



4004

ANNUAL REPORT

OF

Name: MARQUETTE-ADAMS TELEPHONE CO-OPERATIVE, INC.

Principal Office: 113 N OXFORD ST
P.O. BOX 45
OXFORD, WI 53952-0045

For the Year Ended: DECEMBER 31, 1999

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 "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, 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 JAMES LARSON of
(Person responsible for accounts)

MARQUETTE-ADAMS TELEPHONE CO-OPERATIVE, 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.

JAMES LARSON 03/28/2000
(Person responsible for accounts) (Date)

SECRETARY - TREASURER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>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:</p> <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	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>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.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

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: MARQUETTE-ADAMS TELEPHONE CO-OPERATIVE, INC.
Utility Location: 113 N OXFORD ST
P.O. BOX 45
OXFORD, WI 53952-0045

Utility Web Site Address:

When was utility organized?: 04/21/1951

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MRS DIANA M . LAPOINTE
Title: MANAGER

Office Address: 113 N. OXFORD STREET
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Individual or firm, if other than utility employee, preparing this report

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Name: MR. JAMES . LARSON
Title: SECRETARY-TREASURER

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P.O. BOX 45
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Person responsible for statistical information contained in report

Name: MR. JAMES . LARSON
Title: SECRETARY-TREASURER

Office Address: 113 N. OXFORD STREET
P.O. BOX 45
OXFORD , WI 53952-0045

Fax Number: (608) 586 - 5209
Telephone Number: (608) 586 - 4111
Email Address:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,039,597	2,587,613	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	268,113	245,708	2
Plant Nonspecific Operations Expense	1,097,561	931,092	3
Customer Operations Expense (6610-6620)	358,757	306,143	4
Corporate Operations Expense (6710-6790)	374,087	375,017	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	163,750	124,758	7
Total Operating Expenses	2,262,268	1,982,718	8
Net Operating Income	777,329	604,895	9
Other Income			
Nonoperating Income and Expense (7300)	453,005	310,533	10
Nonoperating Taxes (7400)	178,777	65,861	11
Interest and Related Items (7500)	63,501	22,389	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(46,405)	(17,030)	14
Total Nonoperating Income	164,322	205,253	15
Net Income	941,651	810,148	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)*	801,437	406,121	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	801,437	406,121	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	187,170	203,346	6
Accounts Receivable Allowance-Telecom (1181)*	0		7
Net: Telecommunications Accounts Receivable	187,170	203,346	
Other Accounts Receivable (1190)*	427,300	233,391	8
Accounts Receivable Allowance--Other (1191)*	0		9
Net: Other Accounts Receivable	427,300	233,391	
Notes Receivable (1200)*	0		10
Notes Receivable Allowance (1201)*	0		11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	336	336	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	614,806	437,073	
SUPPLIES			
Inventories (1220)*	44,833	52,140	13
TOTAL SUPPLIES	44,833	52,140	
PREPAYMENTS			
Total Prepayments (1280)*	50,976	39,628	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	50,976	39,628	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0		20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,512,052	934,962	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0		21
RTB Class B Stock (1402)*	0		22
Other Investments in Nonaffiliated Companies (1402)*	1,481,724	1,344,558	23
Nonregulated Investments (1406)*	42,965	28,729	24
Unamortized Debt Issuance Expense (1407)*	0		25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Sinking Funds (1408)*	0		26
Other Noncurrent Assets (1410)*	189,066	169,277	27
TOTAL INVESTMENTS	1,713,755	1,542,564	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0		28
Deferred Maintenance and Retirements (1438)*	0		29
Deferred Charges (1439)*	0		30
