



4004

ANNUAL REPORT

OF

Name: VERNON TELEPHONE COOPERATIVE

Principal Office: 103 NORTH MAIN STREET
P.O. BOX 20
WESTBY, WI 54667

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: VERNON TELEPHONE COOPERATIVE
Utility Location: 103 NORTH MAIN STREET
P.O. BOX 20
WESTBY, WI 54667

Utility Web Site Address:

When was utility organized?: 10/22/1952

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR SCOTT E . HAAKENSON
Title: ACCOUNTANT

Office Address: 103 NORTH MAIN STREET
P.O. BOX 20
WESTBY , WI 54667

Fax Number: (608) 634 - 2000
Telephone Number: (608) 634 - 3136 EXT 223
Email Address: hawk@mwt.net

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: MR SCOTT E . HAAKENSON
Title: ACCOUNTANT

Office Address: 103 NORTH MAIN STREET
P.O. BOX 20
WESTBY , WI 54667

Fax Number: (608) 634 - 2000
Telephone Number: (608) 634 - 3136 EXT 223
Email Address: hawk@mwt.net

Person responsible for statistical information contained in report

Name: MR KURT C . HAUGE
Title: PLANT MANAGER

Office Address: 103 NORTH MAIN STREET
P.O. BOX 20
WESTBY , WI 54667

Fax Number: (608) 634 - 2000
Telephone Number: (608) 634 - 3136 EXT 222
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: N/A
Address: N/A
PO BOX N/A
N/A, WI 54667
Number of Shares Held:
Beneficial Owner: NONE

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

Company Name: VERNON TELEPHONE COOPERATIVE
Form of Interest: N/A
Extent Of Interest: 100%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,921,597	3,793,380	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	511,470	483,653	2
Plant Nonspecific Operations Expense	1,436,434	1,325,446	3
Customer Operations Expense (6610-6620)	332,385	394,872	4
Corporate Operations Expense (6710-6790)	531,470	532,240	5
Other Operating Income and Expense (7100)	0	480	6
Operating Taxes (7200)	261,909	159,427	7
Total Operating Expenses	3,073,668	2,895,158	8
Net Operating Income	847,929	898,222	9
Other Income			
Nonoperating Income and Expense (7300)	75,138	52,698	10
Nonoperating Taxes (7400)	15,772	1,652	11
Interest and Related Items (7500)	218,609	257,927	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(85,100)	(65,833)	14
Total Nonoperating Income	(244,343)	(272,714)	15
Net Income	603,586	625,508	16

