



4004

ANNUAL REPORT

OF

Name: TRI-COUNTY TELEPHONE COOPERATIVE, INC.

Principal Office: P.O. BOX 578
STRUM, WI 54770-0578

For the Year Ended: DECEMBER 31, 1997

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

SIGNATURE PAGE

I FRED W. WEIER of
(Person responsible for accounts)

TRI-COUNTY TELEPHONE COOPERATIVE, INC. , certify that I
(Utility Name)

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

FRED W. WEIER 04/27/1998
(Person responsible for accounts) (Date)

GENERAL MANAGER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: TRI-COUNTY TELEPHONE COOPERATIVE, INC.**Utility Location:**
P.O. BOX 578
STRUM, WI 54770-0578**Utility Web Site Address:****When was utility organized?:** 01/02/1962**Report any change in name and the effective date:**

Officer in charge of correspondence concerning this report

Name: MR FRED W . WEIER
Title: GENERAL MANAGER**Office Address:** 417 5TH AVENUE NORTH
P.O. BOX 578
STRUM , WI 54770**Fax Number:** (715) 695 - 3599
Telephone Number: (715) 695 - 2691
Email Address: fweier@win.bright.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: MS CHERYL D . RUE
Title: OFFICE MANAGER**Office Address:** 417 5TH AVENUE NORTH
P.O. BOX 578
STRUM , WI 54770**Fax Number:** (715) 695 - 3599
Telephone Number: (715) 695 - 2691
Email Address: rue@win.bright.net

Person responsible for statistical information contained in report

Name: MS CHERYL D . RUE
Title: OFFICE MANAGER**Office Address:** 417 5TH AVENUE NORTH
P.O. BOX 578
STRUM , WI 54770**Fax Number:** (715) 695 - 3599
Telephone Number: (715) 695 - 2691
Email Address: rue@win.bright.net

