



4004

ANNUAL REPORT

OF

Name: MT VERNON TELEPHONE COMPANY

Principal Office: 301 S WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

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.

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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: MT VERNON TELEPHONE COMPANY
Utility Location: 301 S WESTFIELD RD
P.O. BOX 5158
MADISON, WI 53705-0158

Utility Web Site Address:

When was utility organized?: 05/21/1901

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR JOHN R . EPERNBACH
Title: ACCOUNTING MANAGER

Office Address: 301 S. WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-0158

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4289
Email Address: john.erpenbach@tdstelecom.com

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

Name: MRS THERESA L . KRUGER
Title: STAFF ACCOUNTANT
Firm: TDS TELECOM

Office Address: 301 S. WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-0158

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Person responsible for financial information contained in report

Name: MR JOHN R . ERPENBACH
Title: ACCOUNTING MANAGER

Office Address: 301 S. WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-5158

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4289
Email Address: john.erpenbach@tdstelecom.com

Person responsible for statistical information contained in report

Name: VARIOUS CONTACTS
Title: X

Office Address: 301 S. WESTFIELD ROAD
P.O. BOX 5158
MADISON , WI 53705-5158

Fax Number: (608) 999 - 9999
Telephone Number: (608) 999 - 9999
Email Address:

A

IDENTIFICATION AND OWNERSHIP

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

Name:	TDS TELECOMMUNICATIONS CORPORATION
Address:	301 S. WESTFIELD ROAD PO BOX 5158 MADISON , WI 53705-5158
Number of Shares Held:	3,535
Beneficial Owner:	NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	6,510,353	5,906,439	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	637,523	462,765	2
Plant Nonspecific Operations Expense	1,764,869	1,588,195	3
Customer Operations Expense (6610-6620)	1,052,707	1,167,036	4
Corporate Operations Expense (6710-6790)	1,230,587	1,160,168	5
Other Operating Income and Expense (7100)	638	4,930	6
Operating Taxes (7200)	839,705	719,982	7
Total Operating Expenses	5,524,753	5,093,216	8
Net Operating Income	985,600	813,223	9
Other Income			
Nonoperating Income and Expense (7300)	26,422	13,909	10
Nonoperating Taxes (7400)	13,375	74	11
Interest and Related Items (7500)	376,914	219,527	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(63,672)	73,102	14
Total Nonoperating Income	(427,539)	(132,590)	15
Net Income	558,061	680,633	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

TELEPHONE PLANT

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

DEPRECIATION

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

REVENUES

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

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

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

PENSION

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

INCOME TAXES

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

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

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None

3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 1999, the company has invested \$0 with Telecommunications Technologies Fund, Inc., and could distribute up to \$2,156,660 to the parent or other affiliates in the form of cash dividends.

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*			1
Cash (1130)	54,029	325,809	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)	650	550	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	54,679	326,359	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	826,817	686,517	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	826,817	686,517	
Other Accounts Receivable (1190)*	1,254,306	896,968	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	1,254,306	896,968	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	3,239	5,251	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	2,084,362	1,588,736	
SUPPLIES			
Inventories (1220)*	177,804	97,927	13
TOTAL SUPPLIES	177,804	97,927	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)	5,500	6,065	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)	4,010	3,695	18
Other Prepayments (1330)	27,513	30,741	19
TOTAL PREPAYMENTS	37,023	40,501	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	2,353,868	2,053,523	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
RTB Class B Stock (1402)*	132,915	127,665	22
Other Investments in Nonaffiliated Companies (1402)*	2,100	2,100	23
Nonregulated Investments (1406)*	83,699	115,628	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)*		0	27
TOTAL INVESTMENTS	218,714	245,393	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*		0	28
Deferred Maintenance and Retirements (1438)*		0	29
Deferred Charges (1439)*	57,627	3,265	30
TOTAL DEFERRED CHARGES	57,627	3,265	
TOTAL NONCURRENT ASSETS	276,341	248,658	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	19,356,854	17,494,024	31
Less: Accumulated Depreciation (3100)*	6,820,769	8,009,653	32
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	13,697	0	34
Less: Accumulated Amortization--Intangible (3500)*		0	35
NET TELECOMMUNICATIONS PLANT IN SERVICE	12,522,388	9,484,371	
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)*	891,671	215,589	40
TOTAL TPUC	891,671	215,589	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	41
Less: Accumulated Amortization--Other (3600)*		0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	13,414,059	9,699,960	
TOTAL ASSETS AND OTHER DEBITS	16,044,268	12,002,141	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	899,064	812,734	1
Notes Payable (4020)*	3,925,000	750,000	2
Advance Billing and Payments (4030)*	152,490	115,154	3
Customer Deposits (4040)*	80	0	4
Current Maturities--Long-Term Debt (4050)*	123,884	120,515	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	0	51,442	7
Other Taxes--Accrued (4080)*	29,657	(7,899)	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)*	68,791	45,960	11
Other Current Liabilities (4130)*	42,525	34,793	12
TOTAL CURRENT LIABILITIES	5,241,491	1,922,699	
LONG-TERM DEBT			
Funded Debt (4210)*	2,177,251	2,191,791	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	0	18
Other Long-Term Debt (4270)*		0	19
TOTAL LONG-TERM DEBT	2,177,251	2,191,791	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	(56,432)	0	20
Unamortized Operating ITC--Net (4320)*	0	(38,143)	21
Unamortized Nonoperating ITC--Net (4330)*	0	(14,765)	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	968,403	785,067	23
Net Deferred Tax Liability Adjustments (4341)*	(180)	6,972	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		0	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	421	(6,731)	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	912,212	732,400	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	353,450	353,450	28
Additional Paid-in Capital (4520)*	2,113	2,113	29
Treasury Stock (4530)*		0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	7,357,743	6,799,678	32
TOTAL STOCKHOLDERS' EQUITY	7,713,306	7,155,241	
TOTAL LIABILITIES AND OTHER CREDITS	16,044,260	12,002,131	