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)	628,947	375,036	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)	350	770	4
Temporary Investments (1160)	283,986	153,451	5
TOTAL CASH AND EQUIVALENTS	913,283	529,257	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	297,331	288,885	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	297,331	288,885	
Other Accounts Receivable (1190)*	349,927	395,340	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	349,927	395,340	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	11,399	11,870	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	658,657	696,095	
SUPPLIES			
Inventories (1220)*	86,512	87,575	13
TOTAL SUPPLIES	86,512	87,575	
PREPAYMENTS			
Total Prepayments (1280)*		0	14
Prepaid Rents (1290)	413	501	15
Prepaid Taxes (1300)		0	16
Prepaid Insurance (1310)	8,003	11,933	17
Prepaid Directory Expenses (1320)		0	18
Other Prepayments (1330)	43,986	56,147	19
TOTAL PREPAYMENTS	52,402	68,581	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,710,854	1,381,508	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*		0	21
Investments in Nonaffiliated Companies (1402)*	944,992	1,020,554	22
Nonregulated Investments (1406)*	111,999	115,974	23
Unamortized Debt Issuance Expense (1407)*		0	24
Sinking Funds (1408)*		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)*	132,863	155,591	26
TOTAL INVESTMENTS	1,189,854	1,292,119	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*		0	27
Deferred Maintenance and Retirements (1438)*		0	28
Deferred Charges (1439)*	10,919	210,337	29
TOTAL DEFERRED CHARGES	10,919	210,337	
TOTAL NONCURRENT ASSETS	1,200,773	1,502,456	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	16,622,079	15,220,240	30
Less: Accumulated Depreciation (3100)*	9,379,914	8,285,429	31
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	33
Less: Accumulated Amortization--Intangible (3500)*		0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	7,242,165	6,934,811	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*		0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*		0	37
Less: Accumulated Depreciation--Nonoperating (3300)*		0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	315,157	164,447	39
TOTAL TPUC	315,157	164,447	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	40
Less: Accumulated Amortization--Other (3600)*		0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	7,557,322	7,099,258	
TOTAL ASSETS AND OTHER DEBITS*	10,468,949	9,983,222	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	618,230	353,392	1
Notes Payable (4020)*		0	2
Advance Billing and Payments (4030)*	1,583	1,659	3
Customer Deposits (4040)*		0	4
Current Maturities--Long-Term Debt (4050)*	350,700	332,100	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	11,300	0	7
Other Taxes--Accrued (4080)*	1,160	(105)	8
Net Current Deferred Operating Income Taxes (4100)*		0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	15,081	16,517	11
Other Current Liabilities (4130)*		0	12
TOTAL CURRENT LIABILITIES*	998,054	703,563	
LONG-TERM DEBT			
Funded Debt (4210)*	3,972,623	4,324,257	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*		0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*		0	18
Other Long-Term Debt (4270)*		0	19
TOTAL LONG-TERM DEBT*	3,972,623	4,324,257	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	964,835	998,959	20
Unamortized Operating ITC--Net (4320)*		0	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*		0	23
Net Deferred Tax Liability Adjustments (4341)*		0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		0	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*		0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	964,835	998,959	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	103,697	115,990	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*		0	30
Other Capital (4540)*	4,429,740	3,840,453	31 L
Retained Earnings (4550)*	0	0	32 L
TOTAL STOCKHOLDERS' EQUITY*	4,533,437	3,956,443	
TOTAL LIABILITIES AND OTHER CREDITS*	10,468,949	9,983,222	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	242,067		1
Motor Vehicles	2112	213,999	40,557	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	6,715		5
Other Work Equipment	2116	293,002	563	6
Buildings	2121	1,212,126	4,473	7
Furniture	2122	34,400		8
Office Equipment	2123	104,736	2,647	9
General Purpose Computers	2124	111,373	424,151	10
TOTAL--GENERAL SUPPORT ASSETS:		2,218,418	472,391	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	4,596,282	366,616	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	90,294	13,475	15
Circuit Equipment	2232	663,276	200,129	16
TOTAL--CENTRAL OFFICE ASSETS:		5,349,852	580,220	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	13,775		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	35,604	4,144	20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		49,379	4,144	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	30,675	423	22
Aerial Cable	2421	103,459	0	23
Underground Cable	2422	33,038	6,641	24
Buried Cable	2423	7,206,137	511,899	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	14,858		29
Conduit Systems	2441	214,424		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		7,602,591	518,963	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			242,067	1
2112			254,556	2
2113			0	3
2114			0	4
2115			6,715	5
2116	3,777		289,788	6
2121			1,216,599	7
2122			34,400	8
2123	0	0	107,383	9
2124	66,256		469,268	10
	70,033	0	2,620,776	
2211			0	11
2212	0	0	4,962,898	12
2215	0	0	0	13
2220			0	14
2231	0	0	103,769	15
2232	0	0	863,405	16
	0	0	5,930,072	
2311			13,775	17
2321			0	18
2341			0	19
2351			39,748	20
2362			0	21
	0	0	53,523	
2411	53		31,045	22
2421	0	0	103,459	23
2422	0	0	39,679	24
2423	103,793	0	7,614,243	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			14,858	29
2441			214,424	30
	103,846	0	8,017,708	
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	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	15,220,240	1,575,718
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	
	173,879	0	16,622,079	
2001				34
			16,622,079	

