



4004

ANNUAL REPORT

OF

Name: INDIANHEAD TELEPHONE COMPANY

Principal Office: 241 4TH STREET
P.O. BOX 228
WEYERHAEUSER, WI 54895

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I LINDA J. KRAMER of
(Person responsible for accounts)

INDIANHEAD TELEPHONE COMPANY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

LINDA J. KRAMER 05/03/1997
(Person responsible for accounts) (Date)

TREASURER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of: <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	A central office switch which has no remote switching units (RSUs) subtending it.
Trunk	A communications path connecting two switching systems in the establishment of an end-to-end connection.
Wide Area Telephone Service (WATS)	Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.
Wire Center	The location of one or more local switching systems. A point at which customers' loops converge.

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
CO	.....	Central Office
Depr	.....	Depreciation
Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
FOY	.....	First of Year
Info	.....	Information
ITC	.....	Investment Tax Credit
Misc	.....	Miscellaneous
Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
Prop	.....	Property
Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
Svcs	.....	Services
Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: INDIANHEAD TELEPHONE COMPANY
Utility Location: 241 4TH STREET
P.O. BOX 228
WEYERHAEUSER, WI 54895

Utility Web Site Address:

When was utility organized?: 12/31/1958

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MRS LINDA J . KRAMER
Title: TREASURER

Office Address: 211 MAIN STREET
P.O. BOX 428
HECTOR , MN 55342

Fax Number: (320) 848 - 2323
Telephone Number: (320) 848 - 6611

Email Address:

Individual or firm, if other than utility employee, preparing this report

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MRS LINDA J . KRAMER
Title: TREASURER

Office Address: 211 MAIN STREET
P.O. BOX 428
HECTOR , MN 55342

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Person responsible for statistical information contained in report

Name: MRS LINDA J . KRAMER
Title: TREASURER

Office Address: 211 MAIN STREET
P.O. BOX 428
HECTOR , MN 55342

Fax Number: (320) 848 - 2323
Telephone Number: (320) 848 - 6611

Email Address:

IDENTIFICATION AND OWNERSHIP

List names, addresses, and number of shares held by persons owning 5 percent or more of outstanding voting securities. If any stock is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: HECTOR COMMUNICATIONS CORPORATION
Address: PO BOX 428
HECTOR , MN 55342

Number of Shares Held: 829
Beneficial Owner: NONE

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name: PINE ISLAND TELEPHONE COMPANY
Form of Interest: OWNERSHIP
Extent Of Interest: 31.6%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,953,884	1,401,577	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	164,726	152,930	2
Plant Nonspecific Operations Expense	582,135	473,726	3
Customer Operations Expense (6610-6620)	96,043	106,441	4
Corporate Operations Expense (6710-6790)	392,270	371,184	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	291,581	107,417	7
Total Operating Expenses	1,526,755	1,211,698	8
Net Operating Income	427,129	189,879	9
Other Income			
Nonoperating Income and Expense (7300)	196,483	132,641	10
Nonoperating Taxes (7400)	19,475	21,100	11
Interest and Related Items (7500)	127,584	127,626	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(11,667)	(1,340)	14
Total Nonoperating Income	37,757	(17,425)	15
Net Income	464,886	172,454	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

Income Statement:

Line 1 - Increase of local service rate Docket 4860-TR-000100.

Line 2 - Depreciation Rate-adjustments for composite depreciation rate.
Docket 05-DT-000101

Balance Sheet:

Line 1 - Cash decrease due to investment in outside plant projects & timing difference of available RUS financing.