IMPORTANT CHANGES DURING THE YEAR

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

Rate increase, August 1999, \$248,985 annual rate increase.

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

None

AFFILIATE ABBREVIATIONS

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

Name of Affiliate (a)	Abbreviations (b)	
Burlington, Brighton & Wheatland Telephone Company	BB&W	1
Black Earth Telephone Company	BLACK	2
Central State Telephone Company	CENTRAL	3
Eastcoast Telecom, Inc.	EASTCOAST	4
Grantland Telecom, Inc.	GRANTLAND	5
Midway Telephone Company	MIDWAY	6
Oklahoma Communications	OCSI	7
Other	OTH	8
Riversdie Telecom, Inc.	RIVERSIDE	9
Suttle Press, Inc.	SUTTLE	10
Telephone and Data Systems, Inc.	TDS CORP	11
TDS Telecom, Inc.	TDS TEL	12
TDS Computing Services, Inc.	TDS/CS	13
Telecommunications Technologies Fund	TTF	14
Utelco, Inc.	UTELCO	15
Waunakee Telephone Company	WAUNAKEE	16

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	0005TI000124	0005TI000124	0005TI000124	0005TI000124		
Name of Affiliate	BLACK	GRANTLAND	OCSI	OTH		1
Designate whether billed to or from:	TO	TO	TO	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C		3
Total Dollar Activity	40,523	33,065	34,776	39,536		4
Percent of affiliate's business billed to all affiliated regulated utilities						5
If cost based, rate of return on equity or markup incorporated in billings				0.00		6
Footnotes						

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	0005TI000124	None	0005TI000124	0005TI000124		
Name of Affiliate	OTH	SUTTLE	TDS CORP	TDS TEL		1
Designate whether billed to or from:	TO	FROM	FROM	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	M	C	C		3
Total Dollar Activity	272,761	1,376	157,448	2,403,344		4
Percent of affiliate's business billed to all affiliated regulated utilities		63.00				5
If cost based, rate of return on equity or markup incorporated in billings			0.00	0.00		6
Footnotes						

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)
Docket	0005TI000124	0005TI000124		
Name of Affiliate	TDS/CS	UTELCO		1
Designate whether billed to or from:	FROM	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C		3
Total Dollar Activity	298,704	67,663		4
Percent of affiliate's business billed to all affiliated regulated utilities				5
If cost based, rate of return on equity or markup incorporated in billings	15.00			6
Footnotes				

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1200, Notes Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 1408, Sinking Funds; 4010, Accounts Payable; 4020, Notes Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
TDS Telecom, Inc.	1190	334,431	1
TDS Telecom, Inc.	4010	301,231	2