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	73,740	2,647	1
Company Communications Equipment	2123.2	30,996		2
Software	2212.1	4,596,282		3 A
Digital Switching - Central Office	2212.2	0	366,616	4 A
Digital Switching - Remote	2212.3	0		5 A
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8 A
Other Radio Facilities	2231.2	90,294	13,475	9 A
Digital Circuit Equipment	2232.1	663,276	1,829	10 A
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0	198,300	12 A
Aerial Cable - Nonmetallic	2421.1	103,459		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	33,038	6,641	15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	1,439,559	185,326	17
Buried Cable - Metallic	2423.2	5,766,578	326,573	18
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			76,387	1
2123.2			30,996	2
2212.1		(4,596,282)	0	3 A
2212.2		4,448,437	4,815,053	4 A
2212.3		147,845	147,845	5 A
2215.1			0	6
2215.2			0	7
2231.1		22,157	22,157	8 A
2231.2		(22,157)	81,612	9 A
2232.1		(157,360)	507,745	10 A
2232.2			0	11
2232.3		157,360	355,660	12 A
2421.1			103,459	13
2421.2			0	14
2422.1			39,679	15
2422.2			0	16
2423.1			1,624,885	17
2423.2	103,793		5,989,358	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	185,712		35,313	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	3,833		560	4
Other Work Equipment	2116	208,228		26,269	5
Buildings	2121	525,345		40,508	6
Furniture	2122	24,543		2,064	7
Office Equipment	2123	56,578		6,284	8
General Purpose Computers	2124	76,927		82,475	9
Total-- GENERAL SUPPORT ASSETS		1,081,166		193,473	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	2,587,241		586,807	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	78,184		2,216	14
Circuit Equipment	2232	414,113		46,339	15
Total-- CENTRAL OFFICE ASSETS		3,079,538		635,362	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	10,491		919	16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	30,878		3,081	19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		41,369		4,000	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	30,102		996	21
Aerial Cable	2421	103,459			22
Underground Cable	2422	33,038		165	23
Buried Cable	2423	3,884,007		425,265	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	12,377		151	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112			200		221,225	1
2113					0	2
2114					0	3
2115					4,393	4
2116	3,777		175		230,895	5
2121					565,853	6
2122					26,607	7
2123	0				62,862	8
2124	66,256		143		93,289	9
	70,033	0	518	0	1,205,124	
2211					0	10
2212	0	3,283	3,562	0	3,174,327	11
2215	0				0	12
2220					0	13
2231	0			0	80,400	14
2232	0			0	460,452	15
	0	3,283	3,562	0	3,715,179	
2311					11,410	16
2321					0	17
2341					0	18
2351					33,959	19
2362					0	20
	0	0	0	0	45,369	
2411	53				31,045	21
2421	0				103,459	22
2422	0				33,203	23
2423	103,793		2,795		4,208,274	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					12,528	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	20,373		5,360	29
Total-- CABLE WIRE FACILITIES ASSETS		4,083,356		431,937	0
Total Accumulated Depreciation	3100	8,285,429		1,264,772	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation -	3100			1,264,772	0
Columns e, f and I					

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					25,733	29
	103,846	0	2,795	0	4,414,242	
3100	173,879	3,283	6,875	0	9,379,914	
3100						30
3100					9,379,914	

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	25,582		6,284		1
Company Communications Equipment	2123.2	30,996				2
Software	2212.1	2,587,241				3
Digital Switching - Central Office	2212.2	0		567,304		4 E
Digital Switching - Remote	2212.3	0		19,503		5 E
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0		2,216		8 E
Other Radio Facilities	2231.2	78,184				9
Digital Circuit Equipment	2232.1	414,113		27,210		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	0		19,129		12 E
Aerial Cable - Nonmetallic	2421.1	103,459				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	33,038		165		15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	141,507		72,846		17
Buried Cable - Metallic	2423.2	3,742,500		352,419		18
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					31,866	1
2123.2					30,996	2
2212.1				(2,587,241)	0	3
2212.2		3,283	3,444	2,574,166	3,141,631	4 E
2212.3			118	13,075	32,696	5 E
2215.1					0	6
2215.2					0	7
2231.1				10,047	12,263	8 E
2231.2				(10,047)	68,137	9
2232.1				(11,036)	430,287	10
2232.2					0	11
2232.3				11,036	30,165	12 E
2421.1					103,459	13
2421.2					0	14
2422.1					33,203	15
2422.2					0	16
2423.1					214,353	17
2423.2	103,793		2,795		3,993,921	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	3,840,453	0	1 K,L
Changes:			
Balance Transferred from Income	603,586	0	2
Dividends Declared:			
Common	0	0	3
Preferred	0	0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	7,255,798	0	5
Miscellaneous Credits to Retained Earnings	2,811,759	0	6
Balance--End of Year	0	0	