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	1,713,755	1,542,564	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	11,277,687	9,451,687	31
Less: Accumulated Depreciation (3100)*	4,287,495	4,363,583	32
Less: Accumulated Amortization--Capitalized Leases (3410)*	0		33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0		34
Less: Accumulated Amortization--Intangible (3500)*	0		35
NET TELECOMMUNICATIONS PLANT IN SERVICE	6,990,192	5,088,104	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0		36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0		37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0		38
Less: Accumulated Depreciation--Nonoperating (3300)*	0		39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	68,034	65,622	40
TOTAL TPUC	68,034	65,622	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0		41
Less: Accumulated Amortization--Other (3600)*	0		42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	7,058,226	5,153,726	
TOTAL ASSETS AND OTHER DEBITS	10,284,033	7,631,252	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	256,321	169,119	1
Notes Payable (4020)*	0		2
Advance Billing and Payments (4030)*	349	596	3
Customer Deposits (4040)*	13,279	11,981	4
Current Maturities--Long-Term Debt (4050)*	229,700	112,500	5
Current Maturities--Capital Leases (4060)*	0		6
Income Taxes--Accrued (4070)*	(28,160)	11,301	7
Other Taxes--Accrued (4080)*	(308)	(22,993)	8
Net Current Deferred Operating Income Taxes (4100)*	0		9
Net Current Deferred Nonoperating Income Taxes (4110)*	0		10
Other Accrued Liabilities (4120)*	24,887	9,421	11
Other Current Liabilities (4130)*	0		12
TOTAL CURRENT LIABILITIES	496,068	291,925	
LONG-TERM DEBT			
Funded Debt (4210)*	2,191,345	301,323	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	2,191,345	301,323	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	51,523	72,119	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	51,523	72,119	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	14,750	12,890	28
Additional Paid-in Capital (4520)*	0		29
Treasury Stock (4530)*	0		30
Other Capital (4540)*	(8,127)	(1,719)	31
Retained Earnings (4550)*	7,538,474	6,954,714	32
TOTAL STOCKHOLDERS' EQUITY	7,545,097	6,965,885	
TOTAL LIABILITIES AND OTHER CREDITS	10,284,033	7,631,252	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	27,368	30,378	1
Motor Vehicles	2112	133,647		2
Aircraft	2113			3
Special Purpose Vehicles	2114			4
Garage Work Equipment	2115	6,980		5
Other Work Equipment	2116	166,678	740	6
Buildings	2121	634,488	9,985	7
Furniture	2122	44,686	2,131	8
Office Equipment	2123	41,770	144	9
General Purpose Computers	2124	109,538	13,911	10
TOTAL--GENERAL SUPPORT ASSETS:		1,165,155	57,289	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211			11
Digital Electronic Switching	2212	1,975,107	1,337,758	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220			14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	1,129,040	501,071	16
TOTAL--CENTRAL OFFICE ASSETS:		3,104,147	1,838,829	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311			17
Customer Premises Wiring	2321			18
Large Private Branch Exchanges	2341			19
Public Telephone Terminal Equipment	2351			20
Other Terminal Equipment	2362			21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411			22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	5,150,328	882,657	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425			27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431			29
Conduit Systems	2441	32,057		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		5,182,385	882,657	
AMORTIZABLE ASSETS				
Capital Leases	2681			31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111	20,049		37,697	1
2112			133,647	2
2113			0	3
2114			0	4
2115			6,980	5
2116			167,418	6
2121	21,053		623,420	7
2122			46,817	8
2123	0	0	41,914	9
2124	1,669		121,780	10
	42,771	0	1,179,673	
2211			0	11
2212	877,908	0	2,434,957	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	1,630,111	16
	877,908	0	4,065,068	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	32,096	0	6,000,889	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			32,057	30
	32,096	0	6,032,946	
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		32
Intangibles	2690		33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	9,451,687	2,778,775
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	
	952,775	0	11,277,687	
2001			0	34
			11,277,687	

