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## Report of Independent Accountants

To the Board of Directors and Management of Verizon Communications, Inc.

We have reviewed the carbon intensity metric (the "Subject Matter") included in the accompanying schedule (the "Schedule") for the year ended December 31, 2013. Verizon's management is responsible for the Subject Matter included in the Schedule, and for selection of the criteria against which the Subject Matter is measured and presented.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter. A review consists principally of applying analytical procedures, making inquiries of persons responsible for the Subject Matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter for the year ended December 31, 2013 is free from material misstatement, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, nothing came to our attention that caused us to believe that the Subject Matter for the year ended 2013 is not presented, in all material respects, in conformity with the criteria described in Notes 1- 3 to the Schedule.

*Ernst & Young LLP*

December 23, 2014



One Verizon Way  
Basking Ridge, NJ 07920

**Verizon Communications Inc.  
Carbon Intensity Metric Schedule  
For the year ended December 31, 2013**

<b>Indicator Name</b>	<b>Indicator Description</b>	<b>Unit</b>	<b>Assertion</b>
Carbon intensity	Metric tonnes (MT) of CO <sub>2</sub> e for scope 1 and 2 greenhouse Gas ("GHG") emissions / terabytes (TB) data traffic	Metric tonnes of CO <sub>2</sub> e/TB	0.071364

**Note 1:**

Scope 1 and 2 GHG emissions were prepared based on the following criteria:

- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard Revised Edition by the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD)
- US Environmental Protection Agency (EPA) 2008 Climate Leaders Greenhouse Gas Reporting Protocol: Direct Emissions from Stationary Combustion Sources, Direct Emissions from Mobile Combustion Sources and Indirect Emissions from Purchases/Sales of Electricity and Steam
- The Climate Registry 2008 General Reporting Protocol Version 1.1: Section 13.2 Calculating CH<sub>4</sub> and N<sub>2</sub>O Emissions from Mobile Combustion

**Note 2:**

Emission factors applied were sourced from the following:

- US EPA 2013 Revisions to the Greenhouse Gas Reporting Rule: 40 CFR Part 98 Subpart C, Tables C-1 and C-2 (released November 29, 2013)
- US EPA 2009 Emissions and Generation Resource Integrated Database (eGRID) (released May 10, 2012)
- US Energy Information Agency (EIA) Voluntary Reporting of Greenhouse Gases Form EIA-1605, Appendix H: Fuel Emissions Factors (released April 2011) and Appendix N: Emission Factors for Steam and Chilled/Hot Water (released November 18, 2010)
- The Climate Registry: General Reporting Protocol : Tips for Estimating a Mobile Fleet's CH<sub>4</sub> and N<sub>2</sub>O Emissions (August 2009)
- International Energy Agency (IEA) 2013 CO<sub>2</sub> Emissions from Fuel Combustion Highlights Report, "CO<sub>2</sub> emissions per kWh from electricity generation" Table (released 2013)
- UK Department for Environment Food & Rural Affairs (DEFRA) 2012 greenhouse gas conversion factors for company reporting (released 2013)
- Australian National Greenhouse Gas Accounts Factors (released July 2013)
- Base Carbon Greenhouse Gas Emissions Factors (released 2013)



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**Verizon Communications Inc.  
Carbon Intensity Metric Schedule  
For the year ended December 31, 2013**

**Note 3:**

Refer to each network below for explanations on how each network measures data traffic (in total terabytes).