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)	946,391	907,487	2
Optional Extended Area Revenue (5002)		0	3
Cellular Mobile Revenue (5003)		0	4
Other Mobile Services Revenue (5004)	13,139	14,793	5
Public Telephone Revenue (5010)	2,797	3,789	6
Local Private Line Revenue (5040)		0	7
Customer Premises Revenue (5050)		0	8
Other Local Exchange Revenue (5060)	82,729	65,445	9 F
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	1,045,056	991,514	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	249,707	244,781	11
Switched Access Revenue (5082)*	1,211,042	1,229,227	12
Special Access Revenue (5083)*	67,127	17,606	13 G
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,527,876	1,491,614	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	915,110	863,727	15
Special Access Revenue (5084.3)*	43,345	37,686	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	958,455	901,413	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	17,235	6,448	17 H
Long Distance Inward-Only Revenue (5111)		0	18
Long Distance Outward-Only Revenue (5112)		0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)		0	20
Voice Grade Revenue (5122)		0	21
Audio Program Grade Revenue (5123)		0	22
Video Program Grade Revenue (5124)		0	23
Digital Transmission Revenue (5125)		0	24
Switching Revenue (5126)		0	25
Other Revenue (5128)		0	26
Other Revenue Settlements (5129)		0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)		0	28
Other Long Distance Revenue Settlements (5169)		0	29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	17,235	6,448	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	136,487	133,636	30
Rent Revenue (5240)*	7,375	6,743	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)		0	34
Customer Operations Revenue (5262)		0	35
Plant Operations Revenue (5263)		0	36
Other Incidental Regulated Revenue (5264)	2,489	3,584	37
Other Revenue Settlements (5269)		0	38
Total Miscellaneous Revenue (5260)	2,489	3,584	
Interstate Billing and Collection Revenue*	69,542	90,452	39 I
Intrastate Billing and Collection Revenue*	151,190	180,292	40
Total Carrier Billing and Collection Revenue (5270)*	220,732	270,744	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	367,083	414,707	
GROSS OPERATING REVENUES	3,915,705	3,805,696	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	(5,892)	12,316	43 J
Uncollectible Revenue--Other (5302)		0	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(5,892)	12,316	
TOTAL OPERATING REVENUES	<u>3,921,597</u>	<u>3,793,380</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)	2,215	5,075		1
Less: Nonregulated		0		2
Net Regulated	2,215	5,075		3
Total General Support Expense (6120)	41,551	51,380		4
Less: Nonregulated		0		5 B
Net Regulated	41,551	51,380		6
Total Central Office Switching Expense (6210)	150,423	155,929		7
Less: Nonregulated		0		8
Net Regulated	150,423	155,929		9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0		12
Total Central Office Transmission Expenses (6230)	15,210	14,945		13
Less: Nonregulated		0		14
Net Regulated	15,210	14,945		15
Total Information Orig. / Term. Expense (6310)	3,581	4,541		16
Less: Nonregulated		0		17
Net Regulated	3,581	4,541		18
Total Cable and Wire Fac. Expense (6410)	270,673	279,600		19
Less: Nonregulated		0		20
Net Regulated	270,673	279,600		21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	483,653	511,470		
Less: Nonregulated	0	0		
Net Regulated	483,653	511,470		
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	(4,492)	1,040		22
Less: Nonregulated		0		23 C
Net Regulated	(4,492)	1,040		24
Total Network Operations Expense (6530)	166,784	168,118		25
Less: Nonregulated		0		26
Net Regulated	166,784	168,118		27
Access Expense (6540)	3,471	2,760		28
Less: Nonregulated		0		29
Net Regulated	3,471	2,760		30
Total Depreciation and Amortization Expense (6560)	1,159,683	1,264,516		31
Less: Nonregulated		0		32
Net Regulated	1,159,683	1,264,516		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,325,446	1,436,434		
Less: Nonregulated	0	0		
Net Regulated	1,325,446	1,436,434		

