



4004

ANNUAL REPORT

OF

Name: BLACK EARTH TELEPHONE COMPANY

Principal Office: 1125 MILLS
BLACK EARTH, WI 53515

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.

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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: BLACK EARTH TELEPHONE COMPANY
Utility Location: 1125 MILLS
BLACK EARTH, WI 53515

Utility Web Site Address:
When was utility organized?: 06/01/1905
Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR GERALD R . RINGLUND
Title: ASSISTANT TREASURER

Office Address: 301 S WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-0158
Fax Number: (608) 845 - 4519
Telephone Number: (608) 845 - 4554
Email Address:

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

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Title: STAFF ACCOUNTANT
Firm: TDS TELECOM
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Person responsible for financial information contained in report

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Title: ASSISTANT TREASURER

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MADISON , WI 53705
Fax Number: (608) 845 - 4519
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Email Address:

Person responsible for statistical information contained in report

Name: VARIOUS CONTACTS X
Title: X

Office Address: 301 S. WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-5158
Fax Number: (608) 999 - 9999
Telephone Number: (608) 999 - 9999
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: TDS TELECOMMUNICATIONS CORPORATION
Address: 301 S. WESTFIELD ROAD
MADISON , WI 53705

Number of Shares Held: 6,994
Beneficial Owner: NONE

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

Company Name:
Form of Interest:
Extent Of Interest:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	931,650	938,664	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	62,031	87,000	2
Plant Nonspecific Operations Expense	231,824	247,591	3
Customer Operations Expense (6610-6620)	221,731	178,947	4
Corporate Operations Expense (6710-6790)	149,786	147,304	5
Other Operating Income and Expense (7100)	408	408	6
Operating Taxes (7200)	119,857	128,134	7
Total Operating Expenses	784,821	788,568	8
Net Operating Income	146,829	150,096	9
Other Income			
Nonoperating Income and Expense (7300)	14,929	18,861	10
Nonoperating Taxes (7400)	3,255	3,751	11
Interest and Related Items (7500)	54,060	56,582	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	5,506	1,350	14
Total Nonoperating Income	(36,880)	(40,122)	15
Net Income	109,949	109,974	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.)

TELEPHONE PLANT

Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).

DEPRECIATION

The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.

REVENUES

Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.

Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.

Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.

PENSION

The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.

INCOME TAXES

The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.

The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment

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:

have been deferred and are being amortized to income over the service lives of the related property.

-
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.

None.

-
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.

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 1996, the company has invested no funds with Telecommunications Technologies Fund, Inc., and could distribute up to \$247,068 to the parent of other affiliates in the form of cash dividends.

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)*		0	1
Cash (1130)	116,575	160,636	2
Special Cash Deposits (1140)	0	0	3
Working Cash Advances (1150)	350	350	4
Temporary Investments (1160)	0	200,000	5
TOTAL CASH AND EQUIVALENTS	116,925	360,986	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	27,180	22,396	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	27,180	22,396	
Other Accounts Receivable (1190)*	95,553	67,055	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	95,553	67,055	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	514	3,253	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	123,247	92,704	
SUPPLIES			
Inventories (1220)*	5,290	3,667	13
TOTAL SUPPLIES	5,290	3,667	
PREPAYMENTS			
Total Prepayments (1280)*		0	14
Prepaid Rents (1290)	0	0	15
Prepaid Taxes (1300)	1,560	1,764	16
Prepaid Insurance (1310)	0	0	17
Prepaid Directory Expenses (1320)	10,634	3,324	18
Other Prepayments (1330)	2,961	25,854	19
TOTAL PREPAYMENTS	15,155	30,942	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	887	945	20
TOTAL OTHER CURRENT ASSETS	887	945	
TOTAL CURRENT ASSETS	261,504	489,244	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	9,540	11,900	22
Nonregulated Investments (1406)*	8,600	8,572	23
Unamortized Debt Issuance Expense (1407)*	0	1,331	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)*	0	0	26
TOTAL INVESTMENTS	18,140	21,803	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	11,400	13,042	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	0	0	29
TOTAL DEFERRED CHARGES	11,400	13,042	
TOTAL NONCURRENT ASSETS	29,540	34,845	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	3,034,189	2,633,256	30
Less: Accumulated Depreciation (3100)*	1,235,910	1,066,693	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	1,798,279	1,566,563	
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)*	23,032	164,344	39
TOTAL TPUC	23,032	164,344	
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	1,821,311	1,730,907	
TOTAL ASSETS AND OTHER DEBITS*	2,112,355	2,254,996	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	57,712	232,361	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	1,609	3
Customer Deposits (4040)*	40	40	4
Current Maturities--Long-Term Debt (4050)*	31,949	25,518	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	1,274	16,491	7
Other Taxes--Accrued (4080)*	3,524	(6,678)	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)*	4,250	5,703	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	98,749	275,044	
LONG-TERM DEBT			
Funded Debt (4210)*	1,011,638	1,044,186	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	1,011,638	1,044,186	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	918	444	20
Unamortized Operating ITC--Net (4320)*	2,077	4,214	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	148,077	153,520	23
Net Deferred Tax Liability Adjustments (4341)*	10,282	10,773	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	1,118	2,269	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	162,472	171,220	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	104,910	104,910	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	734,545	659,636	32
TOTAL STOCKHOLDERS' EQUITY*	839,455	764,546	
TOTAL LIABILITIES AND OTHER CREDITS*	2,112,314	2,254,996	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	109,949	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	176,666	2
Interest during construction	(116)	3
Changes in assets and liabilities:		
Current assets (net)	(16,321)	4
Other noncurrent assets	311	5
Other current liabilities	(182,726)	6
Other liabilities and deferred credits	(8,748)	7
Other (specify):		
TOTAL ADJUSTMENTS	(30,934)	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	79,015	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(266,954)	8
Investments in affiliated companies	0	9
Nonoperating Investments	2,332	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(264,622)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(23,455)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(35,040)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(58,495)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(244,102)	
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.