<b>Segment</b>	<b>Network</b>	<b>Data Traffic</b>
<b>Wireless</b>	<b>Voice</b>	<p>Voice traffic is measured in centum call seconds (CCS) across Verizon's wireless network. CCS is a unit of traffic density that is equivalent to one call (including call attempts and holding time) in a specific channel for 100 seconds.</p> <p>CCS are converted into minutes of usage (MOUs) by dividing total CCS by 0.6 (1CCS = 1.66 peps/min). MOUs are converted into bits by multiplying MOUs by 14,256 bps and then multiplying by 60 seconds per minute. A wireless voice call generates 9,600 bps and it is assumed that the activity factor is 90% (0.45 uplink and 0.45 downlink) and the hand-off factor is 1.65 (9,600 bps * 90% * 1.65 = 14,256 bps). Bits are converted into bytes by dividing by 8 (bits/byte) and then to total terabytes (TB) by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>
<b>Wireless</b>	<b>EVDO + 1X PMD:</b> These are the 3G mobile broadband technology used by Verizon.	Data traffic is measured in megabytes (MB) for downlink (forward) and uplink (reverse) traffic across Verizon's Evolution Data Optimized (EVDO) and 1X Packet Mode Data (PMD) networks. MB are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>2</sup> MB).
<b>Wireless</b>	<b>Long-term evolution:</b> This is the high speed 4G network.	Data traffic is measured in megabytes for downlink (forward) and uplink (reverse) data traffic across Verizon's 4G LTE network. MB are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>2</sup> MB).
<b>Wireline Telecom</b>	<b>Transport:</b> This network consists primarily of point to point data transport services sold to small and medium businesses, large corporations, government or individual customers in the US (In Franchise = Verizon Network)	Data traffic is measured in bps by multiplying the monthly billed circuit counts by standard bandwidth rates per circuit type. Since actual traffic is not available and only the billed customer can use the circuit, 100% utilization over each circuit is assumed. The circuits included are the following: ISDN-PRI (Integrated services digital network - Primary rate interface), DS1, DS3, OC3, OC12, OC48 and OC192 SONET (synchronous optical



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Segment	Network	Data Traffic
		networking) and 100 Megabit Ethernet Optical Networking. The bps are converted into total TB by using the binary conversion factor (1TB =1024 <sup>4</sup> bytes).
<b>Wireline Telecom</b>	<b>Switched Ethernet Service (SES):</b> This network includes metropolitan Ethernet data services in the US.	Data traffic is measured in bytes per second (Bps) for all egress (output) data transferred from aggregation switches (AS) to edge switches (ES), aggregation switches to OLT-SNI (Optical line termination - service node interface) ports and aggregation switches to customer circuits (CC). Data traffic is collected daily by polling each interface on all AS devices in this network. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
<b>Wireline Telecom</b>	<b>Video- Broadcast:</b> This network includes video broadcasts through FiOS cable services in the US.	Data traffic is measured in megabits per second (Mbps) for all egress data transferred across all broadband multiplex routers (BMRs). Data traffic is collected daily by polling directly all BMR ports. On a monthly basis, average monthly data traffic per device is estimated by adding daily traffic captured for the entire month and dividing it by the number of days for which data was collected in that given month. Then the averages for each device are summed at month-end and multiplied by total number of days in that given month to obtain total traffic (in Mbps). The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
<b>Wireline Telecom</b>	<b>Video on Demand (VOD):</b> This network includes video streaming services (pay per view, subscription, or free) available only to FiOS Video customers in the US.	Data traffic is measured in megabits per second (Mbps) for average ingress (input) data received at the video aggregation routers (VAR) from the video distribution routers (VDR). Data traffic is collected daily by sample polling each interface on all VAR devices connected to a VDR every five minutes. The Mbps are converted into TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
<b>Wireline Telecom</b>	<b>Frame Relay (FR), Asynchronous Transfer Mode (ATM):</b> This network provides local DSL (digital subscriber line) services in the US.	Data traffic is measured in cell counts for all egress data transferred across the FR/ATM switches. Cells are of a fixed length of 53 octets (or bytes). Cell counts are converted into bytes by multiplying cell counts by 53 octets (or bytes). Bytes are converted into TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
<b>Wireline Telecom</b>	<b>Voice:</b> This network includes legacy Voice services provided by Verizon.	Data traffic is measured in minutes of usage (MOUs) for calls originating in Verizon's Telecom network (VZT), transit calls that do not originate or terminate on the VZT network, and calls terminating



