD TO AFFILIATES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Affiliate (b)	Net Book Cost (c)	Fair Market Value (d)	Tariff (e)	Prevailing Market Price (f)	Total Purchase/Sales (g)

A. ANALYSIS OF ASSETS PURCHASED FROM AFFILIATES							

0101	Asset Purchased	Nothing to Report	0	0	0	0	0
0102	Asset Purchased		0	0	0	0	0
0103	Asset Purchased		0	0	0	0	0
0104	Asset Purchased		0	0	0	0	0
0105	Asset Purchased		0	0	0	0	0
0106	Asset Purchased		0	0	0	0	0
0107	Asset Purchased		0	0	0	0	0
0108	Asset Purchased		0	0	0	0	0
0109	Asset Purchased		0	0	0	0	0
0110	Asset Purchased		0	0	0	0	0
0111	Asset Purchased		0	0	0	0	0
0112	Asset Purchased		0	0	0	0	0
0113	Asset Purchased		0	0	0	0	0
0114	Asset Purchased		0	0	0	0	0
0115	Asset Purchased		0	0	0	0	0
0116	Asset Purchased		0	0	0	0	0
0117	Asset Purchased		0	0	0	0	0
0118	Asset Purchased		0	0	0	0	0
0119	Asset Purchased		0	0	0	0	0
0120	Asset Purchased		0	0	0	0	0
0121	Asset Purchased		0	0	0	0	0
0122	Asset Purchased		0	0	0	0	0
0123	Asset Purchased		0	0	0	0	0
0124	Asset Purchased		0	0	0	0	0
0125	Asset Purchased		0	0	0	0	0
0126	Asset Purchased		0	0	0	0	0
0127	Asset Purchased		0	0	0	0	0
0128	Asset Purchased		0	0	0	0	0
0129	Asset Purchased		0	0	0	0	0
0130	Asset Purchased		0	0	0	0	0
0131	Asset Purchased		0	0	0	0	0
0132	Asset Purchased		0	0	0	0	0
0133	Asset Purchased		0	0	0	0	0
0134	Asset Purchased		0	0	0	0	0
0135	Asset Purchased		0	0	0	0	0
0136	Asset Purchased		0	0	0	0	0
0137	Asset Purchased		0	0	0	0	0
0138	Asset Purchased		0	0	0	0	0
0139	Asset Purchased	N/A	0	0	0	0	0
0140	Total Purchases	N/A	0	0	0	0	0

Company: New England Telephone
 REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-4 - ANALYSIS OF ASSETS PURCHASED FROM OR SOLD TO AFFILIATES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Affiliate (b)	Net Book Cost (c)	Fair Market Value (d)	Tariff (e)	Prevailing Market Price (f)	Total Purchase/Sales (g)

B. ANALYSIS OF ASSETS SOLD TO AFFILIATES							

0201	Asset Sold	Nothing to Report	0	0	0	0	0
0202	Asset Sold		0	0	0	0	0
0203	Asset Sold		0	0	0	0	0
0204	Asset Sold		0	0	0	0	0
0205	Asset Sold		0	0	0	0	0
0206	Asset Sold		0	0	0	0	0
0207	Asset Sold		0	0	0	0	0
0208	Asset Sold		0	0	0	0	0
0209	Asset Sold		0	0	0	0	0
0210	Asset Sold		0	0	0	0	0
0211	Asset Sold		0	0	0	0	0
0212	Asset Sold		0	0	0	0	0
0213	Asset Sold		0	0	0	0	0
0214	Asset Sold		0	0	0	0	0
0215	Asset Sold		0	0	0	0	0
0216	Asset Sold		0	0	0	0	0
0217	Asset Sold		0	0	0	0	0
0218	Asset Sold		0	0	0	0	0
0219	Asset Sold		0	0	0	0	0
0220	Asset Sold		0	0	0	0	0
0221	Asset Sold		0	0	0	0	0
0222	Asset Sold		0	0	0	0	0
0223	Asset Sold		0	0	0	0	0
0224	Asset Sold		0	0	0	0	0
0225	Asset Sold		0	0	0	0	0
0226	Asset Sold		0	0	0	0	0
0227	Asset Sold		0	0	0	0	0
0228	Asset Sold		0	0	0	0	0
0229	Asset Sold		0	0	0	0	0
0230	Asset Sold		0	0	0	0	0
0231	Asset Sold		0	0	0	0	0
0232	Asset Sold		0	0	0	0	0
0233	Asset Sold		0	0	0	0	0
0234	Asset Sold		0	0	0	0	0
0235	Asset Sold		0	0	0	0	0
0236	Asset Sold		0	0	0	0	0
0237	Asset Sold		0	0	0	0	0
0238	Asset Sold		0	0	0	0	0
0239	Asset Sold		0	0	0	0	0
0240	All Others	N/A	0	0	0	0	0
0240	Total Sales	N/A	0	0	0	0	0

C: New England Telephone
 S. REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CREDITS DURING THE YEAR			
		Beginning Balance (b)	Accruals (c)	Salvage (d)	Other Credits (e)
0100	Motor Vehicles	10,093	367	455	0
0110	Aircraft	0	0	0	0
0120	Special Purpose Vehicles	123	12	0	0
0130	Garage Work Equipment	2,727	226	0	39
0140	Other Work Equipment	38,328	8,161	0	503
0150	Buildings	247,134	24,072	0	0
0160	Furniture	12,292	3,063	(1,517)	817
0180	Office Support Equipment	7,940	2,501	(140)	0
0190	Company Communications Equipment	144,371	31,351	1,056	788
0200	General Purpose Computers	77,218	27,952	2	0
0210	Total Support Assets	540,226	97,705	(144)	2,147
0220	Analog Electronic Switching	232,153	59,778	449	0
0230	Digital Electronic Switching	798,112	184,655	755	0
0240	Step-by-Step Switching	7,060	0	0	0
0250	Crossbar Switching	6,347	0	40	0
0260	Other electro-mechanical Switching	0	0	0	0
0270	Total Central Office-Switching	1,043,672	244,433	1,244	0
0280	Operator Systems	10,542	9,755	727	0
0290	Satellite and Earth Station Facilities	0	0	0	0
0300	Other radio facilities	28,082	1,542	0	0
0310	Circuit equipment	1,328,428	209,790	1,156	0
0320	Total Central Office-Transmission	1,356,510	211,332	1,156	0
0330	Station Apparatus	11,394	378	0	0
0340	Customer Premises Wiring	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0

CO: New England Telephone
 STA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	Beginning Balance (b)	CREDITS DURING THE YEAR		
			Accruals (c)	Salvage (d)	Other Credits (e)
0360	Public telephone terminal equipment	40,220	8,005	66	0
0370	Other terminal equipment	108,549	21,113	2,431	0
0380	Total Information Origination/Termination	160,163	29,496	2,497	0
0390	Poles	312,895	41,239	165	0
0400	Aerial Cable	1,401,457	173,725	3,794	0
0410	Underground Cable	638,164	64,689	765	0
0420	Buried Cable	150,793	15,765	0	0
0430	Submarine Cable	6,312	338	0	0
0440	Deep Sea Cable	0	0	0	0
0450	Intrabuilding Network Cable	7,491	1,682	0	0
0460	Aerial Wire	39,343	3,134	0	0
0470	Conduit Systems	216,598	17,819	0	0
0480	Total Cable and Wire Facilities	2,773,053	318,391	4,724	0
0490	Total Accumulated Depreciation	5,884,166	911,112	10,204	2,147

CC: New England Telephone
 ST EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0100	Motor Vehicles	0	5,746	1	0	5,168
0110	Aircraft	0	0	0	0	0
0120	Special Purpose Vehicles	0	0	0	0	135
0130	Garage Work Equipment	0	32	0	0	2,960
0140	Other Work Equipment	0	(1,370)	0	0	48,362
0150	Buildings	0	6,560	3,083	0	261,563
0160	Furniture	0	6,512	0	0	8,143
0180	Office Support Equipment	0	7,555	7	0	2,739
0190	Company Communications Equipment	0	125,681	27	0	51,858
0200	General Purpose Computers	0	313	0	0	104,859
0210	Total Support Assets	0	151,029	3,118	0	485,787
0220	Analog Electronic Switching	0	143,095	2,898	271	146,116
0230	Digital Electronic Switching	0	69,194	1,550	0	912,778
0240	Step-by-Step Switching	0	(1)	15	(271)	7,317
0250	Subscriber Switching	0	0	14	0	6,373
0260	Other electro-mechanical Switching	0	0	0	0	0
0270	Total Central Office-Switching	0	212,288	4,477	0	1,072,584
0280	Operator Systems	0	9,178	148	0	11,698
0290	Satellite and Earth Station Facilities	0	0	0	0	0
0300	Other radio facilities	0	17,004	456	0	12,164
0310	Circuit equipment	0	201,993	2,905	0	1,334,476
0320	Total Central Office-Transmission	0	218,997	3,361	0	1,346,640
0330	Station Apparatus	0	12,242	0	0	(470)
0340	Customer Premises Wiring	0	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0	0

C : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
(Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0360	Public telephone terminal equipment	0	6,467	139	0	41,685
0370	Other terminal equipment	0	26,049	164	0	105,880
0380	Total Information Origination/Termination	0	44,758	303	0	147,095
0390	Poles	0	6,503	8,198	0	339,598
0400	Aerial Cable	0	21,434	11,401	0	1,546,141
0410	Underground Cable	0	10,630	4,056	0	688,932
0420	Buried Cable	0	7,473	459	0	158,626
0430	Submarine Cable	0	153	7	0	6,490
0440	Deep Sea Cable	0	0	0	0	0
0450	Intrabuilding Network Cable	0	44	57	0	9,072
0460	Aerial Wire	0	3,861	286	0	38,330
0470	Conduit Systems	0	761	205	0	233,451
0480	Total Cable and Wire Facilities	0	50,859	24,669	0	3,020,640
04	Total Accumulated Depreciation	0	687,109	36,076	0	6,084,444

CR New England Telephone
 SA: EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-6 - SUMMARY OF INVESTMENT AND ACCUMULATED DEPRECIATION BY JURISDICTION
 (Dollars in Thousands)

Row No.	Description (a)	Telephone Plant Beginning Balance (b)	Telephone Plant Additions (c)	Telephone Plant Retirements w/Traffic (d)	Telephone Plant Retirements w/o Traffic (e)	Other Charges and Credits (f)	Telephone Plant Ending Balance (g)
0300	Maine	1,329,560	81,585	0	74,285	5,916	1,342,776
0320	Massachusetts	7,753,300	598,003	0	473,862	(10,849)	7,866,592
0400	New Hampshire	1,499,769	95,774	0	63,767	(847)	1,530,929
0500	Rhode Island	911,309	46,070	0	39,965	3,707	921,121
0560	Vermont	769,893	44,288	0	35,230	2,830	781,781
0910	Total	12,263,831	865,720	0	687,109	757	12,443,199

Row No.	Description (a)	Accum. De-precia-tion Beginning Balance (h)	Depre-cia-tion Accruals (i)	Gross Salvage (j)	Cost of Removal (k)	Other Charges and Credits (l)	Accum. De-precia-tion Ending Balance (m)	Beginning Accumulated Depr. Ratio (n)	Ending Accumulated Depr. Ratio (o)
0300	Maine	665,208	92,424	1,434	4,320	855	681,316	50.03	50.74
0320	Massachusetts	3,670,183	587,161	5,535	21,973	1,115	3,768,159	47.34	47.90
0400	New Hampshire	719,833	108,321	1,652	3,589	645	763,095	48.00	49.85
0500	Rhode Island	426,102	67,115	700	3,505	(671)	449,776	46.76	48.83
0560	Vermont	402,840	56,091	883	2,689	203	422,098	52.32	53.99
0910	Total	5,884,166	911,112	10,204	36,076	2,147	6,084,444	47.98	48.90

Carrier: New England Telephone
 AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-7 - BASES OF CHARGES FOR DEPRECIATION
 (Dollars in Thousands)

Row No.	Classifi- cation (a)	Plant Account (b)	Name of Class or Subclass of Plant (c)	(Method)		Net Salvage (%) (f)	Depreciation	
				Whole or Remaining Life (d)	Life Years (e)		Accumulated (%) (g)	Rate (%) (h)

Account 6561								
Row No.	Classifi- cation (a)	Plant Account (b)	Name of Class or Subclass of Plant (c)	Expensed Amount (i)	Amortized Amount (j)	Average Plant Balance (k)	Composite Rate (%) (l)	

This schedule is not required because this carrier's depreciation rates are prescribed by the FCC.

COMPANY: New England Telephone
SERVICE AREA: All
From Jan 1996 To Dec 1996
NETC

TABLE B-8 - CAPITAL LEASES
(Dollars in Thousands)

Row No.	Classification (a)	Plant Account (b)	Name of Category of Plant (c)	Capitalized Amount (d)	Accumulated Amort. in Acct. 3410 (e)	Balance (f)	
0101	Lease	2681	Land and Support Assets	6,020	3,794	2,226	
0102	Lease			0	0	0	
0103	Lease			0	0	0	
0104	Lease			0	0	0	
0105	Lease			0	0	0	
0106	Lease			0	0	0	
0107	Lease			0	0	0	
0108	Lease			0	0	0	
0109	Lease			0	0	0	
0110	Lease			0	0	0	
0111	Lease			0	0	0	
0112	Lease			0	0	0	
0113	Lease			0	0	0	
0114	Lease			0	0	0	
0115	Lease			0	0	0	
0116	Lease			0	0	0	
0117	Lease			0	0	0	
0118	Lease			0	0	0	
0119	Lease			0	0	0	
0120	Lease			0	0	0	
0121	Lease			0	0	0	
0122	Lease			0	0	0	
0123	Lease			0	0	0	
0124	Lease			0	0	0	
0125	Lease			0	0	0	
0126	Lease			0	0	0	
0127	Lease			0	0	0	
0128	Lease			0	0	0	
0129	Lease			0	0	0	
0130	Lease			0	0	0	
0140	Total	N/A	N/A	6,020	3,794	2,226	
				LEASE OBLIGATION	ANNUAL LEASE COST COMPONENTS		
Row No.	Classification (a)	Name of Category of Plant (c)	Current Acct. 4060 (g)	Long-Term Acct. 4250 (h)	Amort. Acct. 6563 (i)	Interest Acct. 7520 (j)	Other (k)
0101	Lease	Land and Support Assets	497	1,329	5,864	206	0
0102	Lease		0	0	0	0	0
0103	Lease		0	0	0	0	0
0104	Lease		0	0	0	0	0
0105	Lease		0	0	0	0	0
0106	Lease		0	0	0	0	0
0107	Lease		0	0	0	0	0
0108	Lease		0	0	0	0	0
0109	Lease		0	0	0	0	0
0110	Lease		0	0	0	0	0
0111	Lease		0	0	0	0	0
0112	Lease		0	0	0	0	0
0113	Lease		0	0	0	0	0
0114	Lease		0	0	0	0	0
0115	Lease		0	0	0	0	0
0116	Lease		0	0	0	0	0
0117	Lease		0	0	0	0	0
0118	Lease		0	0	0	0	0
0119	Lease		0	0	0	0	0
0120	Lease		0	0	0	0	0
0121	Lease		0	0	0	0	0
0122	Lease		0	0	0	0	0
0123	Lease		0	0	0	0	0
0124	Lease		0	0	0	0	0
0125	Lease		0	0	0	0	0
0126	Lease		0	0	0	0	0
0127	Lease		0	0	0	0	0
0128	Lease		0	0	0	0	0
0129	Lease		0	0	0	0	0
0130	Lease		0	0	0	0	0
0140	Total	N/A	497	1,329	5,864	206	0

COMPANY: New England Telephone
 SERVICE: All
 Period: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-9 - DEFERRED CHARGES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Item (b)	Amount (c)
0101	Deferred Charge	Engineering Projects	8,604
0102	Deferred Charge	Other Engineering Project Costs	2,222
0103	Deferred Charge	Unaudited Amounts include in Accounts Payable	72,200
0104	Deferred Charge		0
0105	Deferred Charge		0
0106	Deferred Charge		0
0107	Deferred Charge		0
0108	Deferred Charge		0
0109	Deferred Charge		0
0110	Deferred Charge		0
0111	Deferred Charge		0
0112	Deferred Charge		0
0113	Deferred Charge		0
0114	Deferred Charge		0
0115	Deferred Charge		0
0116	Deferred Charge		0
0117	Deferred Charge		0
0118	Deferred Charge		0
0119	Deferred Charge		0
0120	Deferred Charge		0
0121	Deferred Charge		0
0122	Deferred Charge		0
0123	Deferred Charge		0
0124	Deferred Charge		0
0125	Deferred Charge		0
0126	Deferred Charge		0
0127	Deferred Charge		0
0128	Deferred Charge		0
0129	Deferred Charge		0
0130	Deferred Charge		0
0140	Aggregate of All Other Item	N/A	1,144
0150	Total	N/A	84,170