None .

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.

None

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

None

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.

None

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

None

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.

None

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

None

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

None

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)	
Badger Telecom, Inc.	BADGER	1
Central State Telephone Company	CENTRAL	2
Central Region-Telephone System Service Division, Inc.	CR-TSSD	3
Grantland Telephone Company	GRANTLAND	4
Mt. Vernon Telephone Company	MT VERNON	5
Other	OTH	6
Riverside Telecom, Inc.	RIVERSIDE	7
Suttle Press, Inc.	SUTTLE	8
TDS Computing Services, Inc.	TDS/CS	9
TDS TELECOMMUNICATIONS, INC.	TDS-TEL	10
Telephone System Service Division, Inc.	TSSD	11
Waunakee Telephone Company	WAUNAKEE	12

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	0005-TI-000124	0005-TI-000124	0005-TI-000124	0005-TI-000124	
Name of Affiliate	MT VERNON	OTH	OTH	TDS/CS	1
Designate whether billed to or from:	FROM	FROM	TO	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Revenues	0	0	0	0	4
Expenses:					
Plant Specific Operations Expense	8,642	5,367	31	400	5
Plant Nonspecific Operations Expense	193	608	0	1,377	6
Customer Operations Expense	7,723	9,722	592	29,030	7
Corporate Operations Expense	8,083	4,659	185	12,120	8
Total Operating Expenses	24,641	20,356	808	42,927	9
Other:					
Plant Accounts	0	2,819	0	0	10
Accumulated Depreciation	0	0	0	0	11
Accumulated Amortization	0	0	0	0	12
Clearing	0	131	0	0	13
All Other	266	1,193	877	35	14
Total	24,907	24,499	1,685	42,962	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	0.00		15.10	17
Footnotes					

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	0005-TI-000124					
Name of Affiliate	TDS-TEL					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	20					4
Expenses:						
Plant Specific Operations Expense	367					5
Plant Nonspecific Operations Expense	33,673					6
Customer Operations Expense	60,550					7
Corporate Operations Expense	106,591					8
Total Operating Expenses	201,181	0	0	0		9
Other:						
Plant Accounts	74,905					10
Accumulated Depreciation	0					11
Accumulated Amortization	0					12
Clearing	446					13
All Other	1,510					14
Total	278,062	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						

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)	
TDS TELECOMMUNICATIONS, INC.	1190	28,478	1
TDS TELECOMMUNICATIONS, INC.	1210	2,261	2
TDS Computing Services, Inc.	4010	2,429	3
TDS TELECOMMUNICATIONS, INC.	4010	97,754	4

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	0	1
Uncollectibles written off during the year	0	2
Net write offs during the year	0	

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	7,540	1
Other:		
RTB Class C Stock	2,000	2
Total Investments in Nonaffiliated Companies	9,540	

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)	
<hr/>		
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Terminal Equipment	8,600	1