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	21,396		1
Company Communications Equipment	2123.2	20,374	144	2
Software	2212.1			3 K
Digital Switching - Central Office	2212.2	1,975,107	1,337,758	4 K
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,129,040	501,071	10
Analog Circuit Equipment	2232.2	0		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	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	1,062,997	395,764	17
Buried Cable - Metallic	2423.2	4,087,331	486,893	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			21,396	1
2123.2			20,518	2
2212.1			0	3 K
2212.2	877,908		2,434,957	4 K
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			1,630,111	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1	11,719		1,447,042	17
2423.2	20,377		4,553,847	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	88,534		1,490	1C
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	5,808	10.0	698	4
Other Work Equipment	2116	110,134		11,950	5C
Buildings	2121	124,438	2.63	16,317	6
Furniture	2122	36,615	8.33	3,809	7
Office Equipment	2123	36,385	20.0		8
General Purpose Computers	2124	59,036	7.0	22,969	9
Total-- GENERAL SUPPORT ASSETS		460,950		57,233	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,317,144	15.0	363,360	11D
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	371,319	10.0	150,900	15
Total-- CENTRAL OFFICE ASSETS		1,688,463		514,260	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	0			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	0			23
Buried Cable	2423	2,202,827	5.0	269,274	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			3,000		93,024	1 C
2113					0	2
2114					0	3
2115					6,506	4
2116					122,084	5 C
2121	21,053				119,702	6
2122					40,424	7
2123	0				36,385	8
2124	1,669				80,336	9
	22,722	0	3,000	0	498,461	
2211					0	10
2212	877,908		11,070		813,666	11 D
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				522,219	15
	877,908	0	11,070	0	1,335,885	
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				0	23
2423	32,096		1,000		2,441,005	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	11,343	2.5	801	29
Total-- CABLE WIRE FACILITIES ASSETS		2,214,170		270,075	0
Total Accumulated Depreciation	3100	4,363,583		841,568	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				841,568	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					12,144	29
	32,096	0	1,000	0	2,453,149	
3100	932,726	0	15,070	0	4,287,495	
3100					0	30
3100					4,287,495	

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	21,396	20.0		1
Company Communications Equipment	2123.2	14,989	20.0		2
Software	2212.1				3 F
Digital Switching - Central Office	2212.2	1,317,144	20.0	363,360	4 F
Digital Switching - Remote	2212.3	0			5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	0			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	371,319	10.0	150,900	10
Analog Circuit Equipment	2232.2	0			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	0			15
Underground Cable - Metallic	2422.2	0			16
Buried Cable - Nonmetallic	2423.1	181,539	5.0	58,190	17
Buried Cable - Metallic	2423.2	2,021,288	5.0	211,084	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					21,396	1
2123.2					14,989	2
2212.1					0	3 F
2212.2	877,908		11,070		813,666	4 F
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					522,219	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1	11,719		1,000		229,010	17
2423.2	20,377				2,211,995	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	6,954,714	6,514,819	1
Changes:			
Balance Transferred from Income	941,651	810,148	2
Dividends Declared:			
Common	0	0	3
Preferred	0	0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	357,891	370,253	5
Miscellaneous Credits to Retained Earnings	0	0	6
Balance--End of Year	<u>7,538,474</u>	<u>6,954,714</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)*	744,264	684,787	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	744,264	684,787	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	172,758	159,490	11
Switched Access Revenue (5082)*	866,247	545,996	12 E
Special Access Revenue (5083)*	79,071	55,153	13 E
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,118,076	760,639	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0		14
Switched Access Revenue (5084.2)*	656,799	601,223	15
Special Access Revenue (5084.3)*	52,757	59,849	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	709,556	661,072	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	314,900	318,244	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	314,900	318,244	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	67,410	68,099	30
Rent Revenue (5240)*	0		31
Corporate Operations Revenue (5250)*	0		32
Miscellaneous:			
Miscellaneous Revenue (5260)*	3,268	9,853	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	3,268	9,853	
Interstate Billing and Collection Revenue*	27,918	27,187	39
Intrastate Billing and Collection Revenue*	61,036	62,389	40
Total Carrier Billing and Collection Revenue (5270)*	88,954	89,576	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	159,632	167,528	
GROSS OPERATING REVENUES	3,046,428	2,592,270	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	6,831	4,657	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	6,831	4,657	
TOTAL OPERATING REVENUES	<u>3,039,597</u>	<u>2,587,613</u>	