COMPANY: New England Telephone
 STUDY AREA: All
 P From Jan 1996 To Dec 1996
 C NETC

TABLE B-10 - ACCOUNTS PAYABLE TO AFFILIATES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Affiliate (b)	Balance at Beginning of the Year (c)	ACTIVITY DURING YEAR		Balance at End of the Year (f)
				Gross Debits (d)	Gross Credits (e)	
0101	Payable To	NYNEX Corporate	29,290	1,370,227	1,368,689	27,752
0102	Payable To	NYNEX-New York	7,776	1,212,566	1,211,369	6,579
0103	Payable To	NYNEX Information Resources Company	29,767	350,860	350,510	29,417
0104	Payable To	NYNEX Worldwide Services Group, Inc.	0	11	11	0
0105	Payable To	NYNEX Government Affairs	136	2,353	2,217	0
0106	Payable To	Telesector Resources Group Inc.	391,295	2,190,117	2,167,116	368,294
0107	Payable To	NYNEX Science & Technology, Inc.	183	2,079	2,129	233
0108	Payable To	NYNEX Asset Management Company	116	1,570	1,454	0
0109	Payable To	NYNEX MMDS Company	8	105	97	0
0110	Payable To		0	0	0	0
0111	Payable To		0	0	0	0
0112	Payable To		0	0	0	0
0113	Payable To		0	0	0	0
0114	Payable To		0	0	0	0
0115	Payable To		0	0	0	0
0116	Payable To		0	0	0	0
0117	Payable To		0	0	0	0
0118	Payable To		0	0	0	0
0119	Payable To		0	0	0	0
0120	Payable To		0	0	0	0
0121	Payable To		0	0	0	0
0122	Payable To		0	0	0	0
0123	Payable To		0	0	0	0
0124	Payable To		0	0	0	0
0125	Payable To		0	0	0	0
0126	Payable To		0	0	0	0
0127	Payable To		0	0	0	0
0128	Payable To		0	0	0	0
0129	Payable To		0	0	0	0
0130	Payable To		0	0	0	0
0131	Payable To		0	0	0	0
0132	Payable To		0	0	0	0
0133	Payable To		0	0	0	0
0134	Payable To		0	0	0	0
0135	Payable To		0	0	0	0
0136	Payable To		0	0	0	0
0137	Payable To		0	0	0	0
0138	Payable To		0	0	0	0
0139	Payable To		0	0	0	0
0140	Payable To		0	0	0	0
0141	Payable To		0	0	0	0
0142	Payable To		0	0	0	0
0143	Payable To		0	0	0	0
0144	Payable To		0	0	0	0
0145	Payable To		0	0	0	0
0146	Payable To		0	0	0	0
0147	Payable To		0	0	0	0
0148	Payable To		0	0	0	0
0149	Payable To		0	0	0	0
0150	Payable To		0	0	0	0
0160	Total	N/A	458,571	5,129,888	5,103,592	432,275

COMPANY: New England Telephone
 SERVICE AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-11 - LONG-TERM DEBT
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity (d)	Face Amount Outstanding (e)	Unamortized		Stated Rate % (h)	Yield Rate % (i)
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Debt Iss. Expenses Acct. 1407 (g)		
0101	Acct. 4210	5 Year 5.05% Notes	10/01/1993	10/01/1998	100,000	(76)	89	5.05	5.15
0102	Acct. 4210	38 Year 4 5/8% Deb.	04/01/1961	04/01/1999	45,000	4	6	4.63	4.63
0103	Acct. 4210	7 Year 6.15% Notes	09/01/1992	09/01/1999	100,000	(239)	135	6.15	6.31
0104	Acct. 4210	7 Year 5 3/4% Deb.	05/01/1993	05/01/2000	100,000	(216)	177	5.75	5.88
0105	Acct. 4210	10 Year 8 5/8% Notes	08/01/1991	08/01/2001	100,000	(252)	323	8.63	8.81
0106	Acct. 4210	40 Year 4 1/2% Deb.	07/01/1962	07/01/2002	50,000	14	16	4.50	4.50
0107	Acct. 4210	10 Year 6 1/4% Notes	03/15/1993	03/15/2003	225,000	(837)	486	6.25	6.37
0108	Acct. 4210	40 Year 4 5/8% Deb.	07/01/1965	07/01/2005	60,000	24	27	4.63	4.63
0109	Acct. 4210	39 Year 6 1/8% Deb.	10/01/1967	01/01/2006	100,000	(17)	21	6.13	6.14
0110	Acct. 4210	35 Year 7 3/8% Deb.	10/15/1972	10/15/2007	200,000	(665)	51	7.38	7.47
0111	Acct. 4210	40 Year 6 3/8% Deb.	09/01/1968	09/01/2008	125,000	(207)	28	6.38	6.42
0112	Acct. 4210	30 Year 7 7/8% Deb.	09/01/1992	09/01/2022	100,000	(662)	458	7.88	7.98
0113	Acct. 4210	30 Year 6 7/8% Deb.	10/01/1993	10/01/2023	250,000	(3,068)	1,674	6.88	7.05
0114	Acct. 4210	40 Year 7 7/8% Deb.	11/15/1989	11/15/2029	348,965	(192)	308	7.88	7.98
0115	Acct. 4210	40 Year 9% Deb.	08/01/1991	08/01/2031	100,000	(2,240)	827	9.00	9.33
0116	Acct. 4210				0	0	0	0.00	0.00
0117	Acct. 4210				0	0	0	0.00	0.00
0118	Acct. 4210				0	0	0	0.00	0.00
0119	Acct. 4210				0	0	0	0.00	0.00
0120	Acct. 4210				0	0	0	0.00	0.00
0121	Acct. 4210				0	0	0	0.00	0.00
0122	Acct. 4210				0	0	0	0.00	0.00
0123	Acct. 4210				0	0	0	0.00	0.00
0124	Acct. 4210				0	0	0	0.00	0.00
0125	Acct. 4210				0	0	0	0.00	0.00
0126	Acct. 4210				0	0	0	0.00	0.00
0127	Acct. 4210				0	0	0	0.00	0.00
0128	Acct. 4210				0	0	0	0.00	0.00
0129	Acct. 4210				0	0	0	0.00	0.00
0130	Acct. 4210				0	0	0	0.00	0.00
0131	Acct. 4210				0	0	0	0.00	0.00
0132	Acct. 4210				0	0	0	0.00	0.00
0133	Acct. 4210				0	0	0	0.00	0.00
0134	Acct. 4210				0	0	0	0.00	0.00
0135	Acct. 4210				0	0	0	0.00	0.00
0136	Acct. 4210				0	0	0	0.00	0.00
0137	Acct. 4210				0	0	0	0.00	0.00
0138	Acct. 4210				0	0	0	0.00	0.00
0139	Acct. 4210				0	0	0	0.00	0.00
0140	Acct. 4210				0	0	0	0.00	0.00
0141	Acct. 4210				0	0	0	0.00	0.00
0142	Acct. 4210				0	0	0	0.00	0.00
0143	Acct. 4210				0	0	0	0.00	0.00

COMPANY: New England Telephone
f REA: All
f From Jan 1996 To Dec 1996
COSA: NETC

TABLE B-11 - LONG-TERM DEBT
(Dollars in Thousands)

Row No.	Classifi- cation (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity (d)	Face Amount Outstanding (e)	Unamortized	Unamortized	Stated Rate %	Yield Rate %
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Debt Iss. Expenses Acct. 1407 (g)		
0144	Acct. 4210				0	0	0	0.00	0.00
0145	Acct. 4210				0	0	0	0.00	0.00
0146	Acct. 4210				0	0	0	0.00	0.00
0147	Acct. 4210				0	0	0	0.00	0.00
0148	Acct. 4210				0	0	0	0.00	0.00
0149	Acct. 4210				0	0	0	0.00	0.00
0150	Acct. 4210				0	0	0	0.00	0.00
0151	Acct. 4210				0	0	0	0.00	0.00
0152	Acct. 4210				0	0	0	0.00	0.00
0153	Acct. 4210				0	0	0	0.00	0.00
0154	Acct. 4210				0	0	0	0.00	0.00
0155	Acct. 4210				0	0	0	0.00	0.00
0156	Acct. 4210				0	0	0	0.00	0.00
0157	Acct. 4210				0	0	0	0.00	0.00
0158	Acct. 4210				0	0	0	0.00	0.00
0159	Acct. 4210				0	0	0	0.00	0.00
0160	Acct. 4210				0	0	0	0.00	0.00
0161	Acct. 4210				0	0	0	0.00	0.00
0162	Acct. 4210				0	0	0	0.00	0.00
0163	Acct. 4210				0	0	0	0.00	0.00
0164	Acct. 4210				0	0	0	0.00	0.00
0165	Acct. 4210				0	0	0	0.00	0.00
0166	Acct. 4210				0	0	0	0.00	0.00
0167	Acct. 4210				0	0	0	0.00	0.00
0168	Acct. 4210				0	0	0	0.00	0.00
0169	Acct. 4210				0	0	0	0.00	0.00
0170	Acct. 4210				0	0	0	0.00	0.00
0171	Acct. 4210				0	0	0	0.00	0.00
0172	Acct. 4210				0	0	0	0.00	0.00
0173	Acct. 4210				0	0	0	0.00	0.00
0174	Acct. 4210				0	0	0	0.00	0.00
0175	Acct. 4210				0	0	0	0.00	0.00
0176	Acct. 4210				0	0	0	0.00	0.00
0177	Acct. 4210				0	0	0	0.00	0.00
0178	Acct. 4210				0	0	0	0.00	0.00
0179	Acct. 4210				0	0	0	0.00	0.00
0180	Acct. 4210				0	0	0	0.00	0.00
0181	Acct. 4210				0	0	0	0.00	0.00
0182	Acct. 4210				0	0	0	0.00	0.00
0183	Acct. 4210				0	0	0	0.00	0.00
0184	Acct. 4210				0	0	0	0.00	0.00
0185	Acct. 4210				0	0	0	0.00	0.00
0186	Acct. 4210				0	0	0	0.00	0.00
0187	Acct. 4210				0	0	0	0.00	0.00
0188	Acct. 4210				0	0	0	0.00	0.00
0189	Acct. 4210				0	0	0	0.00	0.00
0190	Total 4210	N/A	N/A	N/A	2,003,965	(8,629)	4,626	N/A	N/A

COM: New England Telephone
 STA: All
 PER: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-11 - LONG-TERM DEBT
 (Dollars in Thousands)

Row No.	Classifi- cation (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity (d)	Face Amount Outstanding (e)	Unamortized Unamortized		Stated Rate % (h)	Yield Rate % (i)
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Debt Iss. Expenses Acct. 1407 (g)		
0201	Acct. 4050	5 Year 6 1/4% Notes	12/15/1992	12/15/1997	175,210	(250)	238	6.25	6.57
0202	Acct. 4050	35 Year 3% Deb.	10/01/1947	10/01/1982	1	0	0	0.00	0.00
0203	Acct. 4050				0	0	0	0.00	0.00
0204	Acct. 4050				0	0	0	0.00	0.00
0205	Acct. 4050				0	0	0	0.00	0.00
0206	Acct. 4050				0	0	0	0.00	0.00
0207	Acct. 4050				0	0	0	0.00	0.00
0208	Acct. 4050				0	0	0	0.00	0.00
0209	Acct. 4050				0	0	0	0.00	0.00
0210	Acct. 4050				0	0	0	0.00	0.00
0211	Acct. 4050				0	0	0	0.00	0.00
0212	Acct. 4050				0	0	0	0.00	0.00
0213	Acct. 4050				0	0	0	0.00	0.00
0214	Acct. 4050				0	0	0	0.00	0.00
0215	Acct. 4050				0	0	0	0.00	0.00
0216	Acct. 4050				0	0	0	0.00	0.00
0217	Acct. 4050				0	0	0	0.00	0.00
0218	Acct. 4050				0	0	0	0.00	0.00
0219	Acct. 4050				0	0	0	0.00	0.00
0220	Acct. 4050				0	0	0	0.00	0.00
0221	Acct. 4050				0	0	0	0.00	0.00
0222	Acct. 4050				0	0	0	0.00	0.00
0223	Acct. 4050				0	0	0	0.00	0.00
0224	Acct. 4050				0	0	0	0.00	0.00
0225	Acct. 4050				0	0	0	0.00	0.00
0226	Acct. 4050				0	0	0	0.00	0.00
0227	Acct. 4050				0	0	0	0.00	0.00
0228	Acct. 4050				0	0	0	0.00	0.00
0229	Acct. 4050				0	0	0	0.00	0.00
0230	Acct. 4050				0	0	0	0.00	0.00

COMPANY: New England Telephone
 AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 2
 TABLE B-11
 PAGE 4 OF 6

TABLE B-11 - LONG-TERM DEBT
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity Outstanding (d)	Face Amount (e)	Unamortized		Stated Rate % (h)	Yield Rate % (i)
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Unamortized Debt Iss. Expenses Acct. 1407 (g)		
0231	Acct. 4050				0	0	0	0.00	0.00
0232	Acct. 4050				0	0	0	0.00	0.00
0233	Acct. 4050				0	0	0	0.00	0.00
0234	Acct. 4050				0	0	0	0.00	0.00
0235	Acct. 4050				0	0	0	0.00	0.00
0236	Acct. 4050				0	0	0	0.00	0.00
0237	Acct. 4050				0	0	0	0.00	0.00
0238	Acct. 4050				0	0	0	0.00	0.00
0239	Acct. 4050				0	0	0	0.00	0.00
0240	Acct. 4050				0	0	0	0.00	0.00
0241	Acct. 4050				0	0	0	0.00	0.00
0242	Acct. 4050				0	0	0	0.00	0.00
0243	Acct. 4050				0	0	0	0.00	0.00
0244	Acct. 4050				0	0	0	0.00	0.00
0245	Acct. 4050				0	0	0	0.00	0.00
0246	Acct. 4050				0	0	0	0.00	0.00
0247	Acct. 4050				0	0	0	0.00	0.00
0248	Acct. 4050				0	0	0	0.00	0.00
0249	Acct. 4050				0	0	0	0.00	0.00
0250	Acct. 4050				0	0	0	0.00	0.00
0251	Acct. 4050				0	0	0	0.00	0.00
0252	Acct. 4050				0	0	0	0.00	0.00
0253	Acct. 4050				0	0	0	0.00	0.00
0254	Acct. 4050				0	0	0	0.00	0.00
0255	Acct. 4050				0	0	0	0.00	0.00
0256	Acct. 4050				0	0	0	0.00	0.00
0257	Acct. 4050				0	0	0	0.00	0.00
0258	Acct. 4050				0	0	0	0.00	0.00
0259	Acct. 4050				0	0	0	0.00	0.00
0260	Acct. 4050				0	0	0	0.00	0.00

COMPANY: New England Telephone
 AREA: All
 : From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-11 - LONG-TERM DEBT
 (Dollars in Thousands)

Row No.	Classifi- cation (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity (d)	Face Amount Outstanding (e)	Unamortized		Stated Rate % (h)	Yield Rate % (i)
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Debt Iss. Expenses Acct. 1407 (g)		
0261	Acct. 4050				0	0	0	0.00	0.00
0262	Acct. 4050				0	0	0	0.00	0.00
0263	Acct. 4050				0	0	0	0.00	0.00
0264	Acct. 4050				0	0	0	0.00	0.00
0265	Acct. 4050				0	0	0	0.00	0.00
0266	Acct. 4050				0	0	0	0.00	0.00
0267	Acct. 4050				0	0	0	0.00	0.00
0268	Acct. 4050				0	0	0	0.00	0.00
0269	Acct. 4050				0	0	0	0.00	0.00
0270	Acct. 4050				0	0	0	0.00	0.00
0271	Acct. 4050				0	0	0	0.00	0.00
0272	Acct. 4050				0	0	0	0.00	0.00
0273	Acct. 4050				0	0	0	0.00	0.00
0274	Acct. 4050				0	0	0	0.00	0.00
0275	Acct. 4050				0	0	0	0.00	0.00
0276	Acct. 4050				0	0	0	0.00	0.00
0277	Acct. 4050				0	0	0	0.00	0.00
0278	Acct. 4050				0	0	0	0.00	0.00
0279	Acct. 4050				0	0	0	0.00	0.00
0280	Acct. 4050				0	0	0	0.00	0.00
0281	Acct. 4050				0	0	0	0.00	0.00
0282	Acct. 4050				0	0	0	0.00	0.00
0283	Acct. 4050				0	0	0	0.00	0.00
0284	Acct. 4050				0	0	0	0.00	0.00
0285	Acct. 4050				0	0	0	0.00	0.00
0286	Acct. 4050				0	0	0	0.00	0.00
0287	Acct. 4050				0	0	0	0.00	0.00
0288	Acct. 4050				0	0	0	0.00	0.00
0289	Acct. 4050				0	0	0	0.00	0.00
0290	Total 4050	N/A	N/A	N/A	175,211	(250)	238	N/A	N/A