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	2,806,729	2,681,905	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	407,694	454,938	2
Plant Nonspecific Operations Expense	919,561	999,792	3
Customer Operations Expense (6610-6620)	450,409	439,422	4
Corporate Operations Expense (6710-6790)	476,824	455,116	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	173,416	152,412	7
Total Operating Expenses	2,427,904	2,501,680	8
Net Operating Income	378,825	180,225	9
Other Income			
Nonoperating Income and Expense (7300)	49,776	191,872	10
Nonoperating Taxes (7400)	16,454	(39,467)	11
Interest and Related Items (7500)	86,034	91,774	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(118,686)	(61,777)	14
Total Nonoperating Income	(171,398)	77,788	15
Net Income	207,427	258,013	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)*			1
Cash (1130)	22,189	197,122	2
Special Cash Deposits (1140)	0	0	3
Working Cash Advances (1150)	900	0	4
Temporary Investments (1160)	200,011	200,464	5
TOTAL CASH AND EQUIVALENTS	223,100	397,586	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	156,898	178,391	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	156,898	178,391	
Other Accounts Receivable (1190)*	250,324	206,742	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	250,324	206,742	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	3,153	3,125	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	410,375	388,258	
SUPPLIES			
Inventories (1220)*	81,816	85,252	13
TOTAL SUPPLIES	81,816	85,252	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)	760	520	15
Prepaid Taxes (1300)	0	0	16
Prepaid Insurance (1310)	10,816	11,411	17
Prepaid Directory Expenses (1320)	0	0	18
Other Prepayments (1330)	84,747	73,111	19
TOTAL PREPAYMENTS	96,323	85,042	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	811,614	956,138	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	413,795	481,832	21
Investments in Nonaffiliated Companies (1402)*	66,793	20,000	22
Nonregulated Investments (1406)*	35,239	68,954	23
Unamortized Debt Issuance Expense (1407)*	0	0	24
Sinking Funds (1408)*	0	0	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	0	0	26
TOTAL INVESTMENTS	515,827	570,786	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	13,187	139,419	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	0	2,752	29
TOTAL DEFERRED CHARGES	13,187	142,171	
TOTAL NONCURRENT ASSETS	529,014	712,957	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	11,781,110	10,982,685	30
Less: Accumulated Depreciation (3100)*	7,255,413	6,560,541	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	4,525,697	4,422,144	
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)*	60,457	258,120	39
TOTAL TPUC	60,457	258,120	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	40
Less: Accumulated Amortization--Other (3600)*	0	0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	4,586,154	4,680,264	
TOTAL ASSETS AND OTHER DEBITS*	5,926,782	6,349,359	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	102,308	116,918	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	3,915	4,440	4
Current Maturities--Long-Term Debt (4050)*	149,500	179,400	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	(71,090)	47,320	7
Other Taxes--Accrued (4080)*	702	(1,449)	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)*	41,448	42,411	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	226,783	389,040	
LONG-TERM DEBT			
Funded Debt (4210)*	2,171,839	2,318,148	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	9,800	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	2,181,639	2,318,148	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	224,755	226,212	20
Unamortized Operating ITC--Net (4320)*	0	0	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	0	0	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	224,755	226,212	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	0	0	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	3,293,604	3,415,959	32
TOTAL STOCKHOLDERS' EQUITY*	3,293,604	3,415,959	
TOTAL LIABILITIES AND OTHER CREDITS*	5,926,781	6,349,359	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	33,485		1
Motor Vehicles	2112	235,714		2 A
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	160,809	1,714	6
Buildings	2121	1,040,008		7
Furniture	2122	58,045	476	8
Office Equipment	2123	125,913	5,428	9
General Purpose Computers	2124	146,287	22,236	10
TOTAL--GENERAL SUPPORT ASSETS:		1,800,261	29,854	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	3,731,824	89,042	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	106,885	0	15
Circuit Equipment	2232	290,431	3,683	16
TOTAL--CENTRAL OFFICE ASSETS:		4,129,140	92,725	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	15,285		20 B
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		15,285	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	35,353	0	24
Buried Cable	2423	4,728,347	687,240	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	274,299	11,856	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		5,037,999	699,096	
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			33,485	1
2112		1	235,715	2 A
2113			0	3
2114			0	4
2115			0	5
2116			162,523	6
2121	4,134		1,035,874	7
2122			58,521	8
2123	3,832	0	127,509	9
2124			168,523	10
	7,966	1	1,822,150	
2211			0	11
2212	0	0	3,820,866	12
2215	0	0	0	13
2220			0	14
2231	0	0	106,885	15
2232	0	0	294,114	16
	0	0	4,221,865	
2311			0	17
2321			0	18
2341			0	19
2351		(15,285)	0	20 B
2362			0	21
	0	(15,285)	0	
2411			0	22
2421	0	0	0	23
2422	0	0	35,353	24
2423	0	0	5,415,587	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			286,155	30
	0	0	5,737,095	
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	10,982,685	821,675
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	
	7,966	(15,284)	11,781,110	
2001			0	34
			11,781,110	