2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.
-
3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	430,623	1,142,786	1 F
Cash (1130)		0	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)		0	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	430,623	1,142,786	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	49,533	218,295	6
Accounts Receivable Allowance-Telecom (1181)*	651	984	7
Net: Telecommunications Accounts Receivable	48,882	217,311	
Other Accounts Receivable (1190)*	181,269	148,954	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	181,269	148,954	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	267	4,867	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	230,418	371,132	
SUPPLIES			
Inventories (1220)*	33,280	29,303	13
TOTAL SUPPLIES	33,280	29,303	
PREPAYMENTS			
Total Prepayments (1280)*	11,575	6,597	14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)		0	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)		0	18
Other Prepayments (1330)		0	19
TOTAL PREPAYMENTS	11,575	6,597	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	705,896	1,549,818	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	1,410,823	1,133,276	21
Investments in Nonaffiliated Companies (1402)*	140,835	154,038	22 F
Nonregulated Investments (1406)*	7,514	9,647	23
Unamortized Debt Issuance Expense (1407)*	0	0	24
Sinking Funds (1408)*	0	0	25

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	4,733	21,852	26
TOTAL INVESTMENTS	1,563,905	1,318,813	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	11,397	0	29
TOTAL DEFERRED CHARGES	11,397	0	
TOTAL NONCURRENT ASSETS	1,575,302	1,318,813	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	7,966,252	6,470,694	30
Less: Accumulated Depreciation (3100)*	3,702,018	3,316,968	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	4,264,234	3,153,726	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	68,900	258,386	39
TOTAL TPUC	68,900	258,386	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	40
Less: Accumulated Amortization--Other (3600)*	0	0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	4,333,134	3,412,112	
TOTAL ASSETS AND OTHER DEBITS*	6,614,332	6,280,743	

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	114,381	64,000	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	0	0	4
Current Maturities--Long-Term Debt (4050)*	135,600	144,900	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	9,982	27,103	7
Other Taxes--Accrued (4080)*	0	0	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	23,801	17,445	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	283,764	253,448	
LONG-TERM DEBT			
Funded Debt (4210)*	2,452,141	2,563,550	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	2,452,141	2,563,550	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	0	0	20
Unamortized Operating ITC--Net (4320)*	41,265	54,395	21
Unamortized Nonoperating ITC--Net (4330)*	360	498	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	370,496	350,658	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	56,773	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	412,121	462,324	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	33,180	33,180	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	3,433,126	2,968,240	32
TOTAL STOCKHOLDERS' EQUITY*	3,466,306	3,001,420	
TOTAL LIABILITIES AND OTHER CREDITS*	6,614,332	6,280,742	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	464,886	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	495,459	2
Interest during construction	(17,043)	3
Changes in assets and liabilities:		
Current assets (net)	131,759	4
Other noncurrent assets	5,722	5
Other current liabilities	39,616	6
Other liabilities and deferred credits	(50,203)	7
Other (specify):		
TOTAL ADJUSTMENTS	605,310	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	1,070,196	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(1,399,438)	8
Investments in affiliated companies	(277,547)	9
Nonoperating Investments	15,336	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(1,661,649)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(120,709)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	0	15
Miscellaneous debits/credits to retained earnings	1	16E
Other (specify):		
Net Cash Provided by Financing Activities	(120,708)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(712,161)	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

1. N/A

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

2. N/A

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

3. N/A

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

4. N/A

5. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.

5. Local Service rate change - effective 12/01/95, Docket #4860-TR-000100.

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

6. N/A

7. Changes in articles of incorporation or amendments to charter.

7. N/A

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Hector Communications Corporation	HCC	1
Other	OTH	2
Pine Island Telephone Company	PITC	3

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	4860-AT-000100					
Name of Affiliate	HCC					1
Designate whether billed to or from:	FROM					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C					3
Revenues	0					4
Expenses:						
Plant Specific Operations Expense	2,909					5
Plant Nonspecific Operations Expense	20,592					6
Customer Operations Expense	20,583					7
Corporate Operations Expense	277,342					8
Total Operating Expenses	321,426	0	0	0		9
Other:						
Plant Accounts	0					10
Accumulated Depreciation	0					11
Accumulated Amortization	0					12
Clearing	0					13
All Other	0					14
Total	321,426	0	0	0		15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings	0.00					17
Footnotes	3					

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Hector Communications Corporation	1401	618,616	1
Pine Island Telephone Company	1401	792,207	2