Client: New England Telephone
 REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-11 - LONG-TERM DEBT
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Obligation (b)	Nominal Date of Issue (c)	Face Date of Maturity Outstanding (d)	Face Amount (e)	Unamortized		Stated Rate % (h)	Yield Rate % (i)
						Prem/Disc Acct. 4220/ Acct. 4230 (f)	Unamortized Debt Iss. Expenses Acct. 1407 (g)		
0301	Acct. 4260				0	0	0	0.00	0.00
0302	Acct. 4260				0	0	0	0.00	0.00
0303	Acct. 4260				0	0	0	0.00	0.00
0304	Acct. 4260				0	0	0	0.00	0.00
0305	Acct. 4260				0	0	0	0.00	0.00
0306	Acct. 4260				0	0	0	0.00	0.00
0307	Acct. 4260				0	0	0	0.00	0.00
0308	Acct. 4260				0	0	0	0.00	0.00
0310	Total 4260	N/A	N/A	N/A	0	0	0	N/A	N/A
0401	Acct. 4270				0	0	0	0.00	0.00
0402	Acct. 4270				0	0	0	0.00	0.00
0403	Acct. 4270				0	0	0	0.00	0.00
0404	Acct. 4270				0	0	0	0.00	0.00
0405	Acct. 4270				0	0	0	0.00	0.00
0406	Acct. 4270				0	0	0	0.00	0.00
0407	Acct. 4270				0	0	0	0.00	0.00
0408	Acct. 4270				0	0	0	0.00	0.00
0410	Total 4270	N/A	N/A	N/A	0	0	0	N/A	N/A
0500	Ttl All Accts	N/A	N/A	N/A	2,179,176	(8,879)	4,864	N/A	N/A

Company: New England Telephone
Service Area: All
Period: From Jan 1996 To Dec 1996
COSA: NETC

TABLE B-12 - NET DEFERRED INCOME TAXES
(Dollars in Thousands)

Row No.	Particulars (a)	Beginning Balance (b)	Account (c)	Current Year. Accrual (d)	Current Yr. Amortization (e)	Adjustments		End of Year Balance (h)
						Debit (f)	Credit (g)	
NET DEFERRED OPERATING INCOME TAXES - ACCOUNTS 4100 AND 4340:								
Property Related:								
Net Current Deferred Operating Income Taxes (Account 4100)								
Provision for Deferred Operating Income Taxes - Net								
0100	Federal Income Taxes	0	N/A	0	0	0	0	0
0110	State and Local Income Taxes	0	N/A	0	0	0	0	0
0120	Total Net Current Opertg Inc Taxes	0	7250	0	0	0	0	0
Net Noncurrent Deferred Operating Income Taxes (Account 4340)								
Provision for Deferred Operating Income Taxes - Net								
0130	Federal Income Taxes	787,203	N/A	57,625	83,031	0	0	761,797
0140	State and Local Income Taxes	139,359	N/A	14,212	14,987	0	0	138,584
0150	Total Net Noncurr Opertg Inc Taxes	926,562	7250	71,837	98,018	0	0	900,381
0160	Total Ppty Rel Dfd Opertg Inc Taxes	926,562	N/A	71,837	98,018	0	0	900,381
Nonproperty Related:								
Net Current Deferred Operating Income Taxes (Account 4100)								
Provision for Deferred Operating Income Taxes - Net								
0170	Federal Income Taxes	(39,271)	N/A	10,476	(14,166)	0	0	(14,629)
0180	State and Local Income Taxes	(7,184)	N/A	2,045	(2,761)	0	0	(2,378)
0190	Total Net Current Opertg Inc Taxes	(46,455)	7250	12,521	(16,927)	0	0	(17,007)
Net Noncurrent Deferred Operating Income Taxes (Account 4340)								
Provision for Deferred Operating Income Taxes - Net								
0200	Federal Income Taxes	(208,612)	N/A	(54,807)	5,770	0	0	(269,189)
0210	State and Local Income Taxes	(41,220)	N/A	(10,701)	1,130	0	0	(53,051)
0220	Total Net Noncurr Opertg Inc Taxes	(249,832)	7250	(65,508)	6,900	0	0	(322,240)
0230	Ttl Nnpty Rel Dfd Opertg Inc Taxes	(296,287)	N/A	(52,987)	(10,027)	0	0	(339,247)

FCC Report 43-02
 ARMIS USOA REPORT
 CC : New England Telephone
 S. : SEA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 2
 TABLE B-12
 PAGE 2 OF 3

TABLE B-12 - NET DEFERRED INCOME TAXES
 (Dollars in Thousands)

Row No.	Particulars (a)	Beginning		Current Year.	Current Yr. Amortiza-	Adjustments		End of Year
		Balance (b)	Account (c)	Accrual (d)	tion (e)	Debit (f)	Credit (g)	Balance (h)
NET DEFERRED NONOPERATING INCOME TAXES - ACCOUNTS 4110 AND 4350:								
Property Related:								
Net Current Deferred Nonoperating Income Taxes (Account 4110)								
Provision for Deferred Nonoperating Income Taxes - Net								
0240	Federal Income Taxes	0	7450	0	0	0	0	0
0250	State and Local Income Taxes	0	7450	0	0	0	0	0
Deferred Income Tax Effect of Extraordinary Items - Net								
0260	Federal Income Taxes	0	7640	0	0	0	0	0
0270	State and Local Income Taxes	0	7640	0	0	0	0	0
0280	Ttl Net Current Nonoprtg Inc Taxes	0	N/A	0	0	0	0	0
Net Current Deferred Nonoperating Income Taxes (Account 4350)								
Provision for Deferred Nonoperating Income Taxes - Net								
0290	Federal Income Taxes	0	7450	0	0	0	0	0
0300	State and Local Income Taxes	0	7450	0	0	0	0	0
Deferred Income Tax Effect of Extraordinary Items - Net								
0310	Federal Income Taxes	0	7640	0	0	0	0	0
0320	State and Local Income Taxes	0	7640	0	0	0	0	0
0330	Ttl Net Noncurr Nonoprtg Inc Taxes	0	N/A	0	0	0	0	0
0340	Ttl Property Rel Dfd Nonopertyg Tx	0	N/A	0	0	0	0	0
Nonproperty Related:								
Net Current Deferred Nonoperating Income Taxes (Account 4110)								
Provision for Deferred Nonoperating Income Taxes - Net								
0350	Federal Income Taxes	(38,785)	7450	17,578	0	0	0	(21,207)
0360	State and Local Income Taxes	(7,679)	7450	3,432	0	0	0	(4,247)
Deferred Income Tax Effect of Extraordinary Items - Net								
0370	Federal Income Taxes	0	7640	0	0	0	0	0
0380	State and Local Income Taxes	0	7640	0	0	0	0	0
0390	Ttl Net Curr Nonoprtg Income Taxes	(46,464)	N/A	21,010	0	0	0	(25,454)

C : New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-12 - NET DEFERRED INCOME TAXES
 (Dollars in Thousands)

Row No.	Particulars (a)	Beginning		Current Year. Accrual (d)	Current Yr. Amortiza- tion (e)	Adjustments		End of Year Balance (h)
		Balance (b)	Account (c)			Debit (f)	Credit (g)	
NET DEFERRED NONOPERATING INCOME TAXES - ACCOUNTS 4110 AND 4350 (cont'd):								
Nonproperty Related (cont'd):								
Net Noncurrent Deferred Nonoperating Income Taxes (Account 4350)								
Provision for Deferred Nonoperating Income Taxes - Net								
0400	Federal Income Taxes	(45,523)	7450	21,281	0	0	2	(24,240)
0410	State and Local Income Taxes	(9,066)	7450	4,189	0	0	0	(4,877)
Deferred Income Tax Effect of Extraordinary Items - Net								
04	Federal Income Taxes	0	7640	0	0	0	0	0
0	ate and Local Income Taxes	0	7640	0	0	0	0	0
0440	Ttl Net Noncurr Nonoprtg Inc Taxes	(54,589)	N/A	25,470	0	0	2	(29,117)
0450	Ttl Nonppty Rel Dfd Nonop Inc Txes	(101,053)	N/A	46,480	0	0	2	(54,571)

C : New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-13 - OTHER DEFERRED CREDITS
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Item (b)	Amount (c)
0101	Deferred Credit	Restructuring Costs	74,010
0102	Deferred Credit	Accrued Reserve associated with Interstate Claims	1,500
0103	Deferred Credit	Estimated Refund to Maine Customers	6,333
0104	Deferred Credit	Overearnings Complaints for Switched Access (1987-1988)	2,119
0105	Deferred Credit	Balance in Clearing Accounts	2,339
0106	Deferred Credit	Highway and Private Property	2,050
0107	Deferred Credit	Building Moves and Pole Relocations	2,202
0108	Deferred Credit		0
0109	Deferred Credit		0
0110	Deferred Credit		0
0111	Deferred Credit		0
0112	Deferred Credit		0
0113	Deferred Credit		0
0114	Deferred Credit		0
0115	Deferred Credit		0
0116	Deferred Credit		0
0117	Deferred Credit		0
0118	Deferred Credit		0
0119	Deferred Credit		0
0120	Deferred Credit		0
0121	Deferred Credit		0
0122	Deferred Credit		0
0123	Deferred Credit		0
0124	Deferred Credit		0
0125	Deferred Credit		0
0126	Deferred Credit		0
0127	Deferred Credit		0
0128	Deferred Credit		0
0129	Deferred Credit		0
0130	Deferred Credit		0
0140	Aggregate of All Other Items	N/A	1,294
0150	Total other Defferred Credits	N/A	91,847

CC New England Telephone
 SI EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-14 - CAPITAL STOCK
 (Dollars in Thousands)

Row No.	Classification (a)	Class of Stock (b)	Voting Rights (c)		Par or Stated Value (d)	Number of Shares Authorized (e)	Amount of Stock Issued and Outstanding (f)	Additional Paid-In Capital (g)	Total (h)	Number of Shares of Treasury Stock (i)	Amount in Treasury Stock Account (j)
			Yes	No							
0101	Stock	Common	Yes	No	Par	1	1,000	2,088,082	2,089,082	0	0
0102	Stock				0	0	0	0	0	0	0
0103	Stock				0	0	0	0	0	0	0
0104	Stock				0	0	0	0	0	0	0
0105	Stock				0	0	0	0	0	0	0
0106	Stock				0	0	0	0	0	0	0
0107	Stock				0	0	0	0	0	0	0
0108	Stock				0	0	0	0	0	0	0
0109	Stock				0	0	0	0	0	0	0
0110	Stock				0	0	0	0	0	0	0
0111	Stock				0	0	0	0	0	0	0
0112	Stock				0	0	0	0	0	0	0
0113	Stock				0	0	0	0	0	0	0
0114	Stock				0	0	0	0	0	0	0
0115	Stock				0	0	0	0	0	0	0
0116	Stock				0	0	0	0	0	0	0
0117	Stock				0	0	0	0	0	0	0
0118	Stock				0	0	0	0	0	0	0
0119	Stock				0	0	0	0	0	0	0
0120	Stock				0	0	0	0	0	0	0
0121	Stock				0	0	0	0	0	0	0
0122	Stock				0	0	0	0	0	0	0
0123	Stock				0	0	0	0	0	0	0
0124	Stock				0	0	0	0	0	0	0
0125	Stock				0	0	0	0	0	0	0
0126	Stock				0	0	0	0	0	0	0
0127	Stock				0	0	0	0	0	0	0
0128	Stock				0	0	0	0	0	0	0
0129	Stock				0	0	0	0	0	0	0
0130	Stock				0	0	0	0	0	0	0
0140	Total	N/A	N/A	N/A	N/A	N/A	1,000	2,088,082	2,089,082	N/A	0

C : New England Telephone
 S AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classification (a)	Description of Security (b)	REACQUIRED DURING THE YEAR		RETIRED DURING THE YEAR		
			Per \$100 of Debt (c)	Per Share of Stock (d)	Book or Face Amount (e)	Number of Shares of Stock (f)	Book or Face Amount (g)
CAPITAL STOCK							
0101	Reacquired	None					
0102	Reacquired						
0103	Reacquired						
0104	Reacquired						
0105	Reacquired						
0106	Reacquired						
0107	Reacquired						
0108	Reacquired						
0109	Reacquired						
0110	Reacquired						
0121	Retired	None					
0122	Retired						
0123	Retired						
0124	Retired						
0125	Retired						
0126	Retired						
0127	Retired						
0128	Retired						
0129	Retired						
0130	Retired						
FUNDED DEBT							
0201	Reacquired	None					
0202	Reacquired						
0203	Reacquired						
0204	Reacquired						
0205	Reacquired						
0206	Reacquired						
0207	Reacquired						
0208	Reacquired						
0209	Reacquired						
0210	Reacquired						
0211	Reacquired						

CO: New England Telephone
 STA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETA

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classifi- cation (a)	Description of Security (b)	REACQUIRED DURING THE YEAR				RETIRED DURING THE YEAR	
			REACQUISITION COST		Book or Face Amount (e)	Number of Shares of Stock (f)	Book or Face Amount (g)	Number of Shares of Stock (h)
			Per \$100 of Debt (c)	Per Share of Stock (d)				
0221	Retired	40 Year 7 7/8% Debenture					1,035	
0222	Retired							
0223	Retired							
0224	Retired							
0225	Retired							
0226	Retired							
0227	Retired							
0228	Retired							
0229	Retired							
0230	Retired							
0231	Retired							
0232	Retired							
0233	Retired							
0234	Retired							
0235	Retired							
0236	Retired							
0237	Retired							
0238	Retired							
0239	Retired							
0240	Retired							
0241	Retired							
0242	Retired							
0243	Retired							
0244	Retired							
0245	Retired							
0246	Retired							
0247	Retired							
0248	Retired							
0249	Retired							
0250	Retired							
0251	Retired							
0252	Retired							
0253	Retired							
0254	Retired							
0255	Retired							
0256	Retired							
0257	Retired							
0258	Retired							
0259	Retired							
0260	Retired							

C : New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classification (a)	Description of Security (b)	REACQUIRED DURING THE YEAR		RETIRED DURING THE YEAR		
			Per \$100 of Debt (c)	Per Share of Stock (d)	Book or Face Amount (e)	Number of Shares of Stock (f)	Book or Face Amount (g)
0261	Retired						
0262	Retired						
0263	Retired						
0264	Retired						
0265	Retired						
0266	Retired						
0267	Retired						
0268	Retired						
0269	Retired						
0270	Retired						
0271	Retired						
0272	Retired						
0273	Retired						
0274	Retired						
0275	Retired						
0276	Retired						
0277	Retired						
0278	Retired						
0279	Retired						
0280	Retired						
0281	Retired						
0282	Retired						
0283	Retired						
0284	Retired						
0285	Retired						
0286	Retired						
0287	Retired						
0288	Retired						
0289	Retired						
0290	Retired						
0291	Retired						
0292	Retired						
0293	Retired						
0294	Retired						
0295	Retired						
0296	Retired						
0297	Retired						
0298	Retired						
0299	Retired						