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

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

Description of Item (a)	Balance EOY (b)	
None	0	1
Total	0	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	19,349	0	1
Motor Vehicles	2112	13,819	0	2
Aircraft	2113	0	0	3
Special Purpose Vehicles	2114	0	0	4
Garage Work Equipment	2115	0	0	5
Other Work Equipment	2116	57,742	3	6
Buildings	2121	80,314	10,000	7
Furniture	2122	1,243	0	8 A
Office Equipment	2123	11,247	1,857	9 A
General Purpose Computers	2124	123,615	89,811	10
TOTAL--GENERAL SUPPORT ASSETS:		307,329	101,671	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0	0	11
Digital Electronic Switching	2212	596,409	38,598	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0	0	14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	328,102	31,559	16
TOTAL--CENTRAL OFFICE ASSETS:		924,511	70,157	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0	0	17
Customer Premises Wiring	2321	0	0	18
Large Private Branch Exchanges	2341	0	0	19
Public Telephone Terminal Equipment	2351	6,874	0	20
Other Terminal Equipment	2362	0	0	21
TOTAL--INFORMATION ORIG/TERM ASSETS:		6,874	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	9,039		22
Aerial Cable	2421	13,033	44	23
Underground Cable	2422	6,607	2,344	24
Buried Cable	2423	1,316,164	169,933	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0	0	27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	3,499	80	29
Conduit Systems	2441	46,202	65,964	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,394,544	238,365	
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	0		19,349	1
2112	0		13,819	2
2113	0		0	3
2114	0		0	4
2115	0		0	5
2116	0		57,745	6
2121	0		90,314	7
2122	0	1,154	2,397	8 A
2123	0	(1,154)	11,950	9 A
2124	8,600		204,826	10
	8,600	0	400,400	
2211	0		0	11
2212	0	0	635,007	12
2215	0	0	0	13
2220	0		0	14
2231	0	0	0	15
2232	276	0	359,385	16
	276	0	994,392	
2311	0		0	17
2321	0		0	18
2341	0		0	19
2351	0		6,874	20
2362	0		0	21
	0	0	6,874	
2411	0		9,039	22
2421	0	0	13,077	23
2422	0	0	8,951	24
2423	386	0	1,485,711	25
2424	0	0	0	26
2425	0		0	27
2426	0	0	0	28
2431	0		3,579	29
2441	0		112,166	30
	386	0	1,632,523	
2681	0		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	2,633,258	410,193	
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		0	32
2690	0		0	33
	0	0	0	
	9,262	0	3,034,189	
2001				34
			3,034,189	

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	2,717	1,857	1 A
Company Communications Equipment	2123.2	8,530	0	2
Software	2212.1	45,950	3,308	3
Digital Switching - Central Office	2212.2	550,459	35,290	4
Digital Switching - Remote	2212.3	0	0	5
Step by Step Switching	2215.1	0	0	6
Crossbar Switching	2215.2	0	0	7
Satellite and Earth Station Facilities	2231.1	0	0	8
Other Radio Facilities	2231.2	0	0	9
Digital Circuit Equipment	2232.1	268,954	31,559	10
Analog Circuit Equipment	2232.2	0	0	11
Light Wave Circuit Equipment	2232.3	59,148	0	12
Aerial Cable - Nonmetallic	2421.1	0	0	13
Aerial Cable - Metallic	2421.2	13,033	44	14
Underground Cable - Nonmetallic	2422.1	5,228	863	15
Underground Cable - Metallic	2422.2	1,379	1,481	16
Buried Cable - Nonmetallic	2423.1	114,472	41,867	17
Buried Cable - Metallic	2423.2	1,201,692	128,066	18
Submarine Cable - Nonmetallic	2424.1	0	0	19
Submarine Cable - Metallic	2424.2	0	0	20
Intrabuilding Cable - Nonmetallic	2426.1	0	0	21
Intrabuilding Cable - Metallic	2426.2	0	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		(1,154)	3,420	1 A
2123.2			8,530	2
2212.1			49,258	3
2212.2			585,749	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	276		300,237	10
2232.2			0	11
2232.3			59,148	12
2421.1			0	13
2421.2			13,077	14
2422.1			6,091	15
2422.2			2,860	16
2423.1			156,339	17
2423.2	386		1,329,372	18
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	9,178	18.0	2,562	1
Aircraft	2113	0	.0		2
Special Purpose Vehicles	2114	0	.0		3
Garage Work Equipment	2115	0	.0		4
Other Work Equipment	2116	31,683	10.0	5,886	5
Buildings	2121	31,154	3.4	2,736	6
Furniture	2122	1,511	10.0	240	7
Office Equipment	2123	10,378	19.82	995	0 8
General Purpose Computers	2124	74,092	20.0	29,195	9
Total-- GENERAL SUPPORT ASSETS		157,996		41,614	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0	.0		10
Digital Electronic Switching	2212	397,747	10.54	45,558	11
Electro-Mechanical Switching	2215	0	.0		12
Operator Systems	2220	0	.0		13
Radio Systems	2231	0	.0		14
Circuit Equipment	2232	201,279	9.96	20,636	15
Total-- CENTRAL OFFICE ASSETS		599,026		66,194	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0	.0		16
Customer Premises Wiring	2321	0	.0		17
Large Private Branch Exchanges	2341	0	.0		18
Public Telephone Terminal Equipment	2351	1,616	13.6	936	19
Other Terminal Equipment	2362	0	.0		20
Total-- INFORMATION ORIG/TERM ASSETS		1,616		936	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	12,110	10.0	900	21
Aerial Cable	2421	3,525	6.0	780	22
Underground Cable	2422	456	4.24	276	23
Buried Cable	2423	292,000	4.99	65,672	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0	.0		26
Intrabuilding Network Cable	2426	0	.0		27
Aerial Wire	2431	(684)	19.0	666	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	0				11,740	1
2113	0				0	2
2114	0				0	3
2115	0				0	4
2116	0				37,569	5
2121	0				33,890	6
2122	0				1,751	7
2123	0	0	0	(1,154)	10,219	8
2124	8,600				94,687	9
	8,600	0	0	(1,154)	189,856	
2211	0				0	10
2212	0				443,305	11
2215	0				0	12
2220	0				0	13
2231	0				0	14
2232	276		276		221,915	15
	276	0	276	0	665,220	
2311	0				0	16
2321	0				0	17
2341	0				0	18
2351	0				2,552	19
2362	0				0	20
	0	0	0	0	2,552	
2411	0				13,010	21
2421	0				4,305	22
2422	0				732	23
2423	386	239		0	357,047	24
2424	0				0	25
2425	0				0	26
2426	0				0	27
2431	0				(18)	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	1,802	3.03	1,404	29
Total-- CABLE WIRE FACILITIES ASSETS		309,209		69,698	0
Total Accumulated Depreciation	3100	1,067,847		178,442	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				178,442	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441	0				3,206	29
	386	239	0	0	378,282	
3100	9,262	239	276	(1,154)	1,235,910	
3100						30
3100					1,235,910	