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off	4,456	1
Uncollectibles written off during the year	8,639	2
Net write offs during the year	4,183	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	98,550	1
Other:		
RTB Class C Stock	5,000	2
Weyerhaeuser Industrial Development Corp.	200	3
GNMA	37,085	4
Total Investments in Nonaffiliated Companies	140,835	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
CPE LEASED (NET) A/C 140610	5,433	1
CPE INVENTORY A/C 140630	2,081	2

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
--	--------------------------------

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	7,328		1
Motor Vehicles	2112	150,589	25,040	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	89,176	6,356	6
Buildings	2121	467,200	69,117	7
Furniture	2122	22,755	281	8
Office Equipment	2123	9,003	654	9
General Purpose Computers	2124	6,573	543	10
TOTAL--GENERAL SUPPORT ASSETS:		752,624	101,991	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	754,567	43,009	12 D
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0	0	14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	1,062,414	215,603	16 D
TOTAL--CENTRAL OFFICE ASSETS:		1,816,981	258,612	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	3,232	34	17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	19,038		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		22,270	34	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	1,704	0	22
Aerial Cable	2421	6,377	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,864,541	1,245,331	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0	0	27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	6,196	0	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,878,818	1,245,331	
AMORTIZABLE ASSETS				
Capital Leases	2681	0	0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			7,328	1
2112			175,629	2
2113			0	3
2114			0	4
2115			0	5
2116			95,532	6
2121			536,317	7
2122			23,036	8
2123	0	0	9,657	9
2124			7,116	10
	0	0	854,615	
2211			0	11
2212	5,124	(18,647)	773,805	12 D
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	18,647	1,296,664	16 D
	5,124	0	2,070,469	
2311	23		3,243	17
2321			0	18
2341			0	19
2351			19,038	20
2362			0	21
	23	0	22,281	
2411			1,704	22
2421	0	0	6,377	23
2422	0	0	0	24
2423	105,262	0	5,004,610	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			6,196	30
	105,262	0	5,018,887	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
AMORTIZABLE ASSETS				
Leasehold Improvements	2682	0	0	32
Intangibles	2690	0	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0	
TOTAL TELECOM. PLANT IN SERVICE	2001	6,470,693	1,605,968	
Less: Allocation to Nonregulated Activity - EOY	2001			34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001			

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	110,409	0	7,966,252	
2001				34
			7,966,252	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	3,034	248	1
Company Communications Equipment	2123.2	5,969	406	2
Software	2212.1	754,567		3 A
Digital Switching - Central Office	2212.2	0	43,009	4 A,D
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	647,756	215,603	10 A,D
Analog Circuit Equipment	2232.2	414,658		11 A
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	6,377		13 A
Aerial Cable - Metallic	2421.2	0		14 A
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	3,864,541		17 A
Buried Cable - Metallic	2423.2	0	1,245,331	18 A
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			3,282	1
2123.2			6,375	2
2212.1		(754,567)	0	3 A
2212.2	5,124	735,920	773,805	4 A,D
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1		433,305	1,296,664	10 A,D
2232.2		(414,658)	0	11 A
2232.3			0	12
2421.1		(6,377)	0	13 A
2421.2		6,377	6,377	14 A
2422.1			0	15
2422.2			0	16
2423.1		(3,864,541)	0	17 A
2423.2	105,262	3,864,541	5,004,610	18 A
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	133,366	25.0	11,280	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	57,843	10.0	6,322	5
Buildings	2121	147,995	3.33	16,725	6
Furniture	2122	17,540	10.0	2,290	7
Office Equipment	2123	2,426	20.0	1,866	8
General Purpose Computers	2124	5,252	25.0	1,388	9
Total-- GENERAL SUPPORT ASSETS		364,422		39,871	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211		.0		10
Digital Electronic Switching	2212	229,361	11.0	83,118	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	848,989	12.5	148,608	15
Total-- CENTRAL OFFICE ASSETS		1,078,350		231,726	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	1,562	14.29	462	16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	11,429	14.29	2,720	19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		12,991		3,182	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	1,534	6.67		21
Aerial Cable	2421	5,740	5.0		22
Underground Cable	2422	0			23
Buried Cable	2423	1,853,056	5.0	220,432	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					144,646	1
2113					0	2
2114					0	3
2115					0	4
2116					64,165	5
2121					164,720	6
2122					19,830	7
2123	0				4,292	8
2124					6,640	9
	0	0	0	0	404,293	
2211					0	10
2212	5,124			0	307,355	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0			0	997,597	15
	5,124	0	0	0	1,304,952	
2311	23				2,001	16
2321					0	17
2341					0	18
2351					14,149	19
2362					0	20
	23	0	0	0	16,150	
2411					1,534	21
2421	0			0	5,740	22
2422	0				0	23
2423	105,262			0	1,968,226	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	875	4.0	248	29
Total-- CABLE WIRE FACILITIES ASSETS		1,861,205		220,680	0
Total Accumulated Depreciation		3100		495,459	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				495,459	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					1,123	29
	105,262	0	0	0	1,976,623	
3100	110,409	0	0	0	3,702,018	
3100						30
3100					3,702,018	