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	54,039		1
Motor Vehicles	2112	279,094	21,153	2
Aircraft	2113	42,653		3 B,C
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	286,692	232	6 c
Buildings	2121	861,475		7
Furniture	2122	85,164	18,101	8
Office Equipment	2123	70,420	12,005	9
General Purpose Computers	2124	1,222,385	296,750	10 c
TOTAL--GENERAL SUPPORT ASSETS:		2,901,922	348,241	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	3,350,752	2,195,793	12 c
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	139,836	0	15
Circuit Equipment	2232	1,881,402	584,772	16 c
TOTAL--CENTRAL OFFICE ASSETS:		5,371,990	2,780,565	
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	0		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	97,135		22 c
Aerial Cable	2421	424,886	21,377	23
Underground Cable	2422	332,144	0	24
Buried Cable	2423	7,964,644	1,155,636	25 c
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	51,470	2,132	29
Conduit Systems	2441	349,833	30,815	30 c
TOTAL--CABLE WIRE FACILITIES ASSETS:		9,220,112	1,209,960	
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			54,039	1
2112	(6,684)		306,931	2
2113		(10,663)	31,990	3 B,C
2114			0	4
2115			0	5
2116	37,893	6,948	255,979	6 C
2121	738		860,737	7
2122	(362)		103,627	8
2123	0	0	82,425	9
2124	34,498	37,500	1,522,137	10 C
	66,083	33,785	3,217,865	
2211			0	11
2212	2,020,447	(1)	3,526,097	12 C
2215	0	0	0	13
2220			0	14
2231	139,836	0	0	15
2232	7,264	1,715	2,460,625	16 C
	2,167,547	1,714	5,986,722	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411	216	(14,995)	81,924	22 C
2421	8,551	0	437,712	23
2422	0	0	332,144	24
2423	348,479	(1,708)	8,770,093	25 C
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431	(35)		53,637	29
2441	9,278	(7)	371,363	30 C
	366,489	(16,710)	10,046,873	
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	105,394	32
Intangibles	2690	0		33
TOTAL--AMORTIZABLE ASSETS:		0	105,394	
TOTAL TELECOM. PLANT IN SERVICE	2001	17,494,024	4,444,160	
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			105,394	32
2690			0	33
	0	0	105,394	
	2,600,119	18,789	19,356,854	
2001			0	34
			19,356,854	

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	31,203		1
Company Communications Equipment	2123.2	39,217	12,005	2
Software	2212.1	248,646	519,545	3 c
Digital Switching - Central Office	2212.2	2,275,595	1,615,377	4 c
Digital Switching - Remote	2212.3	826,511	60,871	5 c
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	139,836		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,160,300	193,430	10 c
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	721,102	391,342	12 c
Aerial Cable - Nonmetallic	2421.1	1,185		13
Aerial Cable - Metallic	2421.2	423,701	21,377	14
Underground Cable - Nonmetallic	2422.1	27,163		15
Underground Cable - Metallic	2422.2	304,981		16
Buried Cable - Nonmetallic	2423.1	929,398	24,843	17
Buried Cable - Metallic	2423.2	7,035,246	1,130,793	18 c
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			31,203	1
2123.2			51,222	2
2212.1	248,473	(434,147)	85,571	3 c
2212.2	1,662,661	448,017	2,676,328	4 c
2212.3	109,313	(13,871)	764,198	5 c
2215.1			0	6
2215.2			0	7
2231.1	139,836		0	8
2231.2			0	9
2232.1	7,264	36,012	1,382,478	10 c
2232.2			0	11
2232.3		(34,297)	1,078,147	12 c
2421.1			1,185	13
2421.2	8,551		436,527	14
2422.1			27,163	15
2422.2			304,981	16
2423.1	25,970		928,271	17
2423.2	322,509	(1,708)	7,841,822	18 c
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	203,250	14.43	16,267	1
Aircraft	2113	35,217	.0	1,859	2B,C
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	257,900	7.14	18,301	5C
Buildings	2121	373,552	3.3	28,406	6
Furniture	2122	23,187	10.0	9,161	7
Office Equipment	2123	64,966	14.3	6,759	8
General Purpose Computers	2124	699,288	14.3	201,076	9C
Total-- GENERAL SUPPORT ASSETS		1,657,360		281,829	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	2,415,489	10.8	303,090	11C
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	139,836			14
Circuit Equipment	2232	964,190	8.66	154,159	15
Total-- CENTRAL OFFICE ASSETS		3,519,515		457,249	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	(1)	13.6		19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		(1)		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	87,368	11.7	9,898	21G
Aerial Cable	2421	202,335	7.0	30,317	22
Underground Cable	2422	70,309	4.4	14,616	23
Buried Cable	2423	2,311,430	4.92	402,459	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	68,107	12.5	6,481	28G