C : New England Telephone
 S. REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classification (a)	Effective Date of Call (if any) (i)	UNAMORTIZED DISCOUNT OR PREMIUM AND EXPENSE		REDEMPTION PREMIUM OR DISCOUNT		REACQUISITION OR REDEMPTION EXPENSES	
			Account (j)	Amount (k)	Account (l)	Amount (m)	Account (n)	Amount (o)
CAPITAL STOCK								
0101	Reacquired							
0102	Reacquired							
0103	Reacquired							
0104	Reacquired							
0105	Reacquired							
0106	Reacquired							
0107	Reacquired							
0108	Reacquired							
0109	Reacquired							
0110	Reacquired							
0121	Retired							
0122	Retired							
0123	Retired							
0124	Retired							
0125	Retired							
0126	Retired							
0127	Retired							
0128	Retired							
0129	Retired							
0130	Retired							
FUNDED DEBT								
0201	Reacquired							
0202	Reacquired							
0203	Reacquired							
0204	Reacquired							
0205	Reacquired							
0206	Reacquired							
0207	Reacquired							
0208	Reacquired							
0209	Reacquired							
0210	Reacquired							

C New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classification (a)	Effective Date of Call (if any) (i)	UNAMORTIZED DISCOUNT OR PREMIUM AND EXPENSE		REDEMPTION PREMIUM OR DISCOUNT		REACQUISITION OR REDEMPTION EXPENSES	
			Account (j)	Amount (k)	Account (l)	Amount (m)	Account (n)	Amount (o)
0221	Retired	11/15/96		None		None		None
0222	Retired							
0223	Retired							
0224	Retired							
0225	Retired							
0226	Retired							
0227	Retired							
0228	Retired							
0229	Retired							
0230	Retired							
0231	Retired							
0232	Retired							
0233	Retired							
0234	Retired							
0235	Retired							
0236	Retired							
0237	Retired							
0238	Retired							
0239	Retired							
0240	Retired							
0241	Retired							
0242	Retired							
0243	Retired							
0244	Retired							
0245	Retired							
0246	Retired							
0247	Retired							
0248	Retired							
0249	Retired							
0250	Retired							
0251	Retired							
0252	Retired							
0253	Retired							
0254	Retired							
0255	Retired							
0256	Retired							
0257	red							
0258	red							
0259	Retired							
0260	Retired							

New England Telephone
 AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE B-15 - CAPITAL STOCK AND FUNDED DEBT REACQUIRED OR RETIRED DURING THE YEAR
 (Dollars in Thousands)

Row No.	Classification (a)	Effective Date of Call (if any) (i)	UNAMORTIZED DISCOUNT OR PREMIUM AND EXPENSE		REDEMPTION PREMIUM OR DISCOUNT		REACQUISITION OR REDEMPTION EXPENSES	
			Account (j)	Amount (k)	Account (l)	Amount (m)	Account (n)	Amount (o)
0261	Retired							
0262	Retired							
0263	Retired							
0264	Retired							
0265	Retired							
0266	Retired							
0267	Retired							
0268	Retired							
0269	Retired							
0270	Retired							
0271	Retired							
0272	Retired							
0273	Retired							
0274	Retired							
0275	Retired							
0276	Retired							
0277	Retired							
0278	Retired							
0279	Retired							
0280	Retired							
0281	Retired							
0282	Retired							
0283	Retired							
0284	Retired							
0285	Retired							
0286	Retired							
0287	Retired							
0288	Retired							
0289	Retired							
0290	Retired							
0291	Retired							
0292	Retired							
0293	Retired							
0294	Retired							
0295	Retired							
0296	Retired							
0297	Retired							
0298	Retired							
0299	Retired							

COMPANY: New England Telephone
 REA: All
 From Jan 1996 To Dec 1996
 CARRIER: NETC

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (a)	Amount (b)

REVENUE ACCOUNTS		

Local Network Revenues		

5001	Basic area revenue	1,643,149
5002	Optional extended area revenue	0
5003	Cellular mobile service revenue	0
5004	Other mobile service revenue	7,529
510	Basic local Service Revenue	1,650,678
5010	Public telephone revenue	67,214
5040	Local private line revenue	63,848
5050	Customer premises revenue	63
5060	Other local exchange revenue	297,053
5069	Other local exchange revenue settlements	0
520	Local Network Service Revenue	2,078,856
Network Access Services Revenues		

5081	End user revenue	311,622
5082	Switched access revenue	811,742
5083	Special access revenue	140,793
5084	State access revenue	121,434
5080	Network access revenue	1,385,591
Long Distance (LD) Network Services Revenues		

5100	LD message revenue (Class A)	567,785
51	LD inward-only revenue	39,758
51	LD outward-only revenue	1,539
5110	Unidirectional LD Revenue	41,297
5121	Subvoice grade LD private network revenue	1,296
5122	Voice grade LD private network revenue	37,741
5123	Audio program grade LD private network revenue	0
5124	Video program grade LD private network revenue	0
5125	Digital transmission LD private network revenue	22,195
5126	LD private network switching revenue	0
5128	Other LD private network revenue	0
5129	Other LD private network revenue settlements	(121)
5120	Long Distance Private Network Revenue	61,111
5160	Other long distance revenue	12,993
5169	Other long distance revenue settlements	0
525	LD Network Service Revenues	683,186
Miscellaneous Revenues		

5230	Directory revenue	314,850
5240	Rent revenue	38,229
5250	Corporate operations revenue	1,789
5261	Special billing arrangements revenue	378
5262	Customer operations revenue	544
5263	Plant operations revenue	13
5264	Other incidental regulated revenue	14,538
5269	Other revenue settlements	0
5260	Miscellaneous Revenue (Class A)	15,473
5270	Carrier billing and collection revenue	42,104
5200	Miscellaneous Revenue	412,445
5280	Nonregulated Revenue	78,630
530	Uncollectible revenue-telecommunications	5,429
5302	Uncollectible revenue-other	56,543
5300	Uncollectible Revenue	61,972
530	Total Operating Revenues	4,576,736

COMPANY: New England Telephone
 AREA: All
 : From Jan 1996 To Dec 1996
 C NETC

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
EXPENSE ACCOUNTS						
Plant Specific Operations						
6112	Motor vehicle	58,888	7,628	2,544	23,006	25,710
610	Clearance - Motor vehicle	53,235	6,805	2,312	21,189	22,929
615	Net Balance - Motor vehicle	5,653	823	232	1,817	2,781
6113	Aircraft	1	0	0	0	1
620	Clearance - Aircraft	0	0	0	0	0
625	Net Balance - Aircraft	1	0	0	0	1
6114	Special purpose vehicle	1	0	0	0	1
630	Clearance - Special purpose vehicle	0	0	0	0	0
635	Net Balance - Special purpose vehicle	1	0	0	0	1
6115	Garage work equipment	45	16	5	0	24
6116	Other work equipment	12,126	1,410	458	137	10,121
640	Clearance - Other work equipment	12,124	(20)	(5)	127	12,022
645	Net Balance - Other work equipment	2	1,430	463	10	(1,901)
6110	Network support	5,702	2,269	700	1,827	906
6121	Land & building	96,233	9,448	3,060	55,245	28,480
6122	Furniture & artworks	2,261	0	0	2,206	55
6123	Office equipment	12,020	4,068	1,258	2,740	3,954
6124	General purpose computers	123,712	930	292	46	122,444
6120	General support	234,226	14,446	4,610	60,237	154,933
6211	Analog electronic	19,674	11,325	3,556	86	4,707
621	Digital electronic	83,359	44,010	13,722	147	25,480
621	Electro-mechanical	0	0	0	0	0
6210	Central Office-switching	103,033	55,335	17,278	233	30,187
6220	Operator systems	46	25	8	0	13
6231	Radio systems	373	247	82	1	43
6232	Circuit equipment	54,728	37,775	11,792	509	4,652
6230	Central office-transmission	55,101	38,022	11,874	510	4,695
6311	Station apparatus	0	0	0	0	0
6341	Large PBX	0	0	0	0	0
6351	Public telephone terminal equipment	14,060	5,844	1,902	207	6,107
6362	Other terminal equipment	70,132	46,870	13,893	3,471	5,898
6310	Information origination/termination expense	84,192	52,714	15,795	3,678	12,005
6411	Poles	13,222	2,812	876	6,946	2,588
6421	Aerial cable	301,590	176,278	53,835	7,512	63,965
6422	Underground cable	38,376	23,597	7,312	963	6,504
6423	Buried cable	18,680	11,607	3,531	384	3,158
6424	Submarine cable	11	2	1	0	8
6425	Deep sea cable	0	0	0	0	0
6426	Intrabuilding network cable	3,685	2,455	736	79	415
6431	Aerial wire	1,456	873	260	57	266
6441	Conduit systems	7,214	879	275	442	5,618
6410	Cable and wire	384,234	218,503	66,826	16,383	82,522
650	Total Plant Specific Operations	866,534	381,314	117,091	82,868	285,261

COMPANY: New England Telephone
STANDARD AREA: All
PERIOD: From Jan 1996 To Dec 1996
CARRIER: NETC

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
Plant Nonspecific Operations						
6511	PHFTU	0	0	0	N/A	0
6512	Provisioning	18,430	950	314	N/A	17,166
660	Clearance - Provisioning	21,112	(28)	(9)	N/A	21,149
665	Net Balance - Provisioning	(2,682)	978	323	N/A	(3,983)
6510	Other property plant and equipment expense	(2,682)	978	323	N/A	(3,983)
6531	Power	26,416	0	0	N/A	26,416
6532	Network administration	61,575	27,942	8,876	N/A	24,757
6533	Testing	85,425	60,481	19,089	N/A	5,855
6534	Plant operations administration	86,775	42,775	12,875	N/A	31,125
670	Clearance - Plant operations administration	8,793	4,842	1,667	N/A	2,284
675	Net Balance - Plant operations administration	77,982	37,933	11,208	N/A	28,841
6535	Engineering	62,368	27,976	9,930	N/A	24,462
680	Clearance - Engineering	13,249	3,791	1,275	N/A	8,183
685	Net Balance - Engineering	49,119	24,185	8,655	N/A	16,279
6530	Network Operations	300,517	150,541	47,828	N/A	102,148
6540	Access	872	0	0	N/A	872
6561	Depreciation-TPIS	911,112	N/A	N/A	N/A	911,112
6562	Depreciation-PHFTU	0	N/A	N/A	N/A	0
6563	Amortization-tangible	5,864	N/A	N/A	N/A	5,864
6564	Amortization-intangible	0	N/A	N/A	N/A	0
6565	Amortization-other	2,147	N/A	N/A	N/A	2,147
6560	Depreciation & Amortization Expense	919,123	N/A	N/A	N/A	919,123
690	Total Plant Nonspecific Operations	1,217,830	151,519	48,151	N/A	1,018,160
Customer Operations						
6611	Product management	107,438	4,319	1,460	N/A	101,659
6612	Sales	92,783	27,983	8,923	N/A	55,877
6613	Product advertising	28,442	6	2	N/A	28,434
6610	Marketing Expense	228,663	32,308	10,385	N/A	185,970
6621	Call completion	29,049	17,423	5,062	N/A	6,564
6622	Number services	74,347	49,971	15,560	N/A	8,816
6623	Customer services	266,564	131,835	40,297	N/A	94,432
6620	Service Expense	369,960	199,229	60,919	N/A	109,812
700	Total Customer Operations	598,623	231,537	71,304	N/A	295,782
Corporate Operations						
6711	Executive	35,858	1,506	362	N/A	33,990
6712	Planning	134	40	16	N/A	78
6710	Executive and Planning	35,992	1,546	378	N/A	34,068
6721	Accounting & finance	25,669	8,003	2,664	N/A	15,002
6722	External relations	40,252	4,251	1,432	N/A	34,569
6723	Human resources	47,325	199	68	N/A	47,058
6724	Information management	70,782	0	0	N/A	70,782
6725	Legal	20,372	0	0	N/A	20,372
6726	Procurement	15,224	254	84	N/A	14,886
6727	Research and development	27,879	0	0	N/A	27,879
6728	Other general and administrative	310,914	17,690	(13,199)	N/A	306,423
6720	General & Administrative	558,417	30,397	(8,951)	N/A	536,971

COMPANY: New England Telephone
 AREA: All
 From Jan 1996 To Dec 1996
 NETC

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
6790	Provision for uncollectible notes	0	N/A	N/A	N/A	0
710	Total Corporate Operations Expense	594,409	31,943	(8,573)	N/A	571,039
720	Total Operating Expenses	3,277,396	796,313	227,973	82,868	2,170,242
730	Income Before Other Operating Items and Taxes	1,299,340	N/A	N/A	N/A	N/A

COMPANY: New England Telephone
ST: REA: All
P: From Jan 1996 To Dec 1996
CL: NETC

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)

Other Operating Income and Expense		

7110	Income from custom work	146
7130	Return from nonregulated use of regulated facilities	0
7140	Gains/losses from foreign exchange	0
7150	Gains/losses from disposition of land & artworks	0
7160	Other operating gains and losses	(375)
7100	Other operating income and expenses	(229)
Operating Taxes		

7210	Operating investment tax credits-net	10,320
7220	Operating Federal income taxes	400,718
7230	Operating state and local income taxes	70,560
7240	Operating other taxes	132,910
7250	Provision for deferred operating income tax-net	(69,141)
7200	Operating taxes	524,727
Nonoperating income and expense		

7310	Dividend income	0
7320	Interest income	474
7330	Income from sinking and other funds	0
7340	Allowance for funds used during construction (AFUDC)	12,535
7350	Gains/losses from the disposition of property	0
7360	Other nonoperating income	132,243
7370	Special charges	16,950
7300	Nonoperating income and expense	128,302
Nonoperating Taxes		

7410	Nonoperating investment tax credits-net	0
7420	Nonoperating Federal income taxes	(2,620)
7430	Nonoperating state and local income taxes	24
7440	Nonoperating other taxes	0
7450	Provision for deferred nonoperating income tax-net	46,481
7400	Nonoperating taxes	43,885
Interest and Related Items		

7510	Interest on funded debt	149,231
7520	Interest expense-capital leases	206
7530	Amortization of debt issuance expense	945
7540	Other interest deductions	4,209
7500	Interest and related items	154,591
Extraordinary Items		

7610	Extraordinary income credits	0
7620	Extraordinary income charges	0
7630	Current income tax effect of extraordinary items-net	0
7640	Provision for deferred income tax effect of items-net	0
7600	Extraordinary items	0
Jurisdictional Differences & Nonregulated Income		

7910	Income effects of jurisdictional differences-net	(54,108)
7990	Nonregulated net income	0
790	Net Income	650,102

COMPANY: New England Telephone
STATA AREA: All
F From Jan 1996 To Dec 1996
C NETC

Approved by OMB
3060-0395
Expires xx/xx/xx
Unrestricted Version
SUBMISSION 2
TABLE I-1
PAGE 6 OF 6

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)
830	Total number of employees at the end of the year	18,060
840	Number of full-time employees	17,966
850	Number of part-time employees	94
860	Total compensation for the year	933,084

Company: New England Telephone
 Service Area: All
 Period: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-2 - ANALYSIS OF SERVICES PURCHASED FROM OR SOLD TO AFFILIATES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Affiliate (b)	Fully Distributed Cost (c)	Tariff Rate (d)	Prevailing Market Price (e)	Total Purchase/Sales (f)

A. ANALYSIS OF SERVICES PURCHASED FROM AFFILIATES						

0101	Service Purchased	Telesector Resource Group	712,847	0	0	712,847
0102	Service Purchased	NYNEX Corporate	20,254	0	0	20,254
0103	Service Purchased	Bellcore	22,907	0	0	22,907
0104	Service Purchased	NYNEX Science and Technology Company	2,129	0	0	2,129
0105	Service Purchased	NYNEX-New York	1,146	0	0	1,146
0106	Service Purchased	NYNEX Government Affairs Company	1,988	0	0	1,988
0107	Service Purchased	NYNEX Information Resources Company	2,065	0	0	2,065
0108	Service Purchased	NYNEX Asset Management Company	235	0	0	235
0109	Service Purchased	NYNEX Exchange Indemnity Company	97	0	0	97
0110	Service Purchased		0	0	0	0
0111	Service Purchased		0	0	0	0
0112	Service Purchased		0	0	0	0
0113	Service Purchased		0	0	0	0
0114	Service Purchased		0	0	0	0
0115	Service Purchased		0	0	0	0
0116	Service Purchased		0	0	0	0
0117	Service Purchased		0	0	0	0
0118	Service Purchased		0	0	0	0
0119	Service Purchased		0	0	0	0
0120	Service Purchased		0	0	0	0
0121	Service Purchased		0	0	0	0
0122	Service Purchased		0	0	0	0
0123	Service Purchased		0	0	0	0
0124	Service Purchased		0	0	0	0
0125	Service Purchased		0	0	0	0
0126	Service Purchased		0	0	0	0
0127	Service Purchased		0	0	0	0
0128	Service Purchased		0	0	0	0
0129	Service Purchased		0	0	0	0
0130	Service Purchased		0	0	0	0
0131	Service Purchased		0	0	0	0
0132	Service Purchased		0	0	0	0
0133	Service Purchased		0	0	0	0
0134	Service Purchased		0	0	0	0
0135	Service Purchased		0	0	0	0
0136	Service Purchased		0	0	0	0
0137	Service Purchased		0	0	0	0
0138	Service Purchased		0	0	0	0
0139	From All Others	N/A	0	0	0	0
0140	Total Purchases	N/A	763,668	0	0	763,668