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
Office Support Equipment	2123.1	1,401	20.0	632		1
Company Communications Equipment	2123.2	1,025	20.0	1,234		2
Software	2212.1	229,361				3 A
Digital Switching - Central Office	2212.2	0	11.0	83,118		4 A
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	525,865	12.5	148,608		10 A,B
Analog Circuit Equipment	2232.2	323,124				11 A,B
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	5,740				13 A
Aerial Cable - Metallic	2421.2	0	5.0			14 A
Underground Cable - Nonmetallic	2422.1	0				15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	1,853,056				17 A
Buried Cable - Metallic	2423.2	0	5.0	220,432		18 A
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					2,033	1
2123.2					2,259	2
2212.1				(229,361)	0	3 A
2212.2	5,124			229,361	307,355	4 A
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1				323,124	997,597	10 A,B
2232.2				(323,124)	0	11 A,B
2232.3					0	12
2421.1				(5,740)	0	13 A
2421.2				5,740	5,740	14 A
2422.1					0	15
2422.2					0	16
2423.1				(1,853,056)	0	17 A
2423.2	105,262			1,853,056	1,968,226	18 A
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(248,783)	5
Net Deferred Tax Liability Adjustments (4341)	0	6
Deferred Tax Regulatory Liability (4361)	0	7
Net Property Related Deferred Operating Income Taxes	(248,783)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(248,783)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	(158,648)	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	(158,648)	

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361) (cont.)

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250		(36,935)		(211,848)	5
				0	6
	0	(36,935)	0	(211,848)	7
				0	8
	0	(36,935)	0	(211,848)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250				(158,648)	13
				0	14
				0	15
	0	0	0	(158,648)	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RTB	12/31/1975-12/31/1995	12/31/2012	6.0500-7.5000	1
RUS	12/31/1961-12/31/1982	12/31/2017	2.0000	2
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
6.2700			1,594,847	88,194	1,683,041	1
2.0000			857,294	47,406	904,700	2
	0	0	2,452,141	135,600	2,587,741	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common	1,250	40.00	1
TOTAL COMMON STOCK	1,250		
TOTAL	<u>1,250</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
Common	829	33,180	0	0	1
	829	33,180	0	0	
TOTAL	829	33,180	0	0	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	2,968,239	2,795,786	1 E
Changes:			
Balance Transferred from Income	464,886	172,453	2
Dividends Declared:			
Common	0	0	3
Preferred	0	0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	0	0	5
Miscellaneous Credits to Retained Earnings	1	0	6
Balance--End of Year	<u>3,433,126</u>	<u>2,968,239</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	112,739	43,036	131,891	1
Nonoperating Taxes (Accts. 7410 - 7450)	0	4,107	15,368	2
Extraordinary Items (Accts. 7630 & 7640)	0	0	0	3
Nonregulated Net Income (Acct. 7990)	0	0	0	4
Clearing Accounts	0	0	0	5
Construction	0	0	0	6
Payroll Taxes: FICA	0	0	0	7
Payroll Taxes: State Unemployment	0	0	0	8
Payroll Taxes: Federal Unemployment	0	0	0	9
Other (specify):				
TOTAL	<u>112,739</u>	<u>47,143</u>	<u>147,259</u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
3,915	0	0	0	0	291,581	1
0	0	0	0	0	19,475	2
0	0	0	0	0	0	3
0	0	0	0	0	0	4
0	0	0	0	0	0	5
0	0	0	0	0	0	6
0	0	0	0	0	0	7
0	0	0	0	0	0	8
0	0	0	0	0	0	9
3,915	0	0	0	0	311,056	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	687,117	307,162	1 G
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	687,117	307,162	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	82,968	80,835	11
Switched Access Revenue (5082)*	785,333	615,229	12 H
Special Access Revenue (5083)*	17,498	10,364	13 I
TOTAL INTERSTATE ACCESS REVENUES (5080)	885,799	706,428	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	252,219	241,706	15
Special Access Revenue (5084.3)*	22,421	22,292	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	274,640	263,998	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	(1,226)	9,183	17 J
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	(1,226)	9,183	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	21,977	19,997	30
Rent Revenue (5240)*	0	0	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	24,439	21,298	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	24,439	21,298	
Interstate Billing and Collection Revenue*	24,751	23,362	39
Intrastate Billing and Collection Revenue*	40,237	52,199	40 K
Total Carrier Billing and Collection Revenue (5270)*	64,988	75,561	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	111,404	116,856	
GROSS OPERATING REVENUES	1,957,734	1,403,627	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	3,850	2,050	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	3,850	2,050	
TOTAL OPERATING REVENUES	<u>1,953,884</u>	<u>1,401,577</u>	