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	2,843	19.0		0	1 A
Company Communications Equipment	2123.2	7,535	20.0	995	0	2
Software	2212.1	43,685	33.33	2,265		3
Digital Switching - Central Office	2212.2	354,062	7.82	43,293		4
Digital Switching - Remote	2212.3	0	7.85			5
Step by Step Switching	2215.1	0	.0			6
Crossbar Switching	2215.2	0	.0			7
Satellite and Earth Station Facilities	2231.1	0	.0			8
Other Radio Facilities	2231.2	0	.0			9
Digital Circuit Equipment	2232.1	185,573	10.0	15,020		10
Analog Circuit Equipment	2232.2	0	.0			11
Light Wave Circuit Equipment	2232.3	15,706	9.5	5,616		12
Aerial Cable - Nonmetallic	2421.1	0	4.8			13
Aerial Cable - Metallic	2421.2	3,525	6.0	780		14
Underground Cable - Nonmetallic	2422.1	216	4.1	216		15
Underground Cable - Metallic	2422.2	240	4.4	60		16
Buried Cable - Nonmetallic	2423.1	272,006	4.8	5,496		17 A
Buried Cable - Metallic	2423.2	19,994	5.0	60,176		18 A
Submarine Cable - Nonmetallic	2424.1	0	.0			19
Submarine Cable - Metallic	2424.2	0	.0			20
Intrabuilding Cable - Nonmetallic	2426.1	0	.0			21
Intrabuilding Cable - Metallic	2426.2	0	.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		0	0	(1,154)	1,689	1 A
2123.2		0	0	0	8,530	2
2212.1					45,950	3
2212.2					397,355	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	276		276		200,593	10
2232.2					0	11
2232.3					21,322	12
2421.1					0	13
2421.2					4,305	14
2422.1					432	15
2422.2					300	16
2423.1				(252,012)	25,490	17 A
2423.2	386	239		252,012	331,557	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)	13,042	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(156,121)	5
Net Deferred Tax Liability Adjustments (4341)	(10,773)	6
Deferred Tax Regulatory Liability (4361)	(2,269)	7
Net Property Related Deferred Operating Income Taxes	(156,121)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(156,121)	
NONPROPERTY RELATED		
Other Current Assets (1350)	945	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)	2,601	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	3,546	