CO: New England Telephone
 ST: EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-2 - ANALYSIS OF SERVICES PURCHASED FROM OR SOLD TO AFFILIATES
 (Dollars in Thousands)

Row No.	Classification (a)	Name of Affiliate (b)	Fully Distributed Cost (c)	Tariff Rate (d)	Prevailing Market Price (e)	Total Purchase/Sales (f)
B. ANALYSIS OF SERVICES SOLD TO AFFILIATES						
0201	Service Sold	NYNEX-New York	1,956	0	0	1,956
0202	Service Sold	NYNEX Corporate	941	25	0	966
0203	Service Sold	NYNEX Information Resources Company	193,054	113	663	193,830
0204	Service Sold	NYNEX Network Systems	44	0	0	44
0205	Service Sold	NYNEX Science and Technology Company	390	19	0	409
0206	Service Sold	Telesector Resources Group	67,472	2,887	0	70,359
0207	Service Sold	NYNEX Entertainment and Informations Sys	73	2	0	75
0208	Service Sold	Bell Atlantic NYNEX Mobile	0	0	310	310
0209	Service Sold	NYNEX Long Distance Company	27	0	0	27
0210	Service Sold	NYNEX Worldwide Services Group	39	7	0	46
0211	Service Sold	NYNEX Credit Company	0	2	0	2
0212	Service Sold	NYNEX Government Affairs Company	0	2	0	2
0213	Service Sold	NYNEX Cable Comms	0	1	0	1
0214	Service Sold	NYNEX Asset Management Company	0	1	0	1
0215	Service Sold		0	0	0	0
0216	Service Sold		0	0	0	0
0217	Service Sold		0	0	0	0
0218	Service Sold		0	0	0	0
0219	Service Sold		0	0	0	0
0220	Service Sold		0	0	0	0
0221	Service Sold		0	0	0	0
0222	Service Sold		0	0	0	0
0223	Service Sold		0	0	0	0
0224	Service Sold		0	0	0	0
0225	Service Sold		0	0	0	0
0226	Service Sold		0	0	0	0
0227	Service Sold		0	0	0	0
0228	Service Sold		0	0	0	0
0229	Service Sold		0	0	0	0
0230	Service Sold		0	0	0	0
0231	Service Sold		0	0	0	0
0232	Service Sold		0	0	0	0
0233	Service Sold		0	0	0	0
0234	Service Sold		0	0	0	0
0235	Service Sold		0	0	0	0
0236	Service Sold		0	0	0	0
0237	Service Sold		0	0	0	0
0238	Service Sold		0	0	0	0
0239	All Others	N/A	0	0	0	0
0240	Total Sales	N/A	263,996	3,059	973	268,028

CR New England Telephone
 S: EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-3 - PENSION COST
 (Dollars in Thousands)

Row No.	Description (a)	AMOUNT	
		Current Year (b)	Previous Year (c)

MANAGEMENT PLAN DATA:			
0100	Accumulated Benefit Obligation	7,150,779	5,817,768
0101	Projected Benefit Obligation	7,751,620	6,498,735
0102	Fair Value of Plan Assets	8,091,779	7,075,758
0103	Discount Rate for Settlement of Liabilities (%)	7.25	8.50
0104	Expected Long-Term Return on Assets (%)	8.90	8.90
Net Periodic Pension Cost:			
0110	Service Cost	94,481	82,959
0111	Interest Cost	541,040	530,037
0112	Return on Plan Assets	(651,595)	(621,258)
0113	Amortization of Transition Amount	(1,029)	(1,029)
0114	Amortization of Gains or Losses	(59,345)	(90,045)
0115	Total	(76,448)	(99,336)
0120	Number of Active Employees	15,588	18,135
0130	Number of Retired Employees	28,981	27,545
REPORTING COMPANY:			
0140	Minimum Required Contribution	0	0
0141	Actual Contribution	0	0
0142	Maximum Amount Deductible	0	0
0143	Benefit Payments	148,900	139,100
0150	Pension Cost	(17,425)	(20,615)
0151	Pension Cost Capitalized	3,137	4,350
0152	Accumulated Pension Asset/Liability-End of Year	(296,351)	(284,855)
0160	Number of Active Employees	2,943	3,545
0170	Number of Retired Employees	7,673	7,454

CC New England Telephone
 ST EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-3 - PENSION COST
 (Dollars in Thousands)

Row No.	Description (a)	AMOUNT	
		Current Year (b)	Previous Year (c)

NON-MANAGEMENT PLAN DATA:			
0180	Accumulated Benefit Obligation	6,302,226	5,222,375
0181	Projected Benefit Obligation	6,746,474	5,529,444
0182	Fair Value of Plan Assets	7,677,213	6,629,151
0183	Discount Rate for Settlement of Liabilities (%)	7.25	8.50
0184	Expected Long-Term Return on Assets (%)	8.90	8.90
Net Periodic Pension Cost:			
0190	Service Cost	121,694	96,431
0191	Interest Cost	473,532	453,343
0192	Return on Plan Assets	(618,622)	(585,492)
0193	Amortization of Transition Amount	(59,197)	(59,197)
0194	Amortization of Gains or Losses	(72,779)	(75,088)
0195	Total	(155,372)	(170,003)
0200	Number of Active Employees	47,557	49,753
0210	Number of Retired Employees	41,662	40,388
REPORTING COMPANY:			
0220	Minimum Required Contribution	0	0
0221	Actual Contribution	0	0
0222	Maximum Amount Deductible	0	0
0223	Benefit Payments	156,500	134,300
0230	Pension Cost	(50,987)	(46,901)
0231	Pension Cost Capitalized	9,178	4,350
0232	Accumulated Pension Asset/Liability-End of Year	(174,960)	(118,100)
0240	Number of Active Employees	15,299	16,559
0250	Number of Retired Employees	14,172	13,458

CC New England Telephone
 S1 EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 2
 TABLE I-3
 PAGE 3 OF 4

TABLE I-3 - PENSION COST
 (Dollars in Thousands)

Row No.	Description (a)	AMOUNT	
		Current Year (b)	Previous Year (c)

ALTERNATIVE MANAGEMENT PLAN DATA:			
0260	Accumulated Benefit Obligation	0	0
0261	Projected Benefit Obligation	0	0
0262	Fair Value of Plan Assets	0	0
0263	Discount Rate for Settlement of Liabilities (%)	0.00	0.00
0264	Expected Long-Term Return on Assets (%)	0.00	0.00
Net Periodic Pension Costs:			
0270	Service Cost	0	0
0271	Interest Cost	0	0
0272	Return on Plan Assets	0	0
0273	Amortization of Transition Amount	0	0
0274	Amortization of Gains or Losses	0	0
0275	Total	0	0
0280	Number of Active Employees	0	0
0290	Number of Retired Employees	0	0
REPORTING COMPANY:			
0300	Minimum Required Contribution	0	0
0301	Actual Contribution	0	0
0302	Maximum Amount Deductible	0	0
0303	Benefit Payments	0	0
0310	Pension Cost	0	0
0311	Pension Cost Capitalized	0	0
0312	Accumulated Pension Asset/Liability-End of Year	0	0
0320	Number of Active Employees	0	0
0330	Number of Retired Employees	0	0

CO New England Telephone
 ST EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-3 - PENSION COST
 (Dollars in Thousands)

Row No.	Description (a)	AMOUNT	
		Current Year (b)	Previous Year (c)

ALTERNATIVE NON-MANAGEMENT PLAN DATA:			
0340	Accumulated Benefit Obligation	0	0
0341	Projected Benefit Obligation	0	0
0342	Fair Value of Plan Assets	0	0
0343	Discount Rate for Settlement of Liabilities (%)	0.00	0.00
0344	Expected Long-Term Return on Assets (%)	0.00	0.00
Net Periodic Pension Costs:			
0350	Service Cost	0	0
0351	Interest Cost	0	0
0352	Return on Plan Assets	0	0
0353	Amortization of Transition Amount	0	0
0354	Amortization of Gains or Losses	0	0
0355	Total	0	0
0360	Number of Active Employees	0	0
0370	Number of Retired Employees	0	0
REPORTING COMPANY:			
0380	Minimum Required Contribution	0	0
0381	Actual Contribution	0	0
0382	Maximum Amount Deductible	0	0
0383	Benefit Payments	0	0
0390	Pension Cost	0	0
0391	Pension Cost Capitalized	0	0
0392	Accumulated Pension Asset/Liability-End of Year	0	0
0400	Number of Active Employees	0	0
0410	Number of Retired Employees	0	0

AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-4 - OPERATING OTHER TAXES (ACCOUNT 7240)
 (Dollars in Thousands)

Row No.	Classification (a)	Name of State or Jurisdiction (b)	TYPE OF TAX					Total (h)
			Property (c)	Gross Receipts (d)	Capital Stock (e)	Sales and Use (f)	Other (g)	
0100	U. S. Government	N/A	0	0	0	0	23	23
0300	State or Jurisdiction	Maine	22,170	924	0	214	188	23,496
0320	State or Jurisdiction	Massachusetts	58,048	1,867	0	1,472	1,331	62,718
0400	State or Jurisdiction	New Hampshire	1,510	890	0	0	234	2,634
0430	State or Jurisdiction	New York	0	0	55	0	0	55
0500	State or Jurisdiction	Rhode Island	9,571	23,965	0	359	238	34,133
0560	State or Jurisdiction	Vermont	9,058	688	0	0	105	9,851
0910	State or Jurisdiction Total	N/A	100,357	28,334	55	2,045	2,096	132,887
0920	Charged to Construction	N/A						0
0930	Other Credits	N/A						0
0940	Net Charged to Acct: 7240	N/A	100,357	28,334	55	2,045	2,119	132,910

C : New England Telephone
S (EA): All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
(Dollars in Thousands)

Row No.	Classification (a)	BALANCE AT BEGINNING OF THE YEAR			TAXES ACCRUED DURING THE YEAR			
		Year To Which Tax Is Applicable (b)	Prepaid Taxes Acct. 1300 (c)	Income Taxes Accrued Acct. 4070 (d)	Other Taxes Accrued Acct. 4080 (e)	Account Charged (f)	Amount (g)	Taxes Paid During the Year (h)
0110	Property Taxes	1996	11,106	N/A		7240	100,357	91,912
0111	Property Taxes	1995		N/A	8,412	7240		8,412
0112	Property Taxes			N/A				
0113	Property Taxes			N/A				
0114	Property Taxes			N/A				
0115	Aggregate Prior Years	N/A		N/A		N/A		
0116	Total for Category	N/A	11,106	N/A	8,412	N/A	100,357	100,324
0120	Capital Stock Taxes	1996		N/A	316	7240	55	171
0121	Capital Stock Taxes			N/A				
0122	Capital Stock Taxes			N/A				
0123	Capital Stock Taxes			N/A				
0124	Capital Stock Taxes			N/A				
0125	Aggregate Prior Years	N/A		N/A		N/A		
0126	Total for Category	N/A	0	N/A	316	N/A	55	171
0130	Social Security Taxes	1996	N/A	N/A		Various	64,281	62,409
0131	Social Security Taxes	1996	N/A	N/A		Plant	12,874	12,874
0132	Social Security Taxes	1996	N/A	N/A		1190	549	549
0133	Social Security Taxes	1995	N/A	N/A	3,412	Various	(1,102)	2,310
0134	Social Security Taxes		N/A	N/A				
0135	Aggregate Prior Years	N/A	N/A	N/A		N/A		
0136	Total for Category	N/A	N/A	N/A	3,412	N/A	76,602	78,142

C : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
(Dollars in Thousands)

Row No.	Classification (a)	Year To Which Tax Is Applicable (b)	BALANCE AT BEGINNING OF THE YEAR			TAXES ACCRUED DURING THE YEAR		Taxes Paid During the Year (h)
			Prepaid Taxes Acct. 1300 (c)	Income Taxes Accrued Acct. 4070 (d)	Other Taxes Accrued Acct. 4080 (e)	Account Charged (f)	Amount (g)	
0140	State/Local Taxes	1996			N/A	7230	76,965	59,425
0141	State/Local Taxes	1996			N/A	7430	571	
0142	State/Local Taxes	1995		9,266	N/A	7230	(6,405)	
0143	State/Local Taxes	1995			N/A	7430	(547)	6,552
0144	State/Local Taxes	1994		(1,277)	N/A	7230		
0145	Aggregate Prior Years	N/A		1,262	N/A	N/A		
0146	Total for Category	N/A	0	9,251	N/A	N/A	70,584	65,977
0150	Federal Taxes	1996			N/A	7220	400,309	350,053
0151	Federal Taxes	1996			N/A	7420	231	
0152	Federal Taxes	1995		11,788	N/A	7220	409	10,681
0153	Federal Taxes	1995			N/A	7240	0	
0154	Federal Taxes	1995			N/A	7420	(2,851)	
0155	Aggregate Prior Years	N/A		(10,151)	N/A	N/A		
0156	Total for Category	N/A	0	1,637	N/A	N/A	398,098	360,734
0160	Gross Receipts	1996	805	N/A		7240	28,333	23,265
0161	Gross Receipts	1995		N/A	3,072	7240		3,072
0162	Gross Receipts			N/A				
0163	Gross Receipts			N/A				
0164	Gross Receipts			N/A				
0165	Aggregate Prior Years	N/A		N/A		N/A		
0166	Total for Category	N/A	805	N/A	3,072	N/A	28,333	26,337

Company: New England Telephone
Service Area: All
Period: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
(Dollars in Thousands)

Row No.	Classification (a)	Year To Which Tax Is Applicable (b)	BALANCE AT BEGINNING OF THE YEAR			TAXES ACCRUED DURING THE YEAR		Taxes Paid During the Year (h)
			Prepaid Taxes Acct. 1300 (c)	Income Taxes Accrued Acct. 4070 (d)	Other Taxes Accrued Acct. 4080 (e)	Account Charged (f)	Amount (g)	
0170	Regulatory Fee	1996		N/A		7240	1,673	1,259
0171	Regulatory Fee			N/A				
0172	Regulatory Fee			N/A				
0173	Regulatory Fee			N/A				
0174	Regulatory Fee			N/A				
0175	Aggregate Prior Years	N/A		N/A		N/A		
0176	Total for Category	N/A	0	N/A	0	N/A	1,673	1,259
0180	Environmental Tax	1996		N/A		7240	23	23
0181	Environmental Tax			N/A				
0182	Environmental Tax			N/A				
0183	Environmental Tax			N/A				
0184	Environmental Tax			N/A				
0185	Aggregate Prior Years	N/A		N/A		N/A		
0186	Total for Category	N/A	0	N/A	0	N/A	23	23
0190	Other Taxes	1996		N/A			2,469	2,164
0191	Other Taxes	1995		N/A	1,803			1,803
0192	Other Taxes			N/A				
0193	Other Taxes			N/A				
0194	Other Taxes			N/A				
0195	Aggregate Prior Years	N/A		N/A		N/A		
0196	Total for Category	N/A	0	N/A	1,803	N/A	2,469	3,967
0200	Total All Categories	N/A	11,911	10,888	17,015	N/A	678,194	636,934

CC New England Telephone
 S1 EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
 (Dollars in Thousands)

Row No.	Classification (a)	ADJUSTMENTS		BALANCE AT END OF THE YEAR		
		Debits (i)	Credits (j)	Prepaid Taxes Acct. 1300 (k)	Income Taxes Accrued Acct. 4070 (l)	Other Taxes Accrued Acct. 4080 (m)
0110	Property Taxes			11,488	N/A	8,827
0111	Property Taxes				N/A	
0112	Property Taxes				N/A	
0113	Property Taxes				N/A	
0114	Property Taxes				N/A	
0115	Aggregate Prior Years				N/A	
0116	Total for Category	0	0	11,488	N/A	8,827
0120	Capital Stock Taxes				N/A	200
0121	Capital Stock Taxes				N/A	
0122	Capital Stock Taxes				N/A	
0123	Capital Stock Taxes				N/A	
0124	Capital Stock Taxes				N/A	
0125	Aggregate Prior Years				N/A	
0126	Total for Category	0	0	0	N/A	200
0130	Social Security Taxes			N/A	N/A	1,872
0131	Social Security Taxes			N/A	N/A	
0132	Social Security Taxes			N/A	N/A	
0133	Social Security Taxes			N/A	N/A	
0134	Social Security Taxes			N/A	N/A	
0135	Aggregate Prior Years			N/A	N/A	
0136	Total for Category	0	0	N/A	N/A	1,872