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	(6,684)		1,100		227,301	1
2113				(10,663)	26,413	2 B,C
2114					0	3
2115					0	4
2116	37,893			5,211	243,519	5 C
2121	738				401,220	6
2122	(362)				32,710	7
2123	0				71,725	8
2124	34,498			2,200	868,066	9 C
	66,083	0	1,100	(3,252)	1,870,954	
2211					0	10
2212	2,020,447		2,000	200,878	901,010	11 C
2215	0				0	12
2220					0	13
2231	139,836				0	14
2232	7,264				1,111,085	15
	2,167,547	0	2,000	200,878	2,012,095	
2311					0	16
2321					0	17
2341					0	18
2351					(1)	19
2362					0	20
	0	0	0	0	(1)	
2411	216				97,050	21 G
2421	8,551	1,138			222,963	22
2422	0				84,925	23
2423	348,479	1,818			2,363,592	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431	(35)	34			74,589	28 G

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	93,230	3.03	10,650	29
Total-- CABLE WIRE FACILITIES ASSETS		2,832,779		474,421	0
Total Accumulated Depreciation	3100	8,009,653		1,213,499	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				1,213,499	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441	9,278				94,602	29
	366,489	2,990	0	0	2,937,721	
3100	2,600,119	2,990	3,100	197,626	6,820,769	
3100					0	30
3100					6,820,769	

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	29,641	19.0		1
Company Communications Equipment	2123.2	35,325	14.3	6,759	2
Software	2212.1	248,645	33.33	37,008	3
Digital Switching - Central Office	2212.2	1,743,697	8.9799	204,930	4 c
Digital Switching - Remote	2212.3	423,147	7.85	61,152	5
Step by Step Switching	2215.1	0			6
Crossbar Switching	2215.2	0			7
Satellite and Earth Station Facilities	2231.1	139,836			8
Other Radio Facilities	2231.2	0			9
Digital Circuit Equipment	2232.1	497,371	8.91	84,810	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	466,819	8.3999	69,349	12
Aerial Cable - Nonmetallic	2421.1	55	5.33	60	13
Aerial Cable - Metallic	2421.2	202,280	7.0	30,257	14
Underground Cable - Nonmetallic	2422.1	1,429	4.4	1,200	15
Underground Cable - Metallic	2422.2	68,880	4.4	13,416	16
Buried Cable - Nonmetallic	2423.1	299,266	4.4	40,894	17
Buried Cable - Metallic	2423.2	2,012,164	5.0	361,565	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					29,641	1
2123.2					42,084	2
2212.1	248,473				37,180	3
2212.2	1,662,661		2,000	200,878	488,844	4 C
2212.3	109,313				374,986	5
2215.1					0	6
2215.2					0	7
2231.1	139,836				0	8
2231.2					0	9
2232.1	7,264				574,917	10
2232.2					0	11
2232.3					536,168	12
2421.1					115	13
2421.2	8,551	1,138			222,848	14
2422.1					2,629	15
2422.2					82,296	16
2423.1	25,970				314,190	17
2423.2	322,509	1,818			2,049,402	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	6,799,682	6,119,049	1
Changes:			
Balance Transferred from Income	558,061	680,633	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u><u>7,357,743</u></u>	<u><u>6,799,682</u></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)	2,038,612	1,816,424	2
Optional Extended Area Revenue (5002)	4,777	1,932	3
Cellular Mobile Revenue (5003)		0	4
Other Mobile Services Revenue (5004)		0	5
Public Telephone Revenue (5010)		(2)	6
Local Private Line Revenue (5040)	13,399	11,980	7
Customer Premises Revenue (5050)	7,784	1,270	8
Other Local Exchange Revenue (5060)	531,982	435,703	9 D
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	2,596,554	2,267,307	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	507,862	467,217	11
Switched Access Revenue (5082)*	1,319,264	1,317,141	12
Special Access Revenue (5083)*	120,660	46,790	13 E
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,947,786	1,831,148	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	875,617	826,444	15
Special Access Revenue (5084.3)*	673,752	546,253	16 E
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,549,369	1,372,697	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*		0	17
Long Distance Inward-Only Revenue (5111)		0	18
Long Distance Outward-Only Revenue (5112)		0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)		0	20
Voice Grade Revenue (5122)		0	21
Audio Program Grade Revenue (5123)		0	22
Video Program Grade Revenue (5124)		0	23
Digital Transmission Revenue (5125)		0	24
Switching Revenue (5126)		0	25
Other Revenue (5128)		0	26
Other Revenue Settlements (5129)		0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)		0	28
Other Long Distance Revenue Settlements (5169)		0	29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	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)*	228,003	219,363	30
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)		(215)	34
Customer Operations Revenue (5262)		0	35
Plant Operations Revenue (5263)		0	36
Other Incidental Regulated Revenue (5264)	11,204	7,847	37
Other Revenue Settlements (5269)	188	2,099	38
Total Miscellaneous Revenue (5260)	11,392	9,731	
Interstate Billing and Collection Revenue*	88,258	93,508	39
Intrastate Billing and Collection Revenue*	107,521	129,713	40
Total Carrier Billing and Collection Revenue (5270)*	195,779	223,221	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	435,174	452,315	
GROSS OPERATING REVENUES	6,528,883	5,923,467	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	18,296	17,028	43
Uncollectible Revenue--Other (5302)	234	0	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	18,530	17,028	
TOTAL OPERATING REVENUES	6,510,353	5,906,439	