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110					1
					2
					3
6120					4
					5 B
					6
6210					7
					8
					9
6220					10
					11
					12
6230					13
					14
					15
6310					16
					17
					18
6410					19
					20
					21
<hr/>					
6510					22
					23 C
					24
6530					25
					26
					27
6540					28
					29
					30
6560					31
					32
					33

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	(31)	2,452	34
Less: Nonregulated		0	35
Net Regulated	(31)	2,452	36
Total Services (6620)	394,903	329,933	37
Less: Nonregulated		0	38
Net Regulated	394,903	329,933	39
TOTAL CUSTOMER OPERATIONS EXPENSE	394,872	332,385	
Less: Nonregulated	0	0	
Net Regulated	394,872	332,385	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	308,921	284,022	40
Less: Nonregulated		0	41
Net Regulated	308,921	284,022	42
Total General and Administrative (6720)	223,319	247,448	43
Less: Nonregulated		0	44
Net Regulated	223,319	247,448	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	532,240	531,470	
Less: Nonregulated	0	0	
Net Regulated	532,240	531,470	
TOTAL EXPENSES	2,736,211	2,811,759	
Less: Nonregulated	0	0	
Net Regulated	2,736,211	2,811,759	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610					34
					35
					36
6620					37
					38
					39
6710					40
					41
					42
6720					43
					44
					45
6790					46
					47
					48

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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		1
Provisioning Expense (6512)	(4,492)	1,040		2
Total: Reported in Account 6510	(4,492)	1,040		
Depreciat. Exp.--Tele. Plant in Service (6561)	1,159,683	1,264,516		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	1,159,683	1,264,516		

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

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

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)*		480	1
Return from Nonregulated Use of Regulated Facilities (7130)*		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	480	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*		0	6
Operating Federal Income Taxes (7220)*	5,372	54,657	7
Operating State and Local Income Taxes (7230)*		0	8
Operating Other Taxes (7240)*	233,809	221,515	9
Provision for Deferred Operating Income Taxes--Net (7250)*	22,728	(116,745)	10
TOTAL OPERATING TAXES (7200)*	261,909	159,427	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	3,067	6,290	11
Interest Income (7320)*	63,714	52,318	12
Income from Sinking and Other Funds (7330)*		0	13
Allowance for Funds Used During Construction (7340)*		0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*		0	15
Other Nonoperating Income (7360)*	14,706	(377)	16
Special Charges (7370)*	6,349	5,533	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	75,138	52,698	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*		0	18
Nonoperating Federal Income Taxes (7420)*	8,972	1,652	19
Nonoperating State and Local Income Taxes (7430)*		0	20
Nonoperating Other Taxes (7440)*		0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	6,800	0	22
TOTAL NONOPERATING TAXES (7400)*	15,772	1,652	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	218,609	257,927	23
Interest Expense--Capital Leases (7520)*		0	24
Amortization of Debt Issuance Expense (7530)*		0	25
Other Interest Deductions (7540)*		0	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	218,609	257,927	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		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)*	(85,100)	(65,833)	32

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	31	166	3
Other Local-Undefined			4
Total Local	31	166	
TOLL			
Operator Handled: State--intraLATA	1	8	5
Operator Handled: State--interLATA	2	12	6
Operator Handled: Interstate	1	9	7
Customer Dialed: State--intraLATA	84	401	8
Customer Dialed: State--interLATA	16	108	9
Customer Dialed: Interstate	26	203	10
WATS			11
Other Toll-Undefined			12
Total Toll	130	741	
Total Local & Toll	161	907	

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.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	5,816	2,790	3,842	5,971	7
Feature Group D -- Term.	7,727	1,571	0	5,071	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	21	1
Sheath miles of plant - buried	1,603	2
Sheath miles of plant - fiber optics	130	3
Strand miles of plant - fiber optics	2,624	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	3	24	1
56 kbps	3	4	2
64 kbps (DS0)		1	3
1.54 Mbps (DS-1)	7	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	21	1
Sheath miles of plant - buried	1,603	2
Sheath miles of plant - fiber optics	130	3
Strand miles of plant - fiber optics	2,624	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	3	24	1
56 kbps	3	4	2
64 kbps (DS0)		1	3
1.54 Mbps (DS-1)	7	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