Y: New England Telephone
 AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
 (Dollars in Thousands)

Row No.	Classification (a)	ADJUSTMENTS		BALANCE AT END OF THE YEAR		
		Debits (i)	Credits (j)	Prepaid Taxes Acct. 1300 (k)	Income Taxes Accrued Acct. 4070 (l)	Other Taxes Accrued Acct. 4080 (m)
0140	State/Local Taxes	10			18,121	N/A
0141	State/Local Taxes					N/A
0142	State/Local Taxes				(838)	N/A
0143	State/Local Taxes		3,400			N/A
0144	State/Local Taxes				(1,277)	N/A
0145	Aggregate Prior Years				1,263	N/A
0146	Total for Category	10	3,400	0	17,269	N/A
0150	Federal Taxes	160			49,455	N/A
0151	Federal Taxes					N/A
0152	Federal Taxes		8			N/A
0153	Federal Taxes	186	23		(58)	N/A
0154	Federal Taxes					N/A
0155	Aggregate Prior Years				(10,373)	N/A
0156	Total for Category	346	31	0	39,024	N/A
0160	Gross Receipts			820	N/A	5,083
0161	Gross Receipts				N/A	
0162	Gross Receipts				N/A	
0163	Gross Receipts				N/A	
0164	Gross Receipts				N/A	
0165	Aggregate Prior Years				N/A	
0166	Total for Category	0	0	820	N/A	5,083

Y: New England Telephone
AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-5 - PREPAID TAXES AND TAX ACCRUALS
(Dollars in Thousands)

Row No.	Classification (a)	ADJUSTMENTS		BALANCE AT END OF THE YEAR		
		Debits (i)	Credits (j)	Prepaid Taxes Acct. 1300 (k)	Income Taxes Accrued Acct. 4070 (l)	Other Taxes Accrued Acct. 4080 (m)
0170	Regulatory Fee				N/A	414
0171	Regulatory Fee				N/A	
0172	Regulatory Fee				N/A	
0173	Regulatory Fee				N/A	
0174	Regulatory Fee				N/A	
0175	Aggregate Prior Years				N/A	
0176	Total for Category	0	0	0	N/A	414
0180	Environmental Tax				N/A	
0181	Environmental Tax				N/A	
0182	Environmental Tax				N/A	
0183	Environmental Tax				N/A	
0184	Environmental Tax				N/A	
0185	Aggregate Prior Years				N/A	
0186	Total for Category	0	0	0	N/A	0
0190	Other Taxes				N/A	305
0191	Other Taxes				N/A	
0192	Other Taxes				N/A	
0193	Other Taxes				N/A	
0194	Other Taxes				N/A	
0195	Aggregate Prior Years				N/A	
0196	Total for Category	0	0	0	N/A	305
0200	Total All Categories	356	3,431	12,308	56,293	16,701

C New England Telephone
 S1 REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-6 - SPECIAL CHARGES
 (Dollars in Thousands)

Row No.	Classification (a)	Particulars (b)	Amount (c)
0100	Lobbying Expenses	N/A	5,342
OTHER SPECIAL CHARGES			
0200	Membership Fees and Dues	N/A	312
ABANDONED CONSTRUCTION PROJECTS AMOUNTING TO \$100,000 OR MORE			
0210	Name of Project	Aggregate	1,914
0211	Name of Project		0
0212	Name of Project		0
0213	Name of Project		0
0214	Name of Project		0
0215	Name of Project		0
0216	Name of Project		0
0217	Name of Project		0
0218	Name of Project		0
02	Total Abandoned Construction Projects Amounting \$100,000 or more	N/A	1,914
0220	Telecommunications Plant Acquisition Adjustments	N/A	0
PENALTIES AND FINES AMOUNTING TO \$100,000 OR MORE			
0230	Name of Penalty and/or Fine	Aggregate	410
0231	Name of Penalty and/or Fine		0
0232	Name of Penalty and/or Fine		0
0233	Name of Penalty and/or Fine		0
0234	Name of Penalty and/or Fine		0
0235	Name of Penalty and/or Fine		0
0236	Name of Penalty and/or Fine		0
0237	Name of Penalty and/or Fine		0
0238	Name of Penalty and/or Fine		0
0239	Total Penalties and Fines Amounting to \$100,000 or more	N/A	410
0240	Charitable, Social or Other Community Welfare	N/A	5,631
0250	All Other Items in the Aggregate	N/A	3,341
0260	Total of Other Special Charges	N/A	11,608
0270	Total of Account 7370	N/A	16,950

AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

ACADEMIA			
0101	Name of Academia	Bill Arnold Associates Inc.	36
0102	Name of Academia	Bryant College	91
0103	Name of Academia	Career Dimensions	20
0104	Name of Academia	Educational Services	2
0105	Name of Academia	HRN	4
0106	Name of Academia	J.A. Mitchell Associates	1
0107	Name of Academia	Pat Ritchie Associates, Inc.	10
0108	Name of Academia	Tele-Technical Services, Inc.	6
0109	Name of Academia	The Occupational Rehabilitation	17
0199	Total Academia	N/A	187

C New England Telephone
S/ REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETA

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

ADVERTISING AND INFORMATION SERVICES - EXCEEDING \$250,000			
0201	Name of Advertising and Information Service	RCM Cabot	312
0599	Total Advertising and Information Services Exceeding \$250,000	N/A	312

C : New England Telephone
S: REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETA

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

AUDIT AND ACCOUNTING - EXCEEDING \$25,000			
0601	Name of Audit and Accounting Service	Nothing to Report	0
0699	Total Audit and Accounting Services Exceeding \$25,000	N/A	0

: New England Telephone
S AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

CLERICAL AND OFFICE SERVICES - EXCEEDING \$250,000			
0701	Name of Clerical and Office Service	ECCO Temporary Services, Inc.	507
0702	Name of Clerical and Office Service	Kelly Temporary Services	495
0703	Name of Clerical and Office Service	Lexus Temporaries, Inc.	1,091
0704	Name of Clerical and Office Service	Paywise, Inc.	1,973
0705	Name of Clerical and Office Service	Tad Telecommunications Services	832
0799	Total Clerical and Office Services Exceeding \$250,000	N/A	4,898

CR : New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
 (Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

COMPUTER AND DATA PROCESSING SERVICES - EXCEEDING \$250,000			
0801	Name of Computer and Data Processing Service	ADC Telecommunications	261
0802	Name of Computer and Data Processing Service	Alternative Resources Corp.	1,273
0803	Name of Computer and Data Processing Service	AT&T	29,680
0804	Name of Computer and Data Processing Service	Beechwood Data Systems	339
0805	Name of Computer and Data Processing Service	Computer Output Processor	983
0806	Name of Computer and Data Processing Service	Computer Systems Repair	347
0807	Name of Computer and Data Processing Service	Data General Corp	234
0808	Name of Computer and Data Processing Service	DSC Marketing Service, Inc.	7,749
0809	Name of Computer and Data Processing Service	Northern Telecom Cable Group	4,749
0810	Name of Computer and Data Processing Service	Northern Telecom, Inc.	7,710
0811	Name of Computer and Data Processing Service	Power Products, Inc.	4,125
0812	Name of Computer and Data Processing Service	Sharada Technologies, Inc.	758
0813	Name of Computer and Data Processing Service	Unisys Supplies	2,467
0814	Name of Computer and Data Processing Service	U. S. Sprint	320
0815	Name of Computer and Data Processing Service	Workflow Partners, Inc.	421
0816	Total Computer and Data Processing Svcs Exceeding \$250,000	N/A	61,416

Office: New England Telephone
 Service Area: All
 Period: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
 (Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

CONSULTING AND RESEARCH SERVICES - EXCEEDING \$25,000			
0901	Name of Consulting and Research Service	Arthur D. Little, Inc.	79
0902	Name of Consulting and Research Service	Arthur R. Breuer	722
0903	Name of Consulting and Research Service	AT&T	1,037
0904	Name of Consulting and Research Service	Consultants and Designers	5,523
0905	Name of Consulting and Research Service	Don Henry Jr. & Sons	556
0906	Name of Consulting and Research Service	E. W. Burman, Inc.	55
0907	Name of Consulting and Research Service	Edward G. Sawyer Company	467
0908	Name of Consulting and Research Service	Edwards and Company	50
0909	Name of Consulting and Research Service	EMTEC Consultants, Inc.	428
0910	Name of Consulting and Research Service	Enpro Services, Inc.	782
0911	Name of Consulting and Research Service	Envirotel, Inc.	40
0912	Name of Consulting and Research Service	Hartling Communications	477
0913	Name of Consulting and Research Service	Hohenschau Associates	549
0914	Name of Consulting and Research Service	Impact Plus	108
0915	Name of Consulting and Research Service	J. C. Zampell	1,731
0916	Name of Consulting and Research Service	James A. Jennings Company, Inc.	450
0917	Name of Consulting and Research Service	Johnson Controls, Inc.	1,001
0918	Name of Consulting and Research Service	Joy Recovery Technology	667
0919	Name of Consulting and Research Service	Juniper Russell & Associates	621
0920	Name of Consulting and Research Service	Kaselman Dangelo Associates, Inc.	185
0921	Name of Consulting and Research Service	LE Bagley Company, Inc.	137
0922	Name of Consulting and Research Service	Lehrer McGovern Bovis, Inc.	63,361
0923	Name of Consulting and Research Service	Neth & Son, Inc.	172
0924	Name of Consulting and Research Service	Powerhouse Consulting Inc.	582
0925	Name of Consulting and Research Service	Project Development Corp.	680
0926	Name of Consulting and Research Service	Shambo Enterprises	231
0927	Name of Consulting and Research Service	Shaughnessy & Ahearn	258
0928	Name of Consulting and Research Service	Sigma Consultants, Inc.	1,107
0929	Name of Consulting and Research Service	Smith & Sowalsky	208
0930	Name of Consulting and Research Service	Stearns & Wheler	5,266
0931	Name of Consulting and Research Service	Syska & Hennessy	1,255
0932	Name of Consulting and Research Service	Trans Union Corporation	468
0933	Name of Consulting and Research Service	Unicco Service Company	471
0934	Name of Consulting and Research Service	Utility Consultants	430
0935	Name of Consulting and Research Service	V. Ponte & Sons	1,673
0936	Name of Consulting and Research Service	Walden 3 Associates Arch. & Planning	215
1299	Total Consulting and Research Services Exceeding \$25,000	N/A	92,042

C : New England Telephone
 S REA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
 (Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

FINANCIAL SERVICES - EXCEEDING \$25,000			
1301	Name of Financial Service	Allen Daniel Associates, Inc.	74
1302	Name of Financial Service	Allied Management Service	920
1303	Name of Financial Service	Associated Credit Service	126
1304	Name of Financial Service	Bankers Trust Company	64,032
1305	Name of Financial Service	Chase Manhattan Bank N.A.	121
1306	Name of Financial Service	Credit Control Services	685
1307	Name of Financial Service	Dun and Bradstreet	47
1308	Name of Financial Service	First Data Corp.	4,302
1309	Name of Financial Service	Fleet Bank	1,830
1310	Name of Financial Service	Ganick O'Brien & Saren	26
1311	Name of Financial Service	Glenn Associates Inc.	684
1312	Name of Financial Service	Metropolitan Collection	860
1313	Name of Financial Service	Nationwide Collection Systems	364
1314	Name of Financial Service	State Street Bank and Trust	521
1315	Name of Financial Service	The Bank of New York/CPA7	216
1316	Name of Financial Service	Windham Professionals	88
1317	Total Financial Services Exceeding \$25,000	N/A	74,896

CR : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETA

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

LEGAL - EXCEEDING \$25,000			
1401	Name of Legal Service	Nothing to Report	0
1499	Total Legal Exceeding \$10,000	N/A	0

CC: New England Telephone
 S: EA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
 (Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)
MEMBERSHIP FEES AND DUES EXCEEDING \$10,000			
1501	Name of Association	Boston Management Consort.	11
1502	Name of Association	Boston Municipal Research	19
1503	Name of Association	Boston Private Industry Coun.	10
1504	Name of Association	Business and Industry	17
1505	Name of Association	Chamber of Commerce MA	31
1506	Name of Association	Chamber of Commerce RI	22
1507	Name of Association	Greater Boston Chamber of Commerce	48
1508	Name of Association	Jobs for Massachusetts	13
1509	Name of Association	Maine Chamber and Business	28
1510	Name of Association	Maine & Company	40
1511	Name of Association	Massachusetts Business	14
1512	Name of Association	Massachusetts Taxpayer Fund	34
1513	Name of Association	Rhode Island Economic	15
1514	Name of Association	Rhode Island Public Ex.	13
1515	Name of Association	Tri City Business	10
15°	tal Membership Fees and Dues Exceeding \$10,000	N/A	325

Organization: New England Telephone
Reporting Agency: REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

PERSONNEL SERVICES EXCEEDING \$250,000			
1601	Name of Personnel Service	Nothing to Report	0
1699	Total Personnel Services Exceeding \$250,000	N/A	0

C : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

	PRINTING AND DESIGN SERVICES EXCEEDING \$250,000		
1701	Name of Printing and Design Service	Mail Technology/Field Company	820
1799	Total Printing and Design Services Exceeding \$250,000	N/A	820

C : New England Telephone
S REA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

TABLE I-7 - DONATIONS OR PAYMENTS FOR SERVICES RENDERED BY PERSONS OTHER THAN EMPLOYEES
(Dollars in Thousands)

Row No.	Nature of Service (a)	Name of Recipient (b)	Amount (c)

SECURITY SERVICES EXCEEDING \$250,000			
1801	Name of Security Service	Boston Police	1,296
1802	Name of Security Service	Effective Security Systems, Inc.	409
1899	Total Security Services Exceeding \$250,000	N/A	1,705
1900	Contributions	N/A	5,631
2000	Directory Services	N/A	715

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

UNRESTRICTED VERSION
SUBMISSION 02
FOOTNOTE TABLE
PAGE 1 OF 1

FOOTNOTE TABLE

Table	Row	Col	FN#	Footnote
-----	-----	---	---	-----
(a)	(b)	(c)	(d)	(e)
B1	2005.0	All	1	Amounts were inadvertently posted to the incorrect row
B1	2006.0	All	1	for Nonoperating plant. Reclassed amounts from row 2005 to 2006.
I1	7610.0	bb	2	Amounts were inadvertently posted to the incorrect row
I1	7910.0	bb	2	for Jurisdictional differences. Reclassed amounts from row 7610 to 7910.

FCC Report 43-02
ARMIS USOA REPORT

Approved by OMB
3060-0395
Expires xx/xx/xx

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

UNRESTRICTED VERSION
SUBMISSION 02
CONF. TREATMENT TABLE
PAGE 1 OF 1

CONFIDENTIAL TREATMENT TABLE

Table	Row	Column(s)
(a)	(b)	(c)

THE COMPANY HAS NOT REQUESTED CONFIDENTIAL TREATMENT FOR ANY DATA
IN THIS REPORT.

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

UNRESTRICTED VERSION
SUBMISSION 02
ERRATUM TABLE
PAGE 1 OF 1

ERRATUM TABLE

Table	Row	Column(s)	FN#
(a)	(b)	(c)	(d)
B1	2005	All	1
B1	2006	All	1
I1	7610	bb	2
I1	7910	bb	2

THE ABOVE DATA HAS BEEN CORRECTED IN THIS SUBMISSION.
SEE THE FOOTNOTE TABLE FOR FOOTNOTES WHERE APPLICABLE.



CERTIFICATION

I certify that I am an officer of New England Telephone Company; that I have examined the foregoing report and that to the best of my knowledge, information, and belief, all statements of fact contained in this report are true and that said report is an accurate statement of the affairs of the above named respondent in respect to the data set forth herein for the period from January 1, 1996 to December 31, 1996

PRINTED NAME Edwin F. Hall

POSITION Assistant Vice-President-Corporate Books

SIGNATURE Edwin F. Hall

DATE Nov. 27, 1997

(Persons making willful false statements in this report form can be punished by fine or imprisonment under the Communications Act, 47 U.S.C. 220(e).)