** 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)	19,729	15,689	1
Less: Nonregulated		0	2
Net Regulated	19,729	15,689	3
Total General Support Expense (6120)	147,991	120,086	4
Less: Nonregulated		0	5 F
Net Regulated	147,991	120,086	6
Total Central Office Switching Expense (6210)	107,342	63,264	7
Less: Nonregulated		0	8 F
Net Regulated	107,342	63,264	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	93,913	58,024	13
Less: Nonregulated		0	14 F
Net Regulated	93,913	58,024	15
Total Information Orig. / Term. Expense (6310)		42	16
Less: Nonregulated		0	17
Net Regulated	0	42	18
Total Cable and Wire Fac. Expense (6410)	268,548	205,660	19
Less: Nonregulated		0	20 I
Net Regulated	268,548	205,660	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	637,523	462,765	
Less: Nonregulated	0	0	
Net Regulated	637,523	462,765	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	12,102	25,160	22
Less: Nonregulated		0	23
Net Regulated	12,102	25,160	24
Total Network Operations Expense (6530)	467,011	327,740	25
Less: Nonregulated		0	26 K
Net Regulated	467,011	327,740	27
Access Expense (6540)	65,494	45,371	28
Less: Nonregulated		0	29 L
Net Regulated	65,494	45,371	30
Total Depreciation and Amortization Expense (6560)	1,220,262	1,189,924	31
Less: Nonregulated		0	32
Net Regulated	1,220,262	1,189,924	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,764,869	1,588,195	
Less: Nonregulated	0	0	
Net Regulated	1,764,869	1,588,195	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	74,951	295,083	34
Less: Nonregulated		0	35 M
Net Regulated	74,951	295,083	36
<hr/>			
Total Services (6620)	977,756	871,953	37
Less: Nonregulated		0	38
Net Regulated	977,756	871,953	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	1,052,707	1,167,036	
Less: Nonregulated	0	0	
Net Regulated	1,052,707	1,167,036	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	267,625	249,674	40
Less: Nonregulated		0	41
Net Regulated	267,625	249,674	42
<hr/>			
Total General and Administrative (6720)	962,962	910,494	43
Less: Nonregulated		0	44
Net Regulated	962,962	910,494	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	1,230,587	1,160,168	
Less: Nonregulated	0	0	
Net Regulated	1,230,587	1,160,168	
<hr/>			
TOTAL EXPENSES	4,685,686	4,378,164	
Less: Nonregulated	0	0	
Net Regulated	4,685,686	4,378,164	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)	12,102	25,160	2 J
Total: Reported in Account 6510	12,102	25,160	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,204,705	1,187,814	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		251	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)	15,557	1,859	7
Total: Reported in Account 6560	1,220,262	1,189,924	

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	6,528,883	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	638	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):		8
<hr/>		
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u><u>6,529,521</u></u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	2,596,554	1
Plus: Total Intrastate Access Revenues (5084)	1,549,369	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
<hr/>		
Assessable Revenues for Universal Service Fund Assessment Purposes	<u><u>4,145,923</u></u>	