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
	(1,642)			11,400	3
7250	0			0	4
7250	4,982		3,062	(148,077)	5
	491			(10,282)	6
	1,151			(1,118)	7
	4,982	0	3,062	(148,077)	
				0	8
	4,982	0	3,062	(148,077)	
7250			(58)	887	9
7250				0	10
				0	11
7250				0	12
7250	(748)		(1,853)	0	13
				0	14
				0	15
	(748)	0	(1,911)	887	

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)
---------------------	-------------------------------	-------------------------	----------------------------------	--------------------------------

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):				
REA/RTB	01/10/1973-05/16/1994	01/10/2005-05/16/2031	2.0000	1
REA/RTB	05/16/1994-01/30/1995	05/16/2027-01/30/2031	5.0000	2
REA/RTB	07/13/1979-07/13/1982	07/13/2011	7.5000	3
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)				
2.0000			82,660	16,108	98,768	1
5.0000			816,547	11,189	827,736	2
7.5000			112,431	4,652	117,083	3
	0	0	1,011,638	31,949	1,043,587	

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 Stock	7,000	15.00	1
TOTAL COMMON STOCK	7,000		
TOTAL	<u>7,000</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 Stock	6,994	104,910			1
	6,994	104,910	0	0	
TOTAL	<u>6,994</u>	<u>104,910</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	659,636	578,195	1
Changes:			
Balance Transferred from Income	109,949	109,974	2
Dividends Declared:			
Common	35,040	28,533	3
Preferred		0	4
Total Dividends Declared	35,040	28,533	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>734,545</u>	<u>659,636</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)	51,619	14,527	51,622	1
Nonoperating Taxes (Accts. 7410 - 7450)		645	2,610	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		292	1,175	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u>51,619</u>	<u>15,464</u>	<u>55,407</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)	
1,877			212		119,857	1
					3,255	2
					0	3
					1,467	4
					0	5
					0	6
					0	7
					0	8
					0	9
<u>1,877</u>	<u>0</u>	<u>0</u>	<u>212</u>	<u>0</u>	<u>124,579</u>	

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)*			1
Basic Area Revenue (5001)	334,661	324,528	2
Optional Extended Area Revenue (5002)	0	0	3
Cellular Mobile Revenue (5003)	0	0	4
Other Mobile Services Revenue (5004)	0	0	5
Public Telephone Revenue (5010)	1,785	2,247	6
Local Private Line Revenue (5040)	7,456	5,238	7
Customer Premises Revenue (5050)	35	21	8
Other Local Exchange Revenue (5060)	33,479	28,444	9
Other Local Exchange Revenue Settlements (5069)	0	0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	377,416	360,478	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	61,992	60,388	11
Switched Access Revenue (5082)*	250,794	265,369	12
Special Access Revenue (5083)*	0	0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	312,786	325,757	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	95,559	105,803	15
Special Access Revenue (5084.3)*	36,471	34,422	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	132,030	140,225	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	17
Long Distance Inward-Only Revenue (5111)	0	0	18
Long Distance Outward-Only Revenue (5112)	0	0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)	0	0	20
Voice Grade Revenue (5122)	0	0	21
Audio Program Grade Revenue (5123)	0	0	22
Video Program Grade Revenue (5124)	0	0	23
Digital Transmission Revenue (5125)	0	0	24
Switching Revenue (5126)	0	0	25
Other Revenue (5128)	0	0	26
Other Revenue Settlements (5129)	0	0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)	0	0	28
Other Long Distance Revenue Settlements (5169)	0	0	29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	61,618	61,221	30
Rent Revenue (5240)*	0	121	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)	0	0	34
Customer Operations Revenue (5262)	0	0	35
Plant Operations Revenue (5263)	0	0	36
Other Incidental Regulated Revenue (5264)	2,833	2,288	37
Other Revenue Settlements (5269)	384	394	38
Total Miscellaneous Revenue (5260)	3,217	2,682	
Interstate Billing and Collection Revenue*	23,320	20,740	39
Intrastate Billing and Collection Revenue*	22,830	28,655	40 L
Total Carrier Billing and Collection Revenue (5270)*	46,150	49,395	
Nonregulated Operating Revenue (5280)**		0	41
TOTAL MISCELLANEOUS REVENUES	110,985	113,419	
GROSS OPERATING REVENUES	933,217	939,879	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*		0	42
Uncollectible Revenue--Telecommunications (5301)	1,567	1,215	43
Uncollectible Revenue--Other (5302)	0	0	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,567	1,215	
TOTAL OPERATING REVENUES	931,650	938,664	