CONTACT PERSON Patricia A. Olson

TELEPHONE NUMBER 212-395-7521

CERTIFICATION

I certify that I am an officer of New England Telephone and Telegraph Company; that I have examined the foregoing report and that to the best of my knowledge, information, and belief, all statements of fact contained in this report are true and that said report is an accurate statement of the affairs of the above named respondent in respect to the data set forth herein for the period from 01/01/1996 to 12/31/1996.

PRINTED NAME John W. Diercksen

POSITION Acting Vice President-Finance & Treasurer

SIGNATURE (sd.) John W. Diercksen

DATE March 31, 1997

(Persons making willful false statements in this report form can be punished by fine or imprisonment under the Communications Act, 47 U.S.C. 220(e).)

CONTACT PERSON Nancy Solomon

TELEPHONE NUMBER 1-212-395-5723

ARMIS 43-08

FCC FILING

NYNEX

NEW ENGLAND TELEPHONE

YEAR END 1996

MARCH 31, 1997 SUBMISSION

CERTIFICATION

I certify that I am an officer of NYNEX - New England;
that I have examined the foregoing report and that to the best of my
knowledge, information, and belief, all statements of fact contained in this
report are true and that said report is an accurate statement of the affairs
of the above named respondent in respect to the data set forth herein for
the period from January 1, 1996 to December 31, 1996.

POSITION Vice President - Engineering & Construction

SIGNATURE P. G. Leontine

DATE 3/27/97

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0496
 Expires 01/31/95
 UNRESTRICTED VERSION
 SUBMISSION 1
 TABLE I.A
 Page 1.1 of 1

TABLE I.A - OUTSIDE PLANT STATISTICS-CABLE AND WIRE FACILITIES

Row No.	State or Terr (a)	Code (b)	Km of Aerial Wire (c)	Aerial Cable		Underground Cable		Buried Cable		Submarine Cable	
				Sheath Km of Copper (d)	Sheath Km of Fiber (e)	Sheath Km of Copper (f)	Sheath Km of Fiber (g)	Sheath Km of Copper (h)	Sheath Km of Fiber (i)	Sheath Km of Copper (j)	Sheath Km of Fiber (k)
0300	Maine	ME	25,395	34,497	3,315	1,360	481	1,843	5	116	10
0320	Massachusetts	MA	13,294	63,818	4,157	20,047	5,729	9,020	6	74	0
0400	New Hampshire	NH	13,676	26,858	3,157	1,846	846	3,230	3	50	0
0500	Rhode Island	RI	5,802	10,816	647	2,446	605	1,036	0	16	6
0560	Vermont	VT	20,976	18,721	1,456	750	525	2,391	14	10	2
0910	Total	TO	79,143	154,710	12,732	26,449	8,186	17,520	28	266	18

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0496
 Expires 01/31/95
 UNRESTRICTED VERSION
 SUBMISSION 1
 TABLE I.A
 Page 1.2 of 1

TABLE I.A - OUTSIDE PLANT STATISTICS-CABLE AND WIRE FACILITIES

Row No.	State or Terr (a)	Code (b)	Deep Sea Cable		Intrabldg Ntwk Cable		Total Cable		Km of Fiber in Cable	
			Sheath Km of Copper (l)	Sheath Km of Fiber (m)	Sheath Km of Copper (n)	Sheath Km of Fiber (o)	Sheath Km of Copper (p)	Sheath Km of Fiber (q)	Fiber Km Equipped (Lit) (r)	Total Fiber Km Deployed (Lit & Dark) (s)
0300	Maine	ME	0	0	615	26	38,431	3,837	37,713	101,653
0320	Massachusetts	MA	0	0	7,417	486	100,376	10,378	222,569	626,954
0400	New Hampshire	NH	0	0	999	37	32,983	4,043	74,604	164,689
0500	Rhode Island	RI	0	0	904	32	15,218	1,290	40,646	84,327
0560	Vermont	VT	0	0	463	6	22,335	2,003	20,679	60,999
0910	Total	TO	0	0	10,398	587	209,343	21,551	396,211	1,038,622

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I.A - OUTSIDE PLANT STATISTICS-CABLE AND WIRE FACILITIES

Row No.	State or Terr (a)	Code (b)	Km of Copper Wire in		Number of Poles (v)	Conduit System	
			NonCoax Cable (t)	Equipped Km of Tube in Coax Cable (u)		Trench Km (w)	Duct Km (x)
0300	Maine	ME	11,321,419	18	241,331	777	3,861
0320	Massachusetts	MA	68,294,685	198	663,166	10,514	53,728
0400	New Hampshire	NH	13,357,911	19	223,492	996	5,922
0500	Rhode Island	RI	10,271,158	0	140,829	1,049	6,833
0560	Vermont	VT	594,580	13	142,531	570	2,330
0910	Total	TO	103,839,753	248	1,411,349	13,906	72,674

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0496
 Expires 01/31/95
 UNRESTRICTED VERSION
 SUBMISSION 1
 TABLE I.B
 Page 1.1 of 1

TABLE I.B - OUTSIDE PLANT STATISTICS-OTHER

Row No.	State or Terr (ba)	Code (bb)	Radio Relay System				
			Km of Terrestrial System (bc)	Km of One-Way Terrestrial Radio Channel (bd)	Km of One-Way Terrestrial Radio Channel (be)	Km of Telephone Channel (4Khz or Equiv) (bf)	Km of Telephone Channel (64 Kb/S or Equiv) (bg)
0300	Maine	ME	5	5	0	0	998
0320	Massachusetts	MA	359	950	0	0	1,213,008
0400	New Hampshire	NH	0	0	0	0	0
0500	Rhode Island	RI	0	0	0	0	0
0560	Vermont	VT	119	594	0	0	152,619
0910	Total	TO	483	1,549	0	0	1,366,625

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE I.B - OUTSIDE PLANT STATISTICS-OTHER

Row No.	State or Terr (ba)	Code (bb)	Total Equipped Local Loop Circuit Km (Cable and Microwave Systems)			Total Equipped Interoffice Circuit Km (Cable and Microwave Systems)		
			Analog (4Khz or Eq) (bh)	Digital (64 Kb/S or Eq) (bi)	Video (bj)	Analog (4Khz or Eq) (bk)	Digital (64 Kb/S or Eq) (bl)	Video (bm)
0300	Maine	ME	5,757,868	1,253,131	0	0	6,022,454	0
0320	Massachusetts	MA	38,980,436	4,253,722	243	0	26,831,055	2,271
0400	New Hampshire	NH	6,748,984	1,590,853	4	0	4,858,153	108
0500	Rhode Island	RI	5,434,358	720,181	14	0	1,505,473	35
0560	Vermont	VT	2,786,245	667,524	0	0	4,108,098	0
0910	Total	TO	59,707,891	8,485,411	261	0	43,325,233	2,414

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETA

TABLE II - SWITCHED ACCESS LINES IN SERVICE BY TECHNOLOGY

Row No.	State or Terr (ca)	Code (cb)	Analog (4Khz or Equivalent)			Digital (64Kb/Sec or Equivalent)			Other Switched Access Lines (ci)	Total Switched Access Lines (cj)
			Main Access Lines (cc)	PBX and Centrex Trunks (cd)	Centrex Extensions (ce)	Main Access Lines (cf)	PBX and Centrex Trunks (cg)	Centrex Extensions (ch)		
0300	Maine	ME	580,424	6,248	46,549	336	1,426	1,100	0	636,083
0320	Massachusetts	MA	3,675,591	81,077	357,136	10,303	16,445	16,993	0	4,157,545
0400	New Hampshire	NH	655,591	9,402	46,880	744	1,932	1,094	0	715,643
0500	Rhode Island	RI	553,124	23,614	52,843	645	713	223	0	631,162
0560	Vermont	VT	278,650	3,589	33,660	264	828	567	0	317,558
0910	Total	TO	5,743,380	123,930	537,068	12,292	21,344	19,977	0	6,457,991

IS OPERATING DATA REPORT

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0496
 Expires 01/31/95
 UNRESTRICTED VERSION
 SUBMISSION 1
 TABLE II
 Page 1.2 of 1

Row No.	State or Terr (ca)	Code (cb)	Central Office Switches (ck)	Remote Switches (cl)	Total Central Office Switches (cm)	Basic Rate ISDN Cntrl Channels (cn)	PrimaryRate ISDN Cntrl Channels (co)
0300	Maine	ME	14	126	140	1,436	39
0320	Massachusetts	MA	163	115	284	27,296	517
0400	New Hampshire	NH	23	97	120	1,838	58
0500	Rhode Island	RI	19	11	30	868	31
0560	Vermont	VT	9	77	86	831	36
0910	Total	TO	228	426	660	32,269	681

COMPANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

TABLE III - ACCESS LINES IN SERVICE BY CUSTOMER

Row No.	State or Terr (da)	Code (db)	Business Access Lines			Public Access Lines (df)	Res Access Lines		Mobile Access Lines (di)	Total Switched Access Lines (dj)
			Analog Single Line (dc)	Analog Multi Line (dd)	Digital (de)		Analog (dg)	Digital (dh)		
0300	Maine	ME	104,366	52,797	2,847	6,436	469,622	15	0	636,083
0320	Massachusetts	MA	880,087	438,213	42,463	48,024	2,747,480	1,278	0	4,157,545
0400	New Hampshire	NH	151,468	56,282	3,701	7,483	496,640	69	0	715,643
0500	Rhode Island	RI	116,658	76,457	1,530	6,069	430,397	51	0	631,162
0560	Vermont	VT	54,314	37,249	1,643	3,602	220,734	16	0	317,558
0910	Total	TO	1,306,893	660,998	52,184	71,614	4,364,873	1,429	0	6,457,991

FCC Report 43-08
ARMIS OPERATING DATA REPORT

Approved by OMB
3060-0496
Expires 01/31/95
UNRESTRICTED VERSION
SUBMISSION 1
TABLE III
Page 1.2 of 1

COMPANY: New England Telephone
STUDY AREA: All
PERIOD: From Jan 1996 To Dec 1996
COSA: NETC

Row No.	State or Terr (da)	Code (db)	-- Special Access Lines -- (non-switched)		Total AccessLines (Switched & Special) (dm)
			Analog (dk)	Digital (dl)	
0300	Maine	ME	530	65,871	702,484
0320	Massachusetts	MA	8,678	401,083	4,567,306
0400	New Hampshire	NH	241	59,679	775,563
0500	Rhode Island	RI	155	42,084	673,401
0560	Vermont	VT	215	35,379	353,152
0910	Total	TO	9,819	604,096	7,071,906

PANY: New England Telephone
 STUDY AREA: All
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NETC

Approved by OMB
 3060-0496
 Expires 01/31/95
 UNRESTRICTED VERSION
 SUBMISSION 1
 TABLE IV
 Page 1 of 1

TABLE IV - TELEPHONE CALLS
 (Amounts in Thousands)

Row No.	State or Terr (ea)	Code (eb)	Local Calls (ec)	IntraLATA Toll Calls Completed (Originating) (ed)	InterLATA Toll Calls Completed (Originating)			InterLATA Billed Access Minutes (Originating and Terminating)		
					Interstate (ee)	Intrastate (ef)	Total (eg)	Interstate (eh)	Intrastate (ei)	Total (ej)
0300	Maine	ME	796,810	51,008	260,403	0	260,403	1,965,019	0	1,965,019
0320	Massachusetts	MA	8,798,949	147,035	1,843,761	240,364	2,084,125	12,412,144	1,980,351	14,392,495
0400	New Hampshire	NH	920,552	30,511	456,566	0	456,566	3,127,133	0	3,127,133
0500	Rhode Island	RI	1,184,012	10,851	353,589	0	353,589	2,160,588	0	2,160,588
0560	Vermont	VT	625,493	25,216	185,516	0	185,516	1,313,023	0	1,313,023
0910	Total	TO	12,325,816	264,621	3,099,835	240,364	3,340,199	20,977,907	1,980,351	22,958,258

ARMIS 43-02

FCC FILING

NYNEX

NEW ENGLAND TELEPHONE

STATE OF NEW HAMPSHIRE

YEAR END 1996

MARCH 31, 1997 SUBMISSION

COMPANY: New England Telephone
STUDY AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
NENH

Approved by OMB
3060-0395
Expires xx/xx/xx
Unrestricted Version
SUBMISSION 1
TABLE B-1
PAGE 1 OF 2

TABLE B-1 - BALANCE SHEET ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)
<u>Plant</u>						
2001	Telecommunications plant in service (TPIS)	1,507,167	96,123	64,912	(847)	1,537,531
2002	Property held for future telecom use (PHFTU)	0	0	0	0	0
2003	Telephone plant under construction (TPUC)	24,043	4,404	0	0	28,447
2004	Reserved	N/A	N/A	N/A	N/A	N/A
2005	Telecommunications plant adjustment	0	0	0	0	0
2006	Nonoperating plant	236	0	0	0	236
2007	Goodwill	0	0	0	0	0
210	Total Plant	1,531,446	100,527	64,912	(847)	1,566,214
<u>TPIS - General Support</u>						
2111	Land	3,688	5	0	0	3,693
2112	Motor vehicles	563	0	324	1	240
2113	Aircraft	0	0	0	0	0
2114	Special purpose vehicles	106	0	0	(1)	105
2115	Garage work equipment	628	0	7	0	621
2116	Other work equipment	12,666	1,174	103	0	13,737
2121	Buildings	79,862	2,237	804	0	81,295
2122	Furniture	5,730	49	1,201	28	4,606
2123	Office equipment	26,600	989	13,853	2	13,738
2124	General purpose computers	18,569	550	138	(271)	18,710
2110	Land and Support	148,412	5,004	16,430	(241)	136,745
<u>TPIS - Central Office</u>						
2200	Analog electronic switching	21,506	564	11,408	(419)	10,243
2200	Digital electronic switching	254,219	20,165	2,746	344	271,982
2215.1	Step-by-step switching	0	0	0	0	0
2215.2	Crossbar switching	0	0	0	0	0
2215.3	Other electro-mechanical switching	0	0	0	0	0
2215	Electro-mechanical switching	0	0	0	0	0
2210	Central Office - Switching	275,725	20,729	14,154	(75)	282,225
2220	Operator Systems	1,755	864	0	0	2,619
2231.1	Satellite & earth stations	0	0	0	0	0
2231.2	Other radio facilities	6,249	1	3,579	1	2,672
2231	Radio systems	6,249	1	3,579	1	2,672
2232	Circuit equipment	283,005	34,002	17,265	(1,283)	298,459
2230	Central Office - Transmission	289,254	34,003	20,844	(1,282)	301,131
<u>TPIS - Information Origination/Termination</u>						
2311	Station apparatus	1,318	0	1,318	0	0
2321	Customer premises wiring	0	0	0	0	0
2341	Large PBX	0	0	0	0	0
2351	Public telephone terminal equipment	6,262	763	688	0	6,337
2362	Other terminal equipment	15,827	1,058	2,283	754	15,356
2310	Information Origination/Termination	23,407	1,821	4,289	754	21,693
<u>TPIS - Cable & Wire</u>						
2411	Poles	113,818	5,104	864	0	118,058
2421	Aerial cable	397,351	18,973	3,612	0	412,712
2422	Underground cable	105,948	4,294	1,828	0	108,414
2423	Buried cable	46,720	2,054	1,148	0	47,626
2424	Submarine cable	1,178	0	2	0	1,176
2425	Deep sea cable	0	0	0	0	0
2426	Intrabuilding network cable	1,182	15	0	0	1,197
2431	Aerial wire	5,700	136	488	(2)	5,346
2441	Conduit systems	89,319	2,777	108	(1)	91,987
	Cable & Wire	761,216	33,353	8,050	(3)	786,516
240	Total TPIS (before amortizable assets)	1,499,769	95,774	63,767	(847)	1,530,929

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 CC-2 NENH

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 1
 TABLE B-1
 PAGE 2 OF 2

TABLE B-1 - BALANCE SHEET ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Beginning Balance (ab)	Additions (ac)	Retirements (ad)	Transfers/ Adjustments (ae)	Ending Balance (af)

TPIS Amortizable Assets						
2681	Capital leases	0	0	0	0	0
2682	Leasehold improvements	7,398	349	1,145	0	6,602
2680	Amortizable Tangibles	7,398	349	1,145	0	6,602
2690	Intangibles	0	0	0	0	0
260	Total TPIS	1,507,167	96,123	64,912	(847)	1,537,531