** Account 5280 is to be used only by those companies subject to dual jurisdiction.

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)		0		1
Less: Nonregulated		0		2
Net Regulated	0	0	0	3
Total General Support Expense (6120)	24,262	15,354	5,175	4
Less: Nonregulated		0		5 1
Net Regulated	24,262	15,354	5,175	6
Total Central Office Switching Expense (6210)	34,345	40,218	15,507	7
Less: Nonregulated		0		8
Net Regulated	34,345	40,218	15,507	9
Total Operator Systems Expense (6220)		0	0	10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	13,759	14,129	7,216	13
Less: Nonregulated		0		14
Net Regulated	13,759	14,129	7,216	15
Total Information Orig. / Term. Expense (6310)	1,518	729	457	16
Less: Nonregulated		0		17
Net Regulated	1,518	729	457	18
Total Cable and Wire Fac. Expense (6410)	79,046	94,296	50,924	19
Less: Nonregulated		0		20
Net Regulated	79,046	94,296	50,924	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	152,930	164,726	79,279	
Less: Nonregulated	0	0	0	
Net Regulated	152,930	164,726	79,279	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	105,082	86,676	27,839	25
Less: Nonregulated		0		26
Net Regulated	105,082	86,676	27,839	27
Access Expense (6540)		0	0	28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	368,644	495,459		31
Less: Nonregulated		0		32 2
Net Regulated	368,644	495,459		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	473,726	582,135	27,839	
Less: Nonregulated	0	0	0	
Net Regulated	473,726	582,135	27,839	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110					1
	0	0	0	0	2
					3
6120	2,226	0	7,953	0	4
	2,226	0	7,953	0	5 1
					6
6210	6,637	0	15,613	2,461	7
	6,637	0	15,613	2,461	8
					9
6220	0	0	0	0	10
	0	0	0	0	11
					12
6230	2,942	0	2,898	1,073	13
	2,942	0	2,898	1,073	14
					15
6310	195	0	0	77	16
	195	0	0	77	17
					18
6410	22,113	0	12,311	8,948	19
	22,113	0	12,311	8,948	20
					21
	34,113	0	38,775	12,559	
	0	0	0	0	
	34,113	0	38,775	12,559	
6510	0	0	0	0	22
					23
	0	0	0	0	24
6530	10,290	0	47,549	998	25
	10,290	0	47,549	998	26
					27
6540	0	0	0	0	28
	0	0	0	0	29
					30
6560			495,459		31
					32 2
			495,459		33
	10,290	0	543,008	998	
	0	0	0	0	
	10,290	0	543,008	998	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	727	3,729	0	34
Less: Nonregulated		0		35
Net Regulated	727	3,729	0	36
Total Services (6620)	105,714	92,314	26,265	37
Less: Nonregulated		0		38
Net Regulated	105,714	92,314	26,265	39
TOTAL CUSTOMER OPERATIONS EXPENSE	106,441	96,043	26,265	
Less: Nonregulated	0	0	0	
Net Regulated	106,441	96,043	26,265	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	111,112	102,414	0	40
Less: Nonregulated		0		41
Net Regulated	111,112	102,414	0	42
Total General and Administrative (6720)	260,072	289,856	2,659	43
Less: Nonregulated		0		44
Net Regulated	260,072	289,856	2,659	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	371,184	392,270	2,659	
Less: Nonregulated	0	0	0	
Net Regulated	371,184	392,270	2,659	
TOTAL EXPENSES	1,104,281	1,235,174	136,042	
Less: Nonregulated	0	0	0	
Net Regulated	1,104,281	1,235,174	136,042	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	0	0	3,729	0	34
					35