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	651	690	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	39	39	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	234	231	9
Mobile (Utility Provided Service)	31	12	10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	0		12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	18	18	16
- Semi-Public	31	30	17
- Cust. Owned	1	2	18
Other	0		19
Total Business Lines	1,005	1,022	20
Residential (Incl. Emp. Concess.)			
1 Party	4,987	5,073	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	4,987	5,073	27
Total Bus & Res Lines	5,992	6,095	28
Company Used Lines	0		29
Total Lines Used	5,992	6,095	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		3
WATS Lines - 800 Service	1	2	4
FX-In-intraLATA	6		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	0	53	7
Special Access-interLATA			8
(expressed in equiv. access lines)	5	174	9
Feature Group A Lines	0		10
Feature Group B Trunks	122	122	11
Feature Group C Trunks	0		12
Feature Group D Trunks	200	200	13
TSPS - Trunks	41	41	14
EAS - Trunks	662	662	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
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			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	13,001,822	14,001,303	27
Total Company Square Miles	549	549	28
Total Company Route Miles	1,725	1,784	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	1480	2010	2790	2940	1
Business					2
1 Party	79	58	128	25	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		7			6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	27	6	36	2	9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	4	3	1	2	16
- Semi-Public	3	2	4		17
- Cust. Owned		2			18
Other					19
Total Business Lines	113	78	169	29	20
Residential (Incl. Emp. Concess.)					21
1 Party	673	519	840	311	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	673	519	840	311	27
Total Bus & Res Lines	786	597	1,009	340	28
Company Used Lines					29
Total Lines Used	786	597	1,009	340	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	4500	5520	5780	6050	1
Business					2
1 Party	50	67	272	11	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks			32		6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	20	34	106		9
Mobile (utility provided service)			12		10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	3	0	4	1	16
- Semi-Public	4	8	9		17
- Cust. Owned					18
Other					19
Total Business Lines	77	109	435	12	20
Residential (Incl. Emp. Concess.)					21
1 Party	359	479	1,723	169	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	359	479	1,723	169	27
Total Bus & Res Lines	436	588	2,158	181	28
Company Used Lines					29
Total Lines Used	436	588	2,158	181	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	1480	2010	2790	2940	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	3	27	2		7
Special Access-interLATA					8
(equiv. access lines)		2			9
Feature Group A Lines					10
Feature Group B Trunks	16	14	22	12	11
Feature Group C Trunks					12
Feature Group D Trunks	15	14	56	12	13
TSPS - Trunks	5	6	7	4	14
EAS - Trunks	43	106	89	65	15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,928,713	1,495,286	2,445,318	1,205,032	27
Exchange Square Miles	80	56	90	48	28
Exchange Route Miles	292	188	295	204	29
Footnotes					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	4500	5520	5780	6050	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service			2		4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	1	3	17		7
Special Access-interLATA					8
(equiv. access lines)			172		9
Feature Group A Lines					10
Feature Group B Trunks	12	15	31		11
Feature Group C Trunks					12
Feature Group D Trunks	14	12	77		13
TSPS - Trunks	5	6	8		14
EAS - Trunks	86	108	165		15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,134,826	1,225,489	4,086,745	479,894	27
Exchange Square Miles	42	83	104	46	28
Exchange Route Miles	126	157	439	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

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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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