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	34,877	5,428	1
Company Communications Equipment	2123.2	91,036		2
Software	2212.1	3,488,868	53,908	3
Digital Switching - Central Office	2212.2	0		4
Digital Switching - Remote	2212.3	242,956	35,134	5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	38,313		8
Other Radio Facilities	2231.2	68,572		9
Digital Circuit Equipment	2232.1	0		10
Analog Circuit Equipment	2232.2	290,431	3,683	11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	35,353		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	3,993,992	179,377	17
Buried Cable - Metallic	2423.2	734,355	507,863	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	3,832		36,473	1
2123.2			91,036	2
2212.1			3,542,776	3
2212.2			0	4
2212.3			278,090	5
2215.1			0	6
2215.2			0	7
2231.1			38,313	8
2231.2			68,572	9
2232.1			0	10
2232.2			294,114	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			35,353	15
2422.2			0	16
2423.1			4,173,369	17
2423.2			1,242,218	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	88,475	10.0	19,329	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	91,563	7.14	11,614	5
Buildings	2121	342,611	3.03	35,573	6
Furniture	2122	28,865	9.08	5,308	7
Office Equipment	2123	78,344	14.28	15,333	8
General Purpose Computers	2124	91,862	25.0	38,156	9
Total-- GENERAL SUPPORT ASSETS		721,720		125,313	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	2,572,423	8.0	301,520	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	78,003	12.0	4,597	14
Circuit Equipment	2232	277,717	5.0	16,313	15
Total-- CENTRAL OFFICE ASSETS		2,928,143		322,430	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	15,285	10.0	(15,285)	19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		15,285		(15,285)	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	22,336	6.5	2,298	23
Buried Cable	2423	2,804,888	6.5	258,155	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					107,804	1
2113					0	2
2114					0	3
2115					0	4
2116					103,177	5
2121	4,134				374,050	6
2122					34,173	7
2123	3,832				89,845	8
2124					130,018	9
	7,966	0	0	0	839,067	
2211					0	10
2212	0				2,873,943	11
2215	0				0	12
2220					0	13
2231	0				82,600	14
2232	0				294,030	15
	0	0	0	0	3,250,573	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411					0	21
2421	0				0	22
2422	0				24,634	23
2423	0				3,063,043	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	68,173	3.5	9,923	29
Total-- CABLE WIRE FACILITIES ASSETS		2,895,397		270,376	0
Total Accumulated Depreciation	3100	6,560,545		702,834	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				702,834	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					78,096	29
	0	0	0	0	3,165,773	
3100	7,966	0	0	0	7,255,413	
3100					0	30
3100					7,255,413	

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	23,133	14.28	5,097	1
Company Communications Equipment	2123.2	55,211	20.0	10,236	2
Software	2212.1	2,490,996	8.0	280,515	3
Digital Switching - Central Office	2212.2	0	.0		4
Digital Switching - Remote	2212.3	81,427	8.0	21,005	5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	9,431	12.0	4,597	8
Other Radio Facilities	2231.2	68,572	7.69		9
Digital Circuit Equipment	2232.1	0			10
Analog Circuit Equipment	2232.2	277,717	5.0	16,313	11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	0			14
Underground Cable - Nonmetallic	2422.1	22,336	6.5	2,298	15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	2,682,028	6.5	204,343	17
Buried Cable - Metallic	2423.2	122,860	6.5	53,812	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	3,832				24,398	1
2123.2					65,447	2
2212.1					2,771,511	3
2212.2					0	4
2212.3					102,432	5
2215.1					0	6
2215.2					0	7
2231.1					14,028	8
2231.2					68,572	9
2232.1					0	10
2232.2					294,030	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					24,634	15
2422.2					0	16
2423.1					2,886,371	17
2423.2					176,672	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	3,415,959	3,288,256	1
Changes:			
Balance Transferred from Income	207,427	258,013	2
Dividends Declared:			
Common	0	0	3
Preferred	0	0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	329,782	142,210	5
Miscellaneous Credits to Retained Earnings	0	11,900	6
Balance--End of Year	<u>3,293,604</u>	<u>3,415,959</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)	727,632	648,150	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)	0	0	6
Local Private Line Revenue (5040)	0	0	7
Customer Premises Revenue (5050)	0	0	8
Other Local Exchange Revenue (5060)	18,006	17,126	9
Other Local Exchange Revenue Settlements (5069)	0	0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	745,638	665,276	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	173,746	167,861	11
Switched Access Revenue (5082)*	787,133	782,594	12
Special Access Revenue (5083)*	22,897	17,864	13 E
TOTAL INTERSTATE ACCESS REVENUES (5080)	983,776	968,319	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	680,768	700,325	15
Special Access Revenue (5084.3)*	60,237	36,496	16 F
TOTAL INTRASTATE ACCESS REVENUES (5084)	741,005	736,821	
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)*	130,192	125,536	30
Rent Revenue (5240)*	4,410	4,410	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)	4,697	527	37
Other Revenue Settlements (5269)	0	0	38
Total Miscellaneous Revenue (5260)	4,697	527	
Interstate Billing and Collection Revenue*	197,058	190,129	39
Intrastate Billing and Collection Revenue*	0	0	40
Total Carrier Billing and Collection Revenue (5270)*	197,058	190,129	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	336,357	320,602	
GROSS OPERATING REVENUES	2,806,776	2,691,018	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	47	9,113	43 G
Uncollectible Revenue--Other (5302)	0	0	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	47	9,113	
TOTAL OPERATING REVENUES	2,806,729	2,681,905	