** 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)	915	975	77	1
Less: Nonregulated		0	0	2
Net Regulated	915	975	77	3
Total General Support Expense (6120)	15,769	15,708	616	4
Less: Nonregulated		0	0	5
Net Regulated	15,769	15,708	616	6
Total Central Office Switching Expense (6210)	33,053	24,946	5,002	7
Less: Nonregulated		0	0	8 B
Net Regulated	33,053	24,946	5,002	9
Total Operator Systems Expense (6220)		0	0	10
Less: Nonregulated		0	0	11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	10,816	4,566	2,065	13
Less: Nonregulated		0	0	14 C
Net Regulated	10,816	4,566	2,065	15
Total Information Orig. / Term. Expense (6310)	582	571	342	16
Less: Nonregulated		0	0	17
Net Regulated	582	571	342	18
Total Cable and Wire Fac. Expense (6410)	25,865	15,265	10,862	19
Less: Nonregulated		0	0	20 D
Net Regulated	25,865	15,265	10,862	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	87,000	62,031	18,964	
Less: Nonregulated	0	0	0	
Net Regulated	87,000	62,031	18,964	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	96	263	22
Less: Nonregulated		0	0	23
Net Regulated	0	96	263	24
Total Network Operations Expense (6530)	37,865	55,062	12,634	25
Less: Nonregulated		0	0	26 E
Net Regulated	37,865	55,062	12,634	27
Access Expense (6540)		0	0	28
Less: Nonregulated		0	0	29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	209,726	176,666		31
Less: Nonregulated		0		32 J
Net Regulated	209,726	176,666		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	247,591	231,824	12,897	
Less: Nonregulated	0	0	0	
Net Regulated	247,591	231,824	12,897	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	47	0	3,172	(2,321)	1
	0	0	0		2
	47	0	3,172	(2,321)	3
6120	362	24	14,706		4
	0	0	0		5
	362	24	14,706	0	6
6210	218	0	19,726		7
	0	0	0		8 B
	218	0	19,726	0	9
6220	0	0	0		10
	0	0	0		11
	0	0	0	0	12
6230	272	0	2,229		13
	0	0	0		14 C
	272	0	2,229	0	15
6310	211	0	18		16
	0	0	0		17
	211	0	18	0	18
6410	5,561	0	(1,158)		19
	0	0	0		20 D
	5,561	0	(1,158)	0	21
	6,671	24	38,693	(2,321)	
	0	0	0	0	
	6,671	24	38,693	(2,321)	
6510	160	0	(269)	(58)	22
	0				23
	160		(269)	(58)	24
6530	6,109	0	41,863	(5,544)	25
	0	0	0	0	26 E
	6,109	0	41,863	(5,544)	27
6540	0	0	0	0	28
	0	0	0	0	29
	0	0	0	0	30
6560			176,666		31
			0		32 J
			176,666		33
	6,269	0	218,260	(5,602)	
	0	0	0	0	
	6,269	0	218,260	(5,602)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	25,304	33,702	1,453	34
Less: Nonregulated		0	0	35 F
Net Regulated	25,304	33,702	1,453	36
Total Services (6620)	153,643	188,029	30,520	37
Less: Nonregulated		0	0	38 G
Net Regulated	153,643	188,029	30,520	39
TOTAL CUSTOMER OPERATIONS EXPENSE	178,947	221,731	31,973	
Less: Nonregulated	0	0	0	
Net Regulated	178,947	221,731	31,973	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	40,837	27,456	5,048	40
Less: Nonregulated		0	0	41 H
Net Regulated	40,837	27,456	5,048	42
Total General and Administrative (6720)	106,467	122,330	3,838	43
Less: Nonregulated		0	0	44 K
Net Regulated	106,467	122,330	3,838	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	147,304	149,786	8,886	
Less: Nonregulated	0	0	0	
Net Regulated	147,304	149,786	8,886	
TOTAL EXPENSES	660,842	665,372	72,720	
Less: Nonregulated	0	0	0	
Net Regulated	660,842	665,372	72,720	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	624	0	31,625	0	34
	0	0	0	0	35 F
	624	0	31,625	0	36
6620	10,808		146,701	0	37
	0		0	0	38 G
	10,808		146,701	0	39
	11,432	0	178,326	0	
	0	0	0	0	
	11,432	0	178,326	0	
6710	(137)		22,545	0	40
	0		0	0	41 H
	(137)		22,545	0	42
6720	565		117,927	0	43
	0		0	0	44 K
	565		117,927	0	45
6790			0		46
			0		47
			0		48
	428	0	140,472	0	
	0	0	0	0	
	428	0	140,472	0	
	24,800	24	575,751	(7,923)	
	0	0	0	0	
	24,800	24	575,751	(7,923)	