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

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	1,830	1,358	1
Less: Nonregulated	0	0	2
Net Regulated	1,830	1,358	3
Total General Support Expense (6120)	81,311	83,871	4
Less: Nonregulated	0	0	5
Net Regulated	81,311	83,871	6
Total Central Office Switching Expense (6210)	90,738	80,579	7
Less: Nonregulated	0	0	8
Net Regulated	90,738	80,579	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)	5,104	1,591	13
Less: Nonregulated	0	0	14
Net Regulated	5,104	1,591	15
Total Information Orig. / Term. Expense (6310)	0	0	16
Less: Nonregulated	0	0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	89,130	78,309	19
Less: Nonregulated	0	0	20
Net Regulated	89,130	78,309	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	268,113	245,708	
Less: Nonregulated	0	0	
Net Regulated	268,113	245,708	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	295	0	22
Less: Nonregulated	0	0	23
Net Regulated	295	0	24
Total Network Operations Expense (6530)	38,382	38,365	25
Less: Nonregulated	0	0	26
Net Regulated	38,382	38,365	27
Access Expense (6540)	197,265	212,626	28
Less: Nonregulated	0	0	29
Net Regulated	197,265	212,626	30
Total Depreciation and Amortization Expense (6560)	861,619	680,101	31
Less: Nonregulated	0	0	32 F
Net Regulated	861,619	680,101	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,097,561	931,092	
Less: Nonregulated	0	0	
Net Regulated	1,097,561	931,092	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	20,002	7,003	34
Less: Nonregulated	0	0	35 G
Net Regulated	20,002	7,003	36
<hr/>			
Total Services (6620)	338,755	299,140	37
Less: Nonregulated	0	0	38
Net Regulated	338,755	299,140	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	358,757	306,143	
Less: Nonregulated	0	0	
Net Regulated	358,757	306,143	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	104,521	134,208	40
Less: Nonregulated	0	0	41 H
Net Regulated	104,521	134,208	42
<hr/>			
Total General and Administrative (6720)	269,566	240,809	43
Less: Nonregulated	0	0	44
Net Regulated	269,566	240,809	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	374,087	375,017	
Less: Nonregulated	0	0	
Net Regulated	374,087	375,017	
<hr/>			
TOTAL EXPENSES	2,098,518	1,857,960	
Less: Nonregulated	0	0	
Net Regulated	2,098,518	1,857,960	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)	0	0	1
Provisioning Expense (6512)	295	0	2
Total: Reported in Account 6510	295	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	861,619	680,101	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562	0	0	4
Amortization Expense--Tangible (6563)	0	0	5
Amortization Expense--Intangible (6564)	0	0	6
Amortization Expense--Other (6565)	0	0	7
Total: Reported in Account 6560	861,619	680,101	

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	3,046,428	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 in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		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	3,046,428	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	744,264	1
Plus: Total Intrastate Access Revenues (5084)	709,556	2
Plus: Total Long Distance Network Services Revenue	314,900	3
Less: Out-of-State Operating Revenues (included in the above lines)	84,779	4 B
Plus: Intrastate Payphone Revenues	0	5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	1,683,941	