** 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)	4,818	2,184		1
Less: Nonregulated	0	0		2
Net Regulated	4,818	2,184		3
Total General Support Expense (6120)	98,585	70,582		4
Less: Nonregulated	0	0		5 c
Net Regulated	98,585	70,582		6
Total Central Office Switching Expense (6210)	173,856	154,272		7
Less: Nonregulated	0	0		8
Net Regulated	173,856	154,272		9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated	0	0		11
Net Regulated	0	0		12
Total Central Office Transmission Expenses (6230)	2,005	4,261		13
Less: Nonregulated	0	0		14
Net Regulated	2,005	4,261		15
Total Information Orig. / Term. Expense (6310)	2,776	1,180		16
Less: Nonregulated	0	0		17
Net Regulated	2,776	1,180		18
Total Cable and Wire Fac. Expense (6410)	172,898	175,215		19
Less: Nonregulated	0	0		20
Net Regulated	172,898	175,215		21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	454,938	407,694		
Less: Nonregulated	0	0		
Net Regulated	454,938	407,694		
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	3,196	2,390		22
Less: Nonregulated	0	0		23
Net Regulated	3,196	2,390		24
Total Network Operations Expense (6530)	96,491	146,783		25
Less: Nonregulated	0	0		26 D
Net Regulated	96,491	146,783		27
Access Expense (6540)	0	0		28
Less: Nonregulated	0	0		29
Net Regulated	0	0		30
Total Depreciation and Amortization Expense (6560)	900,105	770,388		31
Less: Nonregulated	0	0		32
Net Regulated	900,105	770,388		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	999,792	919,561		
Less: Nonregulated	0	0		
Net Regulated	999,792	919,561		

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 C
					6
6210					7
					8
					9
6220					10
					11
					12
6230					13
					14
					15
6310					16
					17
					18
6410					19
					20
					21
6510					22
					23
					24
6530					25
					26 D
					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)	2,102	3,184	34
Less: Nonregulated	0	0	35
Net Regulated	2,102	3,184	36
Total Services (6620)	437,320	447,225	37
Less: Nonregulated	0	0	38
Net Regulated	437,320	447,225	39
TOTAL CUSTOMER OPERATIONS EXPENSE	439,422	450,409	
Less: Nonregulated	0	0	
Net Regulated	439,422	450,409	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	226,626	266,888	40
Less: Nonregulated	0	0	41
Net Regulated	226,626	266,888	42
Total General and Administrative (6720)	228,490	209,936	43
Less: Nonregulated	0	0	44
Net Regulated	228,490	209,936	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	455,116	476,824	
Less: Nonregulated	0	0	
Net Regulated	455,116	476,824	
TOTAL EXPENSES	2,349,268	2,254,488	
Less: Nonregulated	0	0	
Net Regulated	2,349,268	2,254,488	

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)	3,196	2,390		2
Total: Reported in Account 6510	3,196	2,390		
Depreciat. Exp.--Tele. Plant in Service (6561)	900,105	770,388		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	900,105	770,388		