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	96	263	2
Total: Reported in Account 6510	0	96	263	
Depreciat. Exp.--Tele. Plant in Service (6561)	209,726	176,666		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	209,726	176,666		

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

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512	160		(269)	(58)	2
	160		(269)	(58)	
6561			176,666		3
6562					4
6563					5
6564					6
6565					7
			176,666		

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	0	2
Plus: current year collection of out-of-state utility customer accounts previously written off	0	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)*	408	408	2
Gains and (Losses) from Foreign Exchange (7140)	0	0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)	0	0	4
Other Operating Gains and (Losses) (7160)*	0	0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	408	408	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(2,137)	(2,137)	6
Operating Federal Income Taxes (7220)*	54,322	65,841	7
Operating State and Local Income Taxes (7230)*	19,407	17,097	8
Operating Other Taxes (7240)*	53,708	54,960	9
Provision for Deferred Operating Income Taxes--Net (7250)*	(5,443)	(7,627)	10
TOTAL OPERATING TAXES (7200)*	119,857	128,134	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	150	150	11
Interest Income (7320)*	15,548	21,297	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	116	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	267	(161)	16
Special Charges (7370)*	1,152	2,425	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	14,929	18,861	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	2,610	3,013	19
Nonoperating State and Local Income Taxes (7430)*	645	738	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	0	0	22
TOTAL NONOPERATING TAXES (7400)*	3,255	3,751	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	52,729	53,037	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	1,331	42	25
Other Interest Deductions (7540)*	0	3,503	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	54,060	56,582	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)	0	0	28
Extraordinary Income Charges (7620)	0	0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)	0	0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)	0	0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	5,506	1,350	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	36,347	1
Less: Cost of Goods Sold	489	2
Net Sales	35,858	3
Expenses (Acct. 7990.2)	30,352	4
Nonregulated Net Income	<u><u>5,506</u></u>	5

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

Nonregulated activities include the sale, leaseing, installation and maintenance of 1 \$ 2 line phones, key systems, PBXs and data modems. In addition, nonregulated activities include sales and leasing of mobile and pager equipment where the tarrif allows.

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:

No explanation needed.

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	72,720	1
Nonregulated Expense	7,376	2
Plant Accounts	21,223	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	13,672	5
Total Salaries and Wages	114,991	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				2
Other Employees	2.00	2.00	72,238	3
Total	2.00	2.00	72,238	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	72,720	1
Nonregulated Expense	7,376	2
Plant Accounts	21,223	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	13,672	5
Total Salaries and Wages	114,991	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				2
Other Employees	2.00	2.00	72,238	3
Total	2.00	2.00	72,238	

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			1
Extended Area Service			2
Extended Community Calling			3
Other Local-Undefined	0	0	4
Total Local	0	0	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate			7
Customer Dialed: State--intraLATA		649	8
Customer Dialed: State--interLATA		1,102	9
Customer Dialed: Interstate		858	10
WATS			11
Other Toll-Undefined			12
Total Toll	0	2,609	
Total Local & Toll	0	2,609	