	0	0	3,729	0	36
6620	13,642		52,407	0	37
					38
	13,642		52,407	0	39
	13,642	0	56,136	0	
	0	0	0	0	
	13,642	0	56,136	0	
6710	0		102,414	0	40
					41
	0		102,414	0	42
6720	1,379		285,818	0	43
					44
	1,379		285,818	0	45
6790			0		46
					47
			0		48
	1,379	0	388,232	0	
	0	0	0	0	
	1,379	0	388,232	0	
	59,424	0	1,026,151	13,557	
	0	0	0	0	
	59,424	0	1,026,151	13,557	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0	0	1
Provisioning Expense (6512)		0	0	2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	368,644	495,459		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	368,644	495,459		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511	0		0	0	1
6512	0		0	0	2
	0		0	0	
6561			495,459		3
6562					4
6563					5
6564					6
6565					7
			495,459		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)	
Out-of-state operating revenues	0	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only		2
Plus: current year collection of out-of-state utility customer accounts previously written off		3
Net out-of-state operating revenues	0	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	0	0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	0	0	2
Gains and (Losses) from Foreign Exchange (7140)		0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)		0	4
Other Operating Gains and (Losses) (7160)*		0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(13,268)	(16,623)	6
Operating Federal Income Taxes (7220)*	145,159	28,320	7
Operating State and Local Income Taxes (7230)*	43,036	8,649	8
Operating Other Taxes (7240)*	116,654	87,071	9
Provision for Deferred Operating Income Taxes--Net (7250)*	0	0	10
TOTAL OPERATING TAXES (7200)*	291,581	107,417	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	375	14,813	11
Interest Income (7320)*	42,957	50,248	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	17,043	5,032	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	700	600	15
Other Nonoperating Income (7360)*	135,518	62,483	16
Special Charges (7370)*	110	535	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	196,483	132,641	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	15,368	16,600	19
Nonoperating State and Local Income Taxes (7430)*	4,107	4,500	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	0	0	22
TOTAL NONOPERATING TAXES (7400)*	19,475	21,100	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	126,303	127,626	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	0	0	25
Other Interest Deductions (7540)*	1,281	0	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	127,584	127,626	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)		0	28
Extraordinary Income Charges (7620)		0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)		0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)		0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(11,667)	(1,340)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	38,695	1
Less: Cost of Goods Sold	874	2
Net Sales	37,821	3
Expenses (Acct. 7990.2)	49,488	4
Nonregulated Net Income	<u>(11,667)</u>	5

List the type of nonregulated activities that company is involved in:

CPE, CPW, Internet, installations.
Lease, sales and repair of CPE, CPW.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	136,042	1
Nonregulated Expense	8,630	2
Plant Accounts	25,409	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	23,502	5
Total Salaries and Wages	193,583	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers				1
Supervision and Other Management	1.00	1.00	40,237	2
Other Employees	6.00	6.00	153,346	3
Total	7.00	7.00	193,583	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	136,042	1
Nonregulated Expense	8,630	2
Plant Accounts	25,409	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	23,502	5
Total Salaries and Wages	193,583	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers				1
Supervision and Other Management	1.00	1.00	40,237	2
Other Employees	6.00	6.00	153,346	3
Total	7.00	7.00	193,583	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	232	580	1
Extended Area Service	26	46	2
Extended Community Calling	39	303	3
Other Local-Undefined			4
Total Local	297	929	
TOLL			
Operator Handled: State--intraLATA	1	3	5
Operator Handled: State--interLATA	0	2	6
Operator Handled: Interstate	1	6	7
Customer Dialed: State--intraLATA	24	104	8
Customer Dialed: State--interLATA	12	54	9
Customer Dialed: Interstate	39	162	10
WATS	0	0	11
Other Toll-Undefined	0	0	12
Total Toll	77	331	
Total Local & Toll	374	1,260	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	0	0	0	0	2
Feature Group B -- Orig.	2	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	2,024	0	1,277	677	7
Feature Group D -- Term.	2,309	0	955	633	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	1	1
Sheath miles of plant - buried	758	2
Sheath miles of plant - fiber optics	68	3
Strand miles of plant - fiber optics	1,434	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	3	8	1
56 kbps			2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	3		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	1	1
Sheath miles of plant - buried	758	2
Sheath miles of plant - fiber optics	68	3
Strand miles of plant - fiber optics	1,434	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	3	8	1
56 kbps			2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	3		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	197	212	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	0	0	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	3	0	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	18	17	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other	0	0	19
Total Business Lines	218	229	20
Residential (Incl. Emp. Concess.)			
1 Party	1,757	1,797	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0	0	26
Total Residential Lines	1,757	1,797	27
Total Bus & Res Lines	1,975	2,026	28
Company Used Lines	43	31	29
Total Lines Used	2,018	2,057	30

SERVICE DATA (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	3	3	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	6	8	7
Special Access-interLATA			8
(expressed in equiv. access lines)	7	75	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	0	219	12
Feature Group D Trunks	168	0	13
TSPS - Trunks	25	24	14
EAS - Trunks	28	22	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	5,718,069	7,111,637	27
Total Company Square Miles	399	399	28
Total Company Route Miles	562	578	29
Footnotes			30

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1820	4460	5820		1
Business					2
1 Party	46	99	67		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	0	0		6
Centrex Trunks	0	0	0		7
Centrex Lines	0	0	0		8
Key System Trunks	0	0	0		9
Mobile (utility provided service)	0	0	0		10
Paging (utility provided service)	0	0	0		11
FX-Out (Switched)	0	0	0		12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	1	9	7		16
- Semi-Public	0	0	0		17
- Cust. Owned	0	0	0		18
Other	0	0	0		19
Total Business Lines	47	108	74	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	491	725	581		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	0	0	0		25
Other	0	0	0		26
Total Residential Lines	491	725	581	0	27
Total Bus & Res Lines	538	833	655	0	28
Company Used Lines	4	10	17		29
Total Lines Used	542	843	672	0	30

SERVICE DATA - END OF YEAR (cont.)