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

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	2,806,776	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	2,806,776	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	745,638	1
Plus: Total Intrastate Access Revenues (5084)	741,005	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	1,486,643	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (b)	
Gross Operating Revenues	2,806,776	1
Plus: Collection of amounts previously written off	0	2
Less: Uncollectibles written off during the year	0	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Uncollectible Revenue (included in Gross Oper. Rev. on Line 1)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>2,806,776</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	745,638	1
Plus: Total Intrastate Access Revenues (5084)	741,005	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus (or Less) Other (please specify): NONE	0	5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,486,643</u>	

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

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	0	0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	0	0	2
Gains and (Losses) from Foreign Exchange (7140)	0	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)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	0	0	6
Operating Federal Income Taxes (7220)*	7,316	(6,172)	7
Operating State and Local Income Taxes (7230)*	0	0	8
Operating Other Taxes (7240)*	166,100	158,584	9
Provision for Deferred Operating Income Taxes--Net (7250)*	0	0	10
TOTAL OPERATING TAXES (7200)*	173,416	152,412	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	121	32	11
Interest Income (7320)*	23,028	18,374	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	0	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	26,795	174,193	16
Special Charges (7370)*	168	727	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	49,776	191,872	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	(4,190)	99,952	19
Nonoperating State and Local Income Taxes (7430)*	0	0	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	20,644	(139,419)	22
TOTAL NONOPERATING TAXES (7400)*	16,454	(39,467)	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	94,737	100,059	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	0	1,707	25
Other Interest Deductions (7540)*	(8,703)	(9,992)	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	86,034	91,774	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*			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)*	(118,686)	(61,777)	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	0	0	1
Extended Area Service	0	0	2
Extended Community Calling	250	1,209	3
Other Local-Undefined	0	0	4
Total Local	250	1,209	
TOLL			
Operator Handled: State--intraLATA	1	12	5
Operator Handled: State--interLATA	1	14	6
Operator Handled: Interstate	1	16	7
Customer Dialed: State--intraLATA	57	387	8
Customer Dialed: State--interLATA	40	422	9
Customer Dialed: Interstate	27	516	10
WATS	2	5	11
Other Toll-Undefined	0	0	12
Total Toll	129	1,372	
Total Local & Toll	379	2,581	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	171	53	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	1	0	0	0	4
Feature Group C -- Orig.	0	0	2,291	0	5
Feature Group C -- Term.	0	0	1,986	0	6
Feature Group D -- Orig.	2,368	2,664	188	0	7
Feature Group D -- Term.	3,836	2,527	375	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	1,282	2
Sheath miles of plant - fiber optics	74	3
Strand miles of plant - fiber optics	1,715	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	16	1
56 kbps	4	1	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	5	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	1,282	2
Sheath miles of plant - fiber optics	74	3
Strand miles of plant - fiber optics	1,715	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	16	1
56 kbps	4	1	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	5	0	4
45 Mbps (DS-3)	0	0	5
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	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	444	518	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	155	152	9
Mobile (Utility Provided Service)	6	4	10
Paging (Utility Provided Service)	170	155	11
FX-Out (Switched)	0	0	12
Pay Telephone	0	0	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	15	15	16
- Semi-Public	0	0	17
- Cust. Owned	0	3	18
Other	0	0	19
Total Business Lines	790	847	20
Residential (Incl. Emp. Concess.)			
1 Party	3,132	3,203	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0	0	26
Total Residential Lines	3,132	3,203	27
Total Bus & Res Lines	3,922	4,050	28
Company Used Lines	0	0	29
Total Lines Used	3,922	4,050	30