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.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.	6	0	2	0	3
Feature Group B -- Term.	18	6	0	0	4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	1,098	545	719	0	7
Feature Group D -- Term.	902	351	611	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	4	1
Sheath miles of plant - buried	120	2
Sheath miles of plant - fiber optics	11	3
Strand miles of plant - fiber optics	133	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		4	1
56 kbps		2	2
64 kbps (DS0)			3
1.54 Mbps (DS-1)			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	4	1
Sheath miles of plant - buried	120	2
Sheath miles of plant - fiber optics	11	3
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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	112	148	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	108	102	8
Key System Trunks	25	26	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	18	10	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	6	6	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other	0	0	19
Total Business Lines	269	292	20
Residential (Incl. Emp. Concess.)			
1 Party	1,103	1,131	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	20	26	25
Other	0	0	26
Total Residential Lines	1,123	1,157	27
Total Bus & Res Lines	1,392	1,449	28
Company Used Lines	6	7	29
Total Lines Used	1,398	1,456	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	1	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	0	5	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	0	6	7
Special Access-interLATA			8
(expressed in equiv. access lines)	4	0	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	0	0	12
Feature Group D Trunks	60	60	13
TSPS - Trunks	5	0	14
EAS - Trunks	126	1,312	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
	2,325,929	2,633,789	27
Total Company Square Miles	38	38	28
Total Company Route Miles	83	83	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	0530				1
Business					2
1 Party	148				3
2 Party	0				4
4 Party	0				5
PBX Trunks/System Trunks	0				6
Centrex Trunks	0				7
Centrex Lines	102				8
Key System Trunks	26				9
Mobile (utility provided service)	0				10
Paging (utility provided service)	0				11
FX-Out (Switched)	10				12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	6				16
- Semi-Public	0				17
- Cust. Owned	0				18
Other	0				19
Total Business Lines	292	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,131				22
2 Party	0				23
4 Party	0				24
FX-Out (Switched)	26				25
Other	0				26
Total Residential Lines	1,157	0	0	0	27
Total Bus & Res Lines	1,449	0	0	0	28
Company Used Lines	7				29
Total Lines Used	1,456	0	0	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	0530				1
Miscellaneous					2
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	5				5
Special Access-intraLATA					6
(equiv. access lines)	6				7
Special Access-interLATA					8
(equiv. access lines)	0				9
Feature Group A Lines	0				10
Feature Group B Trunks	0				11
Feature Group C Trunks	0				12
Feature Group D Trunks	60				13
TSPS - Trunks	0				14
EAS - Trunks	1,312				15
Cellular Trunks (Pub. Sw. Net.)	0				16
Video Distance Learning					17
- discounted (special tariff)	0				18
Customers					19
Business - 2 Party Customers	0				20
Business - 4 Party Customers	0				21
Residential - 2 Party Customers	0				22
Residential - 4 Party Customers	0				23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,633,789				27
Exchange Square Miles	38				28
Exchange Route Miles	83				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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Electronic--Digital	D	3
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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	BLACK EARTH				1
PSCW Exchange ID	0530				2
Central Office Name	BLACK EARTH				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	SC				5
Year COE Installed	1991				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	S				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID					10
COE Generic Software Release No.	19				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	1,456				14
- Equipped	1,725				15
- Wired	1,725				16
Trunks - In Use	196				17
- Equipped	384				18
- Wired	384				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	13				25
DS-3 - In Use	2				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	56				33
No. of fiber strands working (LIT) in C.O.	10				34
No. of fiber strands for interoffice use	110				35
Miles of fiber sheath in wire center	11				36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON				37
- PSCW C.O. ID	3080-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Identification and Ownership Footnote. Page 7

Data missing from load, entered by Cliff, corrected by RL July 24,1997

Telephone Calls and Minutes of Use Per Month Footnote. Page 47

This schedule has been completed to the best of our ability. The information requested by the number of telephone calls in column (b) is not available due to a change in our companies method of tracking call traffic. We no longer track by the number of calls. Numbers in column (c), lines 8 through 10, contain both customer dialed and operator handled minutes of use. Further breakdown is not available.

Central Office Data - End of Year Footnote. Page 55

11/21/97 see paper copy. Black Earth has one exchange 0530, and central office. Was inadvertently deleted from electronic copy and will need to be reinstalled by OIT.

ele

Schedule Line Footnotes

- A) Amounts listed in columns (g) or (k) are reclasses between accounts, transfers with affiliates, or adjustments to the beginning balances pulled in incorrectly from last years report.
- B) Circuit expenses decreased in 1996 due to a decrease in activity and maintenance for equipment.
- C) Transmission expenses decreased in 1996 due to expenses incurred in the previous year to update/modify towers.
- D) Cable and Wired Facilities expenses decreased in 1996 due to expenses incurred in the previous year to update/modify plant.
- E) Increase in Network Operations Expense is due to various projects updating and maintaining outside plant in 1996.
- F) Marketing expenses increased in 1996 due to intensified efforts to promote regulated product lines.
- G) Service expenses have increased in 1996 in large part to business generated by the marketing campaign noted in Footnote F.
- H) Executive and Planning expenses are down to due the consolidation of management functions which are now done by the MT Vernon Telephone manager.
- J) Depreciation and Amortization expenses are up in 1996 due to an adjustment in 1996 for 1995 depreciation and plant that was written off.
- K) General and Administrative expenses are up in 1996 due to a shift of affiliated management expenses to Executive and Planning.
- L) Intrastate carrier billing and collection revenue decreased in 1996 due to rate change from Ameritech that resulted in a straight rate for all Wisconsin companies.
- X) Contact Gerald Ringlund at (608) 845-4554 with questions on page 47, page 48, page 49 Special Access Circuits only, page 50 lines 1-31, and page 52 lines 1-35. Contact Dave Esser at (608) 845-4530 with questions on page 49 Outside Plant only, page 52 lines 36-44, page 53 and page 55.