COMPANY: New England Telephone
 SERVICE AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	Beginning Balance (b)	CREDITS DURING THE YEAR		
			Accruals (c)	Salvage (d)	Other Credits (e)
0100	Motor Vehicles	492	12	14	0
0110	Aircraft	0	0	0	0
0120	Special Purpose Vehicles	62	5	0	0
0130	Garage Work Equipment	364	36	0	3
0140	Other Work Equipment	5,430	904	0	50
0150	Buildings	22,319	2,230	0	0
0160	Furniture	1,064	378	2	148
0180	Office Support Equipment	550	311	0	0
0190	Company Communications Equipment	12,787	3,024	500	74
0200	General Purpose Computers	6,815	4,002	(4)	0
0210	Total Support Assets	49,883	10,902	512	275
0220	Analog Electronic Switching	12,454	7,598	43	0
0230	Digital Electronic Switching	95,671	19,739	61	0
0240	Step-by-Step Switching	1,791	0	0	0
0250	Crossbar Switching	124	0	0	0
0260	Other electro-mechanical Switching	0	0	0	0
0270	Total Central Office-Switching	110,040	27,337	104	0
0280	Operator Systems	239	523	0	0
0290	Satellite and Earth Station Facilities	0	0	0	0
0300	Other radio facilities	4,869	345	0	0
0310	Circuit equipment	153,933	24,983	294	0
0320	Total Central Office-Transmission	158,802	25,328	294	0
0330	Station Apparatus	1,133	65	0	0
0340	Customer Premises Wiring	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0

COMPANY: New England Telephone
 AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	Beginning Balance (b)	CREDITS DURING THE YEAR		
			Accruals (c)	Salvage (d)	Other Credits (e)
0360	Public telephone terminal equipment	3,395	741	0	0
0370	Other terminal equipment	10,714	1,241	142	0
0380	Total Information Origination/Termination	15,242	2,047	142	0
0390	Poles	51,007	6,722	3	0
0400	Aerial Cable	228,838	24,959	531	0
0410	Underground Cable	52,262	5,161	66	0
0420	Buried Cable	25,191	2,674	0	0
0430	Submarine Cable	731	53	0	0
0440	Deep Sea Cable	0	0	0	0
0450	Intrabuilding Network Cable	490	82	0	0
0460	Aerial Wire	6,862	545	0	0
0470	Conduit Systems	20,247	1,988	0	0
0480	Total Cable and Wire Facilities	385,628	42,184	600	0
	Total Accumulated Depreciation	719,834	108,321	1,652	275

COMPANY: New England Telephone
 Y AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0100	Motor Vehicles	0	324	(3)	0	197
0110	Aircraft	0	0	0	0	0
0120	Special Purpose Vehicles	0	0	0	0	67
0130	Garage Work Equipment	0	7	0	0	396
0140	Other Work Equipment	0	103	(1)	0	6,282
0150	Buildings	0	804	274	0	23,471
0160	Furniture	0	1,201	0	0	391
0180	Office Support Equipment	0	458	3	0	400
0190	Company Communications Equipment	0	13,395	0	0	2,990
0200	General Purpose Computers	0	138	0	0	10,675
0210	Total Support Assets	0	16,430	273	0	44,869
0220	Analog Electronic Switching	0	11,408	152	104	8,431
0230	Digital Electronic Switching	0	2,746	105	(70)	112,690
0240	Step-by-Step Switching	0	0	0	(105)	1,896
	Crossbar Switching	0	0	1	0	123
0260	Other electro-mechanical Switching	0	0	0	0	0
0270	Total Central Office-Switching	0	14,154	258	(71)	123,140
0280	Operator Systems	0	0	1	0	761
0290	Satellite and Earth Station Facilities	0	0	0	0	0
0300	Other radio facilities	0	3,579	83	0	1,552
0310	Circuit equipment	0	17,265	166	(298)	162,077
0320	Total Central Office-Transmission	0	20,844	249	(298)	163,629
0330	Station Apparatus	0	1,318	0	0	(120)
0340	Customer Premises Wiring	0	0	0	0	0
0350	Large Private Branch Exchange	0	0	0	0	0

COMPANY: New England Telephone
 Y AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 COSA: NENH

TABLE B-5 - ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
 (Dollars in Thousands)

Row No.	Description (a)	CHARGES DURING THE YEAR				Ending Balance (j)
		Retirements w/Traffic (f)	Retirements w/o Traffic (g)	Cost of Removal (h)	Other Charges (i)	
0360	Public telephone terminal equipment	0	688	10	0	3,438
0370	Other terminal equipment	0	2,283	18	0	9,796
0380	Total Information Origination/Termination	0	4,289	28	0	13,114
0390	Poles	0	864	806	0	56,062
0400	Aerial Cable	0	3,612	1,366	0	249,350
0410	Underground Cable	0	1,828	451	0	55,210
0420	Buried Cable	0	1,148	75	0	26,642
0430	Submarine Cable	0	2	0	0	782
0440	Deep Sea Cable	0	0	0	0	0
0450	Intrabuilding Network Cable	0	0	0	0	572
0460	Aerial Wire	0	488	47	0	6,872
0470	Conduit Systems	0	108	35	0	22,092
0480	Total Cable and Wire Facilities	0	8,050	2,780	0	417,582
	Total Accumulated Depreciation	0	63,767	3,589	(369)	763,095

COMPANY: New England Telephone
STUDY AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (a)	Amount (b)
REVENUE ACCOUNTS		
Local Network Revenues		
5001	Basic area revenue	164,906
5002	Optional extended area revenue	0
5003	Cellular mobile service revenue	0
5004	Other mobile service revenue	2,216
510	Basic local Service Revenue	167,122
5010	Public telephone revenue	5,382
5040	Local private line revenue	6,239
5050	Customer premises revenue	(8)
5060	Other local exchange revenue	29,614
5069	Other local exchange revenue settlements	0
520	Local Network Service Revenue	208,349
Network Access Services Revenues		
5081	End user revenue	35,136
5082	Switched access revenue	116,094
5083	Special access revenue	19,592
5084	State access revenue	6,983
5080	Network access revenue	177,805
Long Distance (LD) Network Services Revenues		
5100	LD message revenue (Class A)	84,389
5111	LD inward-only revenue	4,907
	LD outward-only revenue	0
	Unidirectional LD Revenue	4,907
5121	Subvoice grade LD private network revenue	190
5122	Voice grade LD private network revenue	3,150
5123	Audio program grade LD private network revenue	0
5124	Video program grade LD private network revenue	0
5125	Digital transmission LD private network revenue	1,716
5126	LD private network switching revenue	0
5128	Other LD private network revenue	0
5129	Other LD private network revenue settlements	85
5120	Long Distance Private Network Revenue	5,141
5160	Other long distance revenue	879
5169	Other long distance revenue settlements	0
525	LD Network Service Revenues	95,316
Miscellaneous Revenues		
5230	Directory revenue	36,529
5240	Rent revenue	3,027
5250	Corporate operations revenue	174
5261	Special billing arrangements revenue	18
5262	Customer operations revenue	108
5263	Plant operations revenue	0
5264	Other incidental regulated revenue	3,661
5269	Other revenue settlements	0
5260	Miscellaneous Revenue (Class A)	3,787
5270	Carrier billing and collection revenue	5,054
5200	Miscellaneous Revenue	48,571
5280	Nonregulated Revenue	6,280
5301	Uncollectible revenue-telecommunications	6,584
	Uncollectible revenue-other	0
	Uncollectible Revenue	6,584
530	Total Operating Revenues	529,737

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 NENH

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 1
 TABLE I-1
 PAGE 2 OF 5

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
EXPENSE ACCOUNTS						
Plant Specific Operations						
6112	Motor vehicle	6,558	711	244	2,610	2,993
610	Clearance - Motor vehicle	6,009	594	206	2,474	2,735
615	Net Balance - Motor vehicle	549	117	38	136	258
6113	Aircraft	0	0	0	0	0
620	Clearance - Aircraft	0	0	0	0	0
625	Net Balance - Aircraft	0	0	0	0	0
6114	Special purpose vehicle	0	0	0	0	0
630	Clearance - Special purpose vehicle	0	0	0	0	0
635	Net Balance - Special purpose vehicle	0	0	0	0	0
6115	Garage work equipment	76	4	1	0	71
6116	Other work equipment	1,083	120	39	28	896
640	Clearance - Other work equipment	1,086	(13)	(4)	26	1,077
645	Net Balance - Other work equipment	(3)	133	43	2	(181)
6110	Network support	622	254	82	138	148
6121	Land & building	12,347	999	321	5,334	5,693
6122	Furniture & artworks	121	0	0	1	120
6123	Office equipment	1,528	625	192	315	396
6124	General purpose computers	14,652	60	19	1	14,572
6120	General support	28,648	1,684	532	5,651	20,781
6211	Analog electronic	1,619	832	263	3	521
6212	Digital electronic	6,625	3,056	959	105	2,505
6210	Electro-mechanical	0	0	0	0	0
6210	Central Office-switching	8,244	3,888	1,222	108	3,026
6220	Operator systems	4	3	1	0	0
6231	Radio systems	107	69	23	0	15
6232	Circuit equipment	6,647	4,709	1,452	44	442
6230	Central office-transmission	6,754	4,778	1,475	44	457
6311	Station apparatus	0	0	0	0	0
6341	Large PBX	0	0	0	0	0
6351	Public telephone terminal equipment	1,256	657	216	27	356
6362	Other terminal equipment	5,918	4,474	1,353	363	(272)
6310	Information origination/termination expense	7,174	5,131	1,569	390	84
6411	Poles	1,810	375	120	879	436
6421	Aerial cable	28,684	16,440	5,179	779	6,286
6422	Underground cable	1,328	532	398	66	332
6423	Buried cable	2,605	1,667	516	57	365
6424	Submarine cable	0	0	0	0	0
6425	Deep sea cable	0	0	0	0	0
6426	Intfbuilding network cable	135	88	27	4	16
6431	Aerial wire	176	111	33	7	25
6441	Conduit systems	293	35	11	3	244
6410	Cable and wire	35,031	19,248	6,284	1,795	7,704
650	Total Plant Specific Operations	86,477	34,986	11,165	8,126	32,200

COMPANY: New England Telephone
STUDY AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
Plant Nonspecific Operations						
6511	PHFTU	0	0	0	N/A	0
6512	Provisioning	1,258	67	22	N/A	1,169
660	Clearance - Provisioning	1,256	0	0	N/A	1,256
665	Net Balance - Provisioning	2	67	22	N/A	(87)
6510	Other property plant and equipment expense	2	67	22	N/A	(87)
6531	Power	2,943	0	0	N/A	2,943
6532	Network administration	1,516	1,389	451	N/A	(324)
6533	Testing	12,054	8,049	2,543	N/A	1,462
6534	Plant operations administration	9,344	4,418	1,350	N/A	3,576
670	Clearance - Plant operations administration	914	491	173	N/A	250
675	Net Balance - Plant operations administration	8,430	3,927	1,177	N/A	3,326
6535	Engineering	7,494	3,406	1,198	N/A	2,890
680	Clearance - Engineering	1,368	465	158	N/A	745
685	Net Balance - Engineering	6,126	2,941	1,040	N/A	2,145
6530	Network Operations	31,069	16,306	5,211	N/A	9,552
6540	Access	100	0	0	N/A	100
6561	Depreciation-TPIS	108,321	N/A	N/A	N/A	108,321
6562	Depreciation-PHFTU	0	N/A	N/A	N/A	0
6563	Amortization-tangible	594	N/A	N/A	N/A	594
6564	Amortization-intangible	0	N/A	N/A	N/A	0
6565	Amortization-other	275	N/A	N/A	N/A	275
6560	Depreciation & Amortization Expense	109,190	N/A	N/A	N/A	109,190
690	Total Plant Nonspecific Operations	140,361	16,373	5,233	N/A	118,755
Customer Operations						
6611	Product management	12,510	633	215	N/A	11,662
6612	Sales	8,605	2,377	746	N/A	5,482
6613	Product advertising	3,214	0	0	N/A	3,214
6610	Marketing Expense	24,329	3,010	961	N/A	20,358
6621	Call completion	2,718	1,521	451	N/A	746
6622	Number services	5,198	2,234	706	N/A	2,258
6623	Customer services	27,385	13,344	4,104	N/A	9,937
6620	Service Expense	35,301	17,099	5,261	N/A	12,941
700	Total Customer Operations	59,630	20,109	6,222	N/A	33,299
Corporate Operations						
6711	Executive	4,331	209	52	N/A	4,070
6712	Planning	14	0	0	N/A	14
6710	Executive and Planning	4,345	209	52	N/A	4,084
6721	Accounting & finance	3,477	994	328	N/A	2,155
6722	External relations	4,260	572	192	N/A	3,496
6723	Human resources	5,180	37	13	N/A	5,130
6724	Information management	8,197	0	0	N/A	8,197
6725	Legal	2,352	0	0	N/A	2,352
6726	Procurement	1,775	29	10	N/A	1,736
6727	Research and development	3,180	0	0	N/A	3,180
6728	Other general and administrative	39,701	2,083	(4,359)	N/A	41,977
6720	General & Administrative	68,122	3,715	(3,816)	N/A	68,223

COMPANY: New England Telephone
 STUDY AREA: New Hampshire
 PERIOD: From Jan 1996 To Dec 1996
 NENH

Approved by OMB
 3060-0395
 Expires xx/xx/xx
 Unrestricted Version
 SUBMISSION 1
 TABLE I-1
 PAGE 4 OF 5

TABLE I-1 - INCOME STATEMENT ACCOUNTS
 (Dollars in Thousands)

Row/ Acct. No.	Account Title (aa)	Total (ab)	Salaries and Wages (ac)	Benefits (ad)	Rents (ae)	Other Expenses (af)
6790	Provision for uncollectible notes	0	N/A	N/A	N/A	0
710	Total Corporate Operations Expense	72,467	3,924	(3,764)	N/A	72,307
720	Total Operating Expenses	358,935	75,392	18,856	8,126	256,561
730	Income Before Other Operating Items and Taxes	170,802	N/A	N/A	N/A	N/A

COMPANY: New England Telephone
STUDY AREA: New Hampshire
PERIOD: From Jan 1996 To Dec 1996
NENH

TABLE I-1 - INCOME STATEMENT ACCOUNTS
(Dollars in Thousands)

Row/ Acct. No.	Account Title (ba)	Amount (bb)
<u>Other Operating Income and Expense</u>		
7110	Income from custom work	7
7130	Return from nonregulated use of regulated facilities	0
7140	Gains/losses from foreign exchange	0
7150	Gains/losses from disposition of land & artworks	0
7160	Other operating gains and losses	(58)
7100	Other operating income and expenses	(51)
<u>Operating Taxes</u>		
7210	Operating investment tax credits-net	1,317
7220	Operating Federal income taxes	72,832
7230	Operating state and local income taxes	7,459
7240	Operating other taxes	2,568
7250	Provision for deferred operating income tax-net	(24,993)
7200	Operating taxes	56,549
<u>Nonoperating income and expense</u>		
7310	Dividend income	0
7320	Interest income	53
7330	Income from sinking and other funds	0
7340	Allowance for funds used during construction (AFUDC)	1,414
7350	Gains/losses from the disposition of property	0
7360	Other nonoperating income	20,297
7370	Special charges	2,404
7300	Nonoperating income and expense	19,360
<u>Nonoperating Taxes</u>		
7410	Nonoperating investment tax credits-net	0
7420	Nonoperating Federal income taxes	(183)
7430	Nonoperating state and local income taxes	(15)
7440	Nonoperating other taxes	0
7450	Provision for deferred nonoperating income tax-net	6,921
7400	Nonoperating taxes	6,723
<u>Interest and Related Items</u>		
7510	Interest on funded debt	18,020
7520	Interest expense-capital leases	0
7530	Amortization of debt issuance expense	115
7540	Other interest deductions	439
7500	Interest and related items	18,574
<u>Extraordinary Items</u>		
7610	Extraordinary income credits	0
7620	Extraordinary income charges	0
7630	Current income tax effect of extraordinary items-net	0
7640	Provision for deferred income tax effect of items-net	0
7600	Extraordinary items	0
<u>Jurisdictional Differences & Nonregulated Income</u>		
7910	Income effects of jurisdictional differences-net	(57)
7990	Nonregulated net income	0
790	Net Income	108,208