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	6,528,883	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	638	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):		8
<hr/>		
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u><u>6,529,521</u></u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	2,596,554	1
Plus: Total Intrastate Access Revenues (5084)	1,549,369	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		6
<hr/>		
Assessable Revenues for Universal Service Fund Assessment Purposes	<u><u>4,145,923</u></u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	638	4,930	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	14,765	(15,459)	2
Operating Federal Income Taxes (7220)	201,951	316,636	3
Operating State and Local Income Taxes (7230)	56,639	73,090	4
Operating Other Taxes (7240)	383,014	351,091	5
Provision for Deferred Operating Income Taxes--Net (7250)	183,336	(5,376)	6
TOTAL OPERATING TAXES (7200)	839,705	719,982	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	110	145	7
Interest Income (7320)	13,068	16,319	8
Income from Sinking and Other Funds (7330)		0	9
Allowance for Funds Used During Construction (7340)	30,324	8,414	10
Gains or (Losses) from the Disposition of Certain Property (7350)		0	11
Other Nonoperating Income (7360)	(485)	797	12
Special Charges (7370)	16,595	11,766	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	26,422	13,909	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	13,375	74	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	376,914	219,527	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)		0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	(63,672)	73,102	17

NONREGULATED ACTIVITIES

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

Nonregulated Activity	
(a)	
Sale, installation and maintenance of Direct Broadcast Sataellite (DBS)	1
Sale, leasing, installation and maintenance of 1 & 2 line phones	2
Sale, leasing, installation and maintenance of data modems	3
Sale, leasing, installation and maintenance of key systems	4
Sale, leasing, installation and maintenance of PBXs	5
Sales and leasing of mobile equipment where the tariff allows	6
Sales and leasing of pager equipment where the tariff allows	7

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange			1
Extended Area Service			2
Extended Community Calling			3
Other Local-Undefined	1,616	8,926	4
Total Local	1,616	8,926	
TOLL			
Toll	1,207	4,985	5
Total Toll	1,207	4,985	
Total Local & Toll	2,823	13,911	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.	24				3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	15,176	7,889	7,411	12	7
Feature Group D -- Term.	13,614	5,059	6,707	10	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	54	1
Strand miles of plant - fiber optics	954	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	4	6	1
56 kbps	16	11	2
64 kbps (DS0)	2	2	3
1.54 Mbps (DS-1)	22	11	4
45 Mbps (DS-3)			5 H
SONET OC-1			6 H
SONET OC-3			7 H
SONET OC-12			8 H
SONET OC-48			9 H
SONET OC-192			10 H

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	54	1
Strand miles of plant - fiber optics	954	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	4	6	1
56 kbps	16	11	2
64 kbps (DS0)	2	2	3
1.54 Mbps (DS-1)	22	11	4
45 Mbps (DS-3)			5 H
SONET OC-1			6 H
SONET OC-3			7 H
SONET OC-12			8 H
SONET OC-48			9 H
SONET OC-192			10 H