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	3,046,428	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 in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		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>3,046,428</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	744,264	1
Plus: Total Intrastate Access Revenues (5084)	709,556	2
Plus: Total Long Distance Network Services Revenue	314,900	3
Less: Out-of-State Operating Revenues (included in the above lines)	84,779	4 B
Plus: Intrastate Payphone Revenues	0	5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,683,941</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	0	0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	0		2
Operating Federal Income Taxes (7220)	(288)	(12,246)	3
Operating State and Local Income Taxes (7230)	0		4
Operating Other Taxes (7240)	164,038	137,004	5
Provision for Deferred Operating Income Taxes--Net (7250)	0		6
TOTAL OPERATING TAXES (7200)	163,750	124,758	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	4,231	8,843	7
Interest Income (7320)	19,887	26,076	8
Income from Sinking and Other Funds (7330)	0		9
Allowance for Funds Used During Construction (7340)	19,258	5,446	10
Gains or (Losses) from the Disposition of Certain Property (7350)	0		11
Other Nonoperating Income (7360)	409,662	271,501	12
Special Charges (7370)	33	1,333	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	453,005	310,533	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	178,777	65,861	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	63,501	22,389	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	(46,405)	(17,030)	17

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	196	599	1
Extended Area Service			2
Extended Community Calling	61	247	3
Other Local-Undefined			4
Total Local	257	846	
TOLL			
Toll	218	1,018	5
Total Toll	218	1,018	
Total Local & Toll	475	1,864	

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				2
Feature Group B -- Orig.	1				3
Feature Group B -- Term.					4
Feature Group C -- Orig.			582		5
Feature Group C -- Term.			593		6
Feature Group D -- Orig.	4,100	3,136	1,779	5	7
Feature Group D -- Term.	3,793	4,101	1,806		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	129	1
Strand miles of plant - fiber optics	2,266	2
Route miles of plant - microwave	0	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	5	4	1
56 kbps	1	3	2
64 kbps (DS0)	1	2	3
1.54 Mbps (DS-1)	11	4	4
45 Mbps (DS-3)	0	0	5 A
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 - fiber optics	129	1
Strand miles of plant - fiber optics	2,266	2
Route miles of plant - microwave	0	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	5	4	1
56 kbps	1	3	2
64 kbps (DS0)	1	2	3
1.54 Mbps (DS-1)	11	4	4
45 Mbps (DS-3)	0	0	5 A
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	369	352	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	5	5	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	53	53	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)			11
FX-Out (Switched)			12
Pay Telephone		12	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	6	15
Pay Stations - Public	6		16
- Semi-Public	6		17
- Cust. Owned	6		18
Other		168	19
Total Business Lines	445	596	20
Residential (Incl. Emp. Concess.)			
1 Party	3,325	3,463	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	3,325	3,463	27
Total Bus & Res Lines	3,770	4,059	28
Company Used Lines	62	65	29
Total Lines Used	3,832	4,124	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			3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	3	2	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	58	105	7
Special Access-interLATA			8
(expressed in equiv. access lines)	175	271	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	149	149	13
TSPS - Trunks	30	6	14
EAS - Trunks	16	16	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
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)	8,286,532	10,098,014	26
Total Company Square Miles	201	201	27
Total Company Route Miles	852	951	28
Footnotes			29
			J 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	0760	1790	4060	4070	1
Business					2
1 Party	49	60	178	65	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	5				6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks		19	30	4	9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	2	1	5	4	13
Coin-Operated Pay Telephone	0	0	0	0	14
Independent Pay Telephone Provider	1	1	3	1	15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other		24		144	19
Total Business Lines	57	105	216	218	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,001	428	1,465	569	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	1,001	428	1,465	569	27
Total Bus & Res Lines	1,058	533	1,681	787	28
Company Used Lines	10	5	48	2	29
Total Lines Used	1,068	538	1,729	789	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	0760	1790	4060	4070	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service			0		4
FX-In-intraLATA		1	1		5
Special Access-intraLATA (equiv. access lines)		24	55	26	6 7
Special Access-interLATA (equiv. access lines)	145		99	27	8 9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks			149		13
TSPS - Trunks			6		14
EAS - Trunks			16		15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning - discounted (special tariff)					17 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 Wire Fac. Assets (based on physical location of plant)	2,826,353	1,207,204	4,619,824	1,444,633	25 26 27
Exchange Square Miles	57	36	78	30	28
Exchange Route Miles	354	117	347	133	29
Footnotes	J				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