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	1	1	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	26	17	7
Special Access-interLATA			8
(expressed in equiv. access lines)	78	128	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	0	0	13
TSPS - Trunks	0	0	14
EAS - Trunks	0	0	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
	9,182,424	9,958,960	27
Total Company Square Miles	349	349	28
Total Company Route Miles	682	687	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	1710	2500	3850	4210	1
Business					2
1 Party	108	203	29	50	3
2 Party	0	0	0	0	4
4 Party	0	0	0	0	5
PBX Trunks/System Trunks	0	0	0	0	6
Centrex Trunks	0	0	0	0	7
Centrex Lines	0	0	0	0	8
Key System Trunks	45	61	2	16	9
Mobile (utility provided service)	0	4	0	0	10
Paging (utility provided service)	2	81	1	0	11
FX-Out (Switched)	0	0	0	0	12
Pay Telephone	0	0	0	0	13
Coin-Operated Pay Telephone	0	0	0	0	14
Independent Pay Telephone Provider	0	0	0	0	15
Pay Stations - Public	2	5	2	1	16
- Semi-Public	0	0	0	0	17
- Cust. Owned	0	2	0	0	18
Other	0	0	0	0	19
Total Business Lines	157	356	34	67	20
Residential (Incl. Emp. Concess.)					21
1 Party	667	999	241	362	22
2 Party	0	0	0	0	23
4 Party	0	0	0	0	24
FX-Out (Switched)	0	0	0	0	25
Other	0	0	0	0	26
Total Residential Lines	667	999	241	362	27
Total Bus & Res Lines	824	1,355	275	429	28
Company Used Lines	0	0	0	0	29
Total Lines Used	824	1,355	275	429	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	4260	5210			1
Business					2
1 Party	21	107			3
2 Party	0	0			4
4 Party	0	0			5
PBX Trunks/System Trunks	0	0			6
Centrex Trunks	0	0			7
Centrex Lines	0	0			8
Key System Trunks	3	25			9
Mobile (utility provided service)	0	0			10
Paging (utility provided service)	0	71			11
FX-Out (Switched)	0	0			12
Pay Telephone	0	0			13
Coin-Operated Pay Telephone	0	0			14
Independent Pay Telephone Provider	0	0			15
Pay Stations - Public	1	4			16
- Semi-Public	0	0			17
- Cust. Owned	0	1			18
Other	0	0			19
Total Business Lines	25	208	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	202	732			22
2 Party	0	0			23
4 Party	0	0			24
FX-Out (Switched)	0	0			25
Other	0	0			26
Total Residential Lines	202	732	0	0	27
Total Bus & Res Lines	227	940	0	0	28
Company Used Lines	0	0			29
Total Lines Used	227	940	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	1710	2500	3850	4210	1
Miscellaneous					2
WATS Lines - OutWATS	0	0	0	0	3
WATS Lines - 800 Service	0	0	0	0	4
FX-In-intraLATA	0	0	0	0	5
Special Access-intraLATA					6
(equiv. access lines)	3	9	0	2	7
Special Access-interLATA					8
(equiv. access lines)	25	75	1	24	9
Feature Group A Lines	0	0	0	0	10
Feature Group B Trunks	0	0	0	0	11
Feature Group C Trunks	0	0	0	0	12
Feature Group D Trunks	0	0	0	0	13
TSPS - Trunks	0	0	0	0	14
EAS - Trunks	0	0	0	0	15
Cellular Trunks (Pub. Sw. Net.)	0	0	0	0	16
Video Distance Learning					17
- discounted (special tariff)	0	0	0	0	18
Customers					19
Business - 2 Party Customers	0	0	0	0	20
Business - 4 Party Customers	0	0	0	0	21
Residential - 2 Party Customers	0	0	0	0	22
Residential - 4 Party Customers	0	0	0	0	23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,493,844	2,688,919	796,717	1,195,075	27
Exchange Square Miles	64	104	40	42	28
Exchange Route Miles	144	185	84	78	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	4260	5210			1
Miscellaneous					2
WATS Lines - OutWATS	0	0			3
WATS Lines - 800 Service	0	0			4
FX-In-intraLATA	0	1			5
Special Access-intraLATA					6
(equiv. access lines)	0	3			7
Special Access-interLATA					8
(equiv. access lines)	0	3			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	0	0			13
TSPS - Trunks	0	0			14
EAS - Trunks	0	0			15
Cellular Trunks (Pub. Sw. Net.)	0	0			16
Video Distance Learning					17
- discounted (special tariff)	0	0			18
Customers					19
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					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	995,896	2,788,509			27
Exchange Square Miles	34	65			28
Exchange Route Miles	69	127			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
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