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	1,142	1,434	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	89	68	6
Centrex Trunks	5	0	7
Centrex Lines	259	317	8
Key System Trunks	441	428	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	2	2	12
Pay Telephone	10	0	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned	0	0	18
Other	0	0	19
Total Business Lines	1,948	2,249	20
Residential (Incl. Emp. Concess.)			
1 Party	8,040	8,694	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	13	13	25
Other	11	24	26
Total Residential Lines	8,064	8,731	27
Total Bus & Res Lines	10,012	10,980	28
Company Used Lines	137	188	29
Total Lines Used	10,149	11,168	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	18	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	189	283	7
Special Access-interLATA			8
(expressed in equiv. access lines)	360	550	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	432	418	13
TSPS - Trunks	12	14	14
EAS - Trunks	892	336	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
	14,592,108	16,033,593	27
Total Company Square Miles	158	158	28
Total Company Route Miles	387	394	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	3580	3760	5500		1
Business					2
1 Party	46	298	1,090		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	10	58		6
Centrex Trunks	0	0	0		7
Centrex Lines	5	97	215		8
Key System Trunks	4	68	356		9
Mobile (utility provided service)	0	0	0		10
Paging (utility provided service)	0	0	0		11
FX-Out (Switched)	0	2	0		12
Pay Telephone	0	0	0		13
Coin-Operated Pay Telephone	0	0	0		14
Independent Pay Telephone Provider	0	0	0		15
Pay Stations - Public	0	0	0		16
- Semi-Public	0	0	0		17
- Cust. Owned	0	0	0		18
Other	0	0	0		19
Total Business Lines	55	475	1,719	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	500	1,587	6,607		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	4	0	9		25
Other	1	7	16		26
Total Residential Lines	505	1,594	6,632	0	27
Total Bus & Res Lines	560	2,069	8,351	0	28
Company Used Lines	5	31	152		29
Total Lines Used	565	2,100	8,503	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	3580	3760	5500		1
Miscellaneous					2
WATS Lines - OutWATS	0	0	0		3
WATS Lines - 800 Service	0	0	0		4
FX-In-intraLATA	0	0	0		5
Special Access-intraLATA (equiv. access lines)	251	32	0		6 7
Special Access-interLATA (equiv. access lines)	495	30	25		8 9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	0	0	0		11
Feature Group C Trunks	0	0	0		12
Feature Group D Trunks	0	96	322		13
TSPS - Trunks	0	6	8		14
EAS - Trunks	0	168	168		15
Cellular Trunks (Pub. Sw. Net.)	0	0	0		16
Video Distance Learning - discounted (special tariff)	0	0	0		17 18
Customers					19
Business - 2 Party Customers	0	0	0		20
Business - 4 Party Customers	0	0	0		21
Residential - 2 Party Customers	0	0	0		22
Residential - 4 Party Customers	0	0	0		23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical location of plant)	1,478,323	3,218,944	11,336,326		26 27
Exchange Square Miles	42	70	46		28
Exchange Route Miles	85	125	184		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
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

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
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EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	MOUNT VERNON	NEW GLARUS	VERONA		1
PSCW Exchange ID	3580	3760	5500		2
Central Office Name	MOUNT VERNON	NEW GLARUS	VERONA		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	SI	ATT	SI		5
Year COE Installed	1999	1991	1999		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	R	R	H		8
Remote Host PSCW Exchange ID	5500	5500			9
Remote Host PSCW Central Office ID	1	1	0		10
COE Generic Software Release No.	16.0	RMT	16.0		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	565	2,100	8,503		14
- Equipped	800	2,300	10,560		15
- Wired	891	2,500	12,176		16
Trunks - In Use	0	247	900		17
- Equipped	0	394	1,392		18
- Wired	0	394	1,512		19
ISDN Available?	Yes	Yes	Yes		20
ISDN Lines - In Use (BRI)	2	14	37		21
- In Use (PRI)	0	0	2		22
Switched 56 Service?	No	Yes	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	4	44	494		25
DS-3 - In Use	1	3	19		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0	0		32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	44	16	116		33
No. of fiber strands working (LIT) in C.O.	16	16	38		34
No. of fiber strands for interoffice use	8	0	43		35
Miles of fiber sheath in wire center	14	8	32		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

Schedule Footnotes

Schedule Line Footnotes

- A)** Contact john Erpenbach at (608) 664-4289 with questions on page 47, page 48, page49 Special Access Circuits only, page 50, page 51 lines 1-9, page 52 and page 53 lines 1-9. Contact Dave Esser at (608) 664-4530 with questions on page 49 Outside Plant only, page 51 lines 10-30, page 53 lines 10-30 and page 55.
- B)** The dollars showing in a/c 2113-Aircraft actually consist of general support assets under \$2,000 and are the result of the FCC docket No. 95-60 for accounting and reporting general support assets under \$2,000.
- C)** Amounts listed on pages 23 and 25, in column (g) and pages 27 and 29, column (k) are reclasses between accounts or transfers with affiliates.
- D)** The increase in other local exchange revenue is due to the growth in services such as voice mail and custom calling services.
- E)** Increase in 1999 is due to increase in the number of special access circuits.
- F)** General remodeling to for business office and to accomodate a new switch.
- G)** Adjustment to depreciation in 1999 to change rates as approved by the Public Service Commision of Wisconsin.
- H)** Currently there are no circuits of this type is use.
 - I)** Cable and wire expense are up in 1999 due to an increase in outside cable maintenance projects.
 - J)** 1998 included an adjustment to inventory.
 - K)** Planning due to network growth.
 - L)** Expenses in 1999 included increase in payments to USAC for the schools and libraries fund and also to the TEACH program in Wisconsin.
- M)** 1999 has lower expense due to the reduction of number of employees in marketing.