MANUFACTURER ABBREVIATIONS

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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	BROOKS	BROOKS	BROOKS	ENDEAVOR	1
PSCW Exchange ID	0760	0760	0760	1790	2
Central Office Name	BROOKS	EASTON	FCI	ENDEAVOR	3
PSCW Central Office ID	1	2	3	1	4
Manufacturer of COE (Page 54)	SC	SC	SC	SC	5
Year COE Installed	1988	1988	1997	1988	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	R	R	R	R	8
Remote Host PSCW Exchange ID	4060	4060	4060	4060	9
Remote Host PSCW Central Office ID	1	1	1	1	10
COE Generic Software Release No.	20	20	20	20	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	Yes	Yes	Yes	Yes	13
Access Lines - In Use	397	519	146	455	14
- Equipped	540	630	180	630	15
- Wired	540	630	180	630	16
Trunks - In Use	0	0	0		17
- Equipped	0	0	0		18
- Wired	0	0	0		19
ISDN Available?	Yes	Yes	Yes	Yes	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	0	0	1	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?	No	No	No	No	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	48	38	12	20	33
No. of fiber strands working (LIT) in C.O.	16	12	4	4	34
No. of fiber strands for interoffice use	0	0	0	0	35
Miles of fiber sheath in wire center	55	0	0	14	36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON	MADISON	MADISON	37
- PSCW C.O. ID	3080-01	3080-01	3080-01	3080-01	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+)?	Yes	Yes	Yes	Yes	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	OXFORD	OXFORD	PACKWAUKEE		1
PSCW Exchange ID	4060	4060	4070		2
Central Office Name	OXFORD	JORDAN LAKE	PACKWAUKEE		3
PSCW Central Office ID	1	2	1		4
Manufacturer of COE (Page 54)	SC	SC	SC		5
Year COE Installed	1988	1988	1988		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	H	R	R		8
Remote Host PSCW Exchange ID		4060	4060		9
Remote Host PSCW Central Office ID		2	1		10
COE Generic Software Release No.	20	20	20		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	1,516	520	570		14
- Equipped	1,878	630	720		15
- Wired	2,944	630	720		16
Trunks - In Use	149	0			17
- Equipped	149	0			18
- Wired	170	0			19
ISDN Available?	Yes	Yes	Yes		20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	No	No	No		23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	6	0	2		25
DS-3 - In Use	0	0	0		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	110	4	16		33
No. of fiber strands working (LIT) in C.O.	49	4	4		34
No. of fiber strands for interoffice use	0	0	0		35
Miles of fiber sheath in wire center	42	0	18		36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON	MADISON		37
- PSCW C.O. ID	3080-01	3080-01	3080-01		38
Does this C.O. do access tandem switching?	No	No	No		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	Yes	Yes	Yes		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Accountants Compilation Report

To the Board of Directors
Marquette-Adams Telephone Company
Oxford, Wisconsin

We have compiled the balance sheets of Marquette-Adams Telephone Company as of December 31, 1999 and 1998, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 47 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 47 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
March 28, 2000

Schedule Footnotes

Schedule Line Footnotes

- A) Reported special access circuits of -0- is correct at EOY.
- B) Interstate long distance message revenue.
- C) Vehicles and Other Work Equipment are depreciated on a per unit basis.
- D) Various depreciation rates are used within this account and sub-class account. Rate given represents approximate composite rate.
- E) Higher revenue requirement from NECA due to increased expenses and plant investment.
- F) Depreciation was recorded in 1999 to fully depreciate retired COE equipment which was replaced.
- G) Increased sales and marketing costs to promote services offered.
- H) Due to increased labor hours charged to these accounts.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- J)** 1998 paystations reported on lines 16-18 have been reclassified properly to lines 13-15 for EOY data to reflect nonregulated status.
- K)** Amount in A/C 2212.2 was reported in A/C 2212.1 on 1998 annual report. Fix made for FOY amount in 1999.