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1820	4460	5820		1
Miscellaneous					2
WATS Lines - OutWATS	0	0	0		3
WATS Lines - 800 Service	0	0	0		4
FX-In-intraLATA	0	3	0		5
Special Access-intraLATA					6
(equiv. access lines)	2	2	4		7
Special Access-interLATA					8
(equiv. access lines)	2	0	73		9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	0	0	0		11
Feature Group C Trunks	45	64	110		12
Feature Group D Trunks	0	0	0		13
TSPS - Trunks	7	10	7		14
EAS - Trunks	11	11	0		15
Cellular Trunks (Pub. Sw. Net.)	0	0	0		16
Video Distance Learning					17
- discounted (special tariff)	0	0	0		18
Customers					19
Business - 2 Party Customers	0	0	0		20
Business - 4 Party Customers	0	0	0		21
Residential - 2 Party Customers	0	0	0		22
Residential - 4 Party Customers	0	0	0		23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,095,509	2,530,662	2,485,466		27
Exchange Square Miles	170	133	96		28
Exchange Route Miles	190	204	184		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	EXELAND	RADISSON	WEYERHAEUSER		1
PSCW Exchange ID	1820	4460	5820		2
Central Office Name	EXELAND	RADISSON	WEYERHAEUSER		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	NTI	NTI	NTI		5
Year COE Installed	1991	1991	1991		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	S	S	S		8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0	0	0		10
COE Generic Software Release No.	404.41	404.41	404.41		11
SS7?	No	No	No		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	542	843	672		14
- Equipped	640	1,082	781		15
- Wired	640	1,088	896		16
Trunks - In Use	45	64	110		17
- Equipped	120	120	216		18
- Wired	144	144	288		19
ISDN Available?	No	No	No		20
ISDN Lines - In Use (BRI)	0	0	0		21
- In Use (PRI)	0	0	0		22
Switched 56 Service?	No	No	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	17	29	51		25
DS-3 - In Use	0	0	0		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0	0		32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68	44	60		33
No. of fiber strands working (LIT) in C.O.	0	0	0		34
No. of fiber strands for interoffice use	0	0	0		35
Miles of fiber sheath in wire center	27	26	15		36
Access Tandem Serving this C.O.:					
- C.O. Name	RICE LAKE	RICE LAKE	RICE LAKE		37
- PSCW C.O. ID	4570-01	4570-01	4570-01		38
Does this C.O. do access tandem switching?	No	No	No		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	No	No	No		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote****Schedule Footnotes****Accumulated Depreciation Class A & B Footnote. Page 26**

There has been a depreciation rate change for the following accounts to comply with suggested composite rate per docket #05-DT-000101:
A/C 2122, 2123, 2124, 2212, 2232, 2311, 2351, 2411, 2421, 2423, 2441.

Service Data Footnote. Page 50

FGD trunks are joint use trunks. Therefore in 1996 we are listing as trunks as FGC trunks.

Service Data - End of Year Footnote. Page 52

FGD trunks are joint use trunks. Therefore in 1996 we are listing trunks as FGC trunks.

Schedule Line Footnotes

- 1) A/C 6120 1995 expense was \$8,908 more than 1996 expense. This is due to more time spent on capital additions rather than maintenance in 1996.
- 2) A/C 6560-1996 expense increased by \$126,845 to \$495,459 from the 1995 expense of \$368,644. This is due to the correction of the composite rate.
- 3) Affiliated Interest Transactions from HCC are billed at actual cost.
- 4) Account 5100 was \$7,956 greater in 1995 due to the last of the support funds received, and AT&T adjustment for gross receipts tax surcharge.
- 5) Intrastate B&C was \$11,962 greater in 1995 due to AT&T rating takeback and the Ameritech B&C rate change 1-01-96.
- A) To properly reflect FOY Balance.
- B) To properly report Digital circuit-subscriber & Digital circuit-toll depreciation amounts per instructions.
- D) To transfer \$18,647 from a/c 2212 to a/c 2232.
- E) To adjust for rounding.
- F) To move GNMA from FOY Cash Balance-a/c 1120 to Investments in Nonaffiliated Companies-a/c 1402.
- G) A/C 5000-1996 value exceeds 1995 value by \$379,955. This results from a local service rate increase effective 12/01/95, Docket #4860-TR-000100.
- H) A/C 5082-1996 value exceeds 1995 value by \$170,104. This results from greater minutes of use in 1996.
- I) A/C 5083- 1996 value exceeds 1995 value by \$7,134. Three High Capacity circuits were installed in August of 1995. Therefore, only a partial year of revenues.
- J) A/C 5100 was \$7,956 greater in 1995. We received the last of the support funds in 1995, also there was an adjustment for an AT&T gross receipts tax surcharge.
- K) Intrastate B&C was \$11,962 greater in 1995 due to the AT&T rating take-back and the Ameritech B&C rate change 1-01-96.
- L) The number of Intrastate Interlata OPH calls was too small to round up in thousands.