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--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	ELEVA	INDEPENDENCE	NORTHFIELD	PIGEON FALLS	1
PSCW Exchange ID	1710	2500	3850	4210	2
Central Office Name	ELEVA	INDEPENDENCE	NORTHFIELD	PIGEON FALLS	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	GTE	GTE	GTE	GTE	5
Year COE Installed	1986	1985	1987	1987	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	S	R	R	8
Remote Host PSCW Exchange ID			5210	5210	9
Remote Host PSCW Central Office ID	0	0	1	1	10
COE Generic Software Release No.	1711	1711	1711	1711	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	Yes	Yes	Yes	Yes	13
Access Lines - In Use	906	1,399	290	466	14
- Equipped	1,032	1,533	320	592	15
- Wired	1,176	1,672	456	710	16
Trunks - In Use	124	156	12	12	17
- Equipped	192	384	192	192	18
- Wired	192	384	192	192	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?	Yes	Yes	Yes	Yes	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	6	8	3	3	25
DS-3 - In Use	1	2	1	2	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?	No	No	No	No	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	12	156	12	72	33
No. of fiber strands working (LIT) in C.O.	4	8	4	16	34
No. of fiber strands for interoffice use	4	8	4	12	35
Miles of fiber sheath in wire center	2	30	4	14	36
Access Tandem Serving this C.O.:					
- C.O. Name	STRUM	STRUM	EAU CLAIRE	EAU CLAIRE	37
- PSCW C.O. ID	5210-01	5210-01	1630-01	1630-01	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	PLEASANTVILLE	STRUM			1
PSCW Exchange ID	4260	5210			2
Central Office Name	PLEASANTVILLE	STRUM			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	GTE	GTE			5
Year COE Installed	1987	1985			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	R	H			8
Remote Host PSCW Exchange ID	5210				9
Remote Host PSCW Central Office ID	1				10
COE Generic Software Release No.	1711	1711			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	249	984			14
- Equipped	280	1,064			15
- Wired	456	1,112			16
Trunks - In Use	12	801			17
- Equipped	72	1,008			18
- Wired	192	1,152			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	Yes	Yes			23
Switched 56 lines in use	0	6			24
Digital Transmission Facilities: DS-1 - In Use	3	42			25
DS-3 - In Use	2	4			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	Yes			31
- In Use (# lines) ¹	0	6			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	24	60			33
No. of fiber strands working (LIT) in C.O.	8	16			34
No. of fiber strands for interoffice use	8	16			35
Miles of fiber sheath in wire center	3	21			36
Access Tandem Serving this C.O.:					
- C.O. Name	EAU CLAIRE	EAU CLAIRE			37
- PSCW C.O. ID	1630-01	1630-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	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)** Adjustment necessary to correct ending balance reported from prior year.
- B)** Payphone Deregulation-remove value from accounts.
- C)** Land & Building Expense decreased \$7301 from 1996 to 1997
Office Equipment Expense decreased \$12661 from 1996 to 1997
General Purpose Computers Expense decreased \$8625 from 1996 to 1997
The above 3 expense accounts decreased from 1996 to 1997 due to fewer invoices in 1997.
- D)** Engineering Expense increased \$35098 from 1996 to 1997 due to engineering involved with a large joint fiber route completed in 1997. Toll Testing Expense increased \$11786 from 1996 to 1997 due to the implementation of toll trunks for becoming a toll provider.
- E)** Special Access Revenue increased by \$5033 from 1996 to 1997 due to increased monthly cash receipts.
- F)** Increase of \$23741 due to increased number of carrier change charges as a result of becoming a toll provider. (72% of our subscribers changed to us for their long-distance carrier.)
- G)** Uncollectible Revenue-Telecommunications decreased by \$9066 from 1996 to 1997 due to a change in recording uncollectible revenues due from other carriers.