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	DESOTO	GENOA	LA FARGE	LIBERTY POLE	1
PSCW Exchange ID	1480	2010	2790	2940	2
Central Office Name	DESOTO	GENOA	LA FARGE	LIBERTY POLE	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	NTI	NTI	NTI	NTI	5
Year COE Installed	1986	1986	1983	1987	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	S	S	S	8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0	0	0	0	10
COE Generic Software Release No.	405.21	405.21	405.21	405.21	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	No	No	No	No	13
Access Lines - In Use	786	597	1,009	340	14
- Equipped	875	643	1,118	416	15
- Wired	1,280	1,280	1,344	1,280	16
Trunks - In Use	116	172	178	106	17
- Equipped	168	192	216	144	18
- Wired	288	288	288	288	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	6	10	16	3	25
DS-3 - In Use	0	0	0	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	Yes	Yes	Yes	Yes	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68	36	52	36	33
No. of fiber strands working (LIT) in C.O.	20	9	24	12	34
No. of fiber strands for interoffice use	0	0	0	0	35
Miles of fiber sheath in wire center	26	17	27	12	36
Access Tandem Serving this C.O.:					
- C.O. Name	VIROQUA	VIROQUA	VIROQUA	VIROQUA	37
- PSCW C.O. ID	5530-01	5530-01	5530-01	5530-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	No	No	No	No	41
Footnotes					42

¹ Teleco provided end-to-end facility.

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	READSTOWN	VIOLA	WESTBY	YUBA	1
PSCW Exchange ID	4500	5520	5780	6050	2
Central Office Name	READSTOWN	VIOLA	WESTBY	YUBA	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	NTI	NTI	NTI	NTI	5
Year COE Installed	1987	1987	1983	1992	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	S	S	R	8
Remote Host PSCW Exchange ID				2790	9
Remote Host PSCW Central Office ID	0	0	0	2790	10
COE Generic Software Release No.	405.21	405.21	406.10		11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	No	No	No	No	13
Access Lines - In Use	436	588	2,158	181	14
- Equipped	481	629	2,287	204	15
- Wired	1,280	1,280	3,184	512	16
Trunks - In Use	130	154	302	0	17
- Equipped	168	192	456	0	18
- Wired	288	288	576	0	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	0	6	40	4	25
DS-3 - In Use	0	0	0	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	Yes	Yes	Yes	Yes	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0	28	40	12	33
No. of fiber strands working (LIT) in C.O.	0	4	20	4	34
No. of fiber strands for interoffice use	0	0	0	0	35
Miles of fiber sheath in wire center	15	14	26	10	36
Access Tandem Serving this C.O.:					
- C.O. Name	VIROQUA	VIROQUA	VIROQUA	VIROQUA	37
- PSCW C.O. ID	5530-01	5530-01	5530-01	5530-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	No	No	No	No	41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A) The amounts found in Column G, Transfers/Adjustments, are needed to reclassify plant account balances for the prior year.
- B) The purchase of a new computer system brought about an increase in expense items in Account 6123 - Support Equipment Expense, and Account 6124 - General Purpose Computers Expense. These items included various cartridges for the printers, and an increase in the usage of paper.
- C) In 1995, there was a deduction from Account 6512 - Provisioning Expense in the amount of \$6,327. This amount was spread over Work Orders for cable additions and cable repairs. Other than this unique situation, the amounts in this account are very similar.
- E) The amounts found in Column K, Other, are needed to reclassify Accumulated Depreciation balances for the prior year.
- F) The increase in the amount of Account 5060 - Local Exchange Revenue is due to an increase in amounts billed to customers for Service Order activity.
- G) The increase in Account 5083 - Interstate Special Access, is attributable to an increase in the number of special access circuits in service this year versus last year.
- H) The increase in Account 5100 - Long Distance Message Revenue is due to a modest increase in revenue from the Interexchange Carriers. An increase of \$5,200 is due to cellular messages that were not present in 1995.
- I) The decrease in Account 5270.1 - Interstate Billing and Collections is due to AT&Ts takeback of Billing and Collection functions.
- J) With the installation of a new computer system, some functions within our cooperative changed. One of these was the ability to transfer Uncollectible Revenue, both write-offs and collections, from the Billing System to the Purchase of Accounts Receivable. As a result, we saw recovery of our write-offs in excess of the actual write-offs for the year.
- K) Since we are a cooperative, we do not utilize Account 4550. As a result, there is a zero balance in this account. Any income/loss is considered patronage, therefore, the balances are contained in Account 4540.2 - Unassigned Patronage, and Account 4540.3 - Assigned Patronage.
- L) Account 4540 - Other Capital should contain all income/loss monies. There should be no balance in Account 4550 - Retained Earnings.