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Segment	Network	Data Traffic
		<p>on the VZT network that originated outside the VZT network. MOUs are captured hourly through all US class 5 and 4/5 access switches.</p> <p>The voice channels transporting this data have a maximum circuit capacity (or bandwidth rate) of 64,000 bps. MOUs are converted into bps by multiplying total MOUs by 60 seconds per minute and by 64,000 bps. The bps are converted into Bps by dividing the bps by 8 bits per byte. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>
<b>Wireline Business</b>	<p><b>Domestic Public Internet Protocol (IP):</b> This network includes enterprise and residential public wireline services such as, FiOS internet, high speed internet (DSL), partner ports, peering and security in the US.</p>	<p>Data traffic is measured in megabits per second (Mbps) as the average of ingress and egress from backbone to edge routers domestically (US). Data traffic is collected daily by sample polling the interface from backbone to edge routers every five minutes. The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>
<b>Wireline Business</b>	<p><b>International Public Internet Protocol (IP):</b> This network includes enterprise and residential public wireline services in Latin America, Asia, Europe, Canada and Mexico.</p>	<p>Data traffic is measured in megabits per second (Mbps) as the average of ingress and egress from backbone to edge routers internationally (Latin America, Asia, Europe, Canada and Mexico). Data traffic is collected daily by sample polling the interface from backbone to edge routers every five minutes. The Mbps are converted into total TB by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>
<b>Wireline Business</b>	<p><b>Transport:</b> This network consists primarily of point to point data transport services sold to customers as defined by circuit and speed, typically medium to large businesses globally. (Out of Franchise – Legacy VZB network)</p>	<p>Data traffic is measured in voice-grade equivalents (VGEs) billed to customers. Since actual traffic is not available and only the billed customer can use the circuit, 100% utilization is assumed over each circuit. The product categories included are the following: core synchronous optical networking (SONET), core time division multiplexing (TDM), strategic SONET and strategic wave.</p> <p>Each VGE circuit equals 64,000 bps. The bps are converted into Bps by dividing the bps by 8 bits per byte. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>
<b>Wireline Business</b>	<p><b>Private Internet Protocol (PIP):</b> This network provides voice, data and video applications over an integrated network infrastructure. It offers e-commerce, voice over IP (VoIP), converged solutions, shared intranets and extranets to private businesses globally.</p>	<p>Data traffic is measured in Bps for all ingress data transferred across all PIP edge routers. Data traffic is collected daily by polling the network every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024<sup>4</sup> bytes).</p>



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Segment	Network	Data Traffic
Wireline Business	<b>Global Frame Relay:</b> This network offers high speed data communication services between and among widely distributed end-user locations.	Data traffic is measured in Bps for all ingress data transferred across all Frame Relay edge routers that interface directly with customers. Data traffic is collected daily by polling every edge router every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
Wireline Business	<b>Global ATM:</b> ATM is a form of 'fast packet' switching service for high speed networks which require flexible bandwidth, high-performance transport and switching for connectivity between and among widely distributed customer locations.	Data traffic is measured in Bps for all ingress data transferred across all ATM edge routers that interface directly with customers. Data traffic is collected daily by polling every edge router every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
Wireline Business	<b>Voice:</b> Includes competitive local exchange carrier (CLEC), long-distance and international networks.	Data traffic is measured in minutes of usage (MOUs) for all calls originating in Verizon's Business network (VZB), transit calls that do not originate or terminate on the VZB network, and calls terminating in the VZB network that originated outside the VZB network for competitive local exchange carrier (CLEC), long-distance and international services. MOUs are captured hourly through all US class 5 and 3 switches. The voice channels transporting this data have a maximum circuit capacity (or bandwidth rate) of 64,000 bps. MOUs are converted into bps by multiplying total MOUs by 60 seconds per minute and by 64,000 bps. The bps are converted into Bps by dividing the bps by 8 bits per byte. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
Wireline Business	<b>Converged Packet Access (CPA):</b> This network converges multiple services, IP, Ethernet, private line data and voice, over a single Ethernet interface. This network can deliver Ethernet access in bandwidth speeds ranging from 1 Mbps to 10 Gbps in various bandwidth increments.	Data traffic is measured in Bps for total ingress data transferred across all CPA edge routers. Data traffic is collected daily by polling every edge router every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).
Wireline Business	<b>Secure Gateway (SG):</b> Secure Gateways are deployed regionally across the United States, Europe and the Asia-Pacific region. Each of the Secure Gateway locations consists of a single core SG router. This core router provides three main functions:	Data traffic is measured in Bps for all ingress data transferred across all SG edge routers. Data traffic is collected daily by polling every edge router every 15 minutes. Data traffic is added for the day and averaged for the month. The Bps are converted into total TB by using the binary conversion factor (1TB = 1024 <sup>4</sup> bytes).



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Segment	Network	Data Traffic
	access to the public and private networks; network-based firewall functionality and redundant connectivity to SG encrypting routers to offload the processor- intensive encrypting services.	