



4004

ANNUAL REPORT

OF

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

Utility Web Site Address:

When was utility organized?: 06/01/1905

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR JOHN ERPENBACH
Title: ACCOUNTING MANAGER

Office Address: 301 S WESTFIELD ROAD
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Individual or firm, if other than utility employee, preparing this report

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Person responsible for financial information contained in report

Name: MR JOHN ERPENBACH
Title: ACCOUNTING MANAGER

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

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:

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IDENTIFICATION AND OWNERSHIP

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

Name: TDS TELECOMMUNICATIONS CORPORATION
Address: 301 S. WESTFIELD ROAD
MADISON , WI 53705

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

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,058,591	973,831	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	70,666	52,789	2
Plant Nonspecific Operations Expense	311,809	287,608	3
Customer Operations Expense (6610-6620)	207,516	96,029	4
Corporate Operations Expense (6710-6790)	179,899	284,688	5
Other Operating Income and Expense (7100)	481	(1,315)	6
Operating Taxes (7200)	135,146	120,889	7
Total Operating Expenses	904,555	843,318	8
Net Operating Income	154,036	130,513	9
Other Income			
Nonoperating Income and Expense (7300)	11,390	5,571	10
Nonoperating Taxes (7400)	401	1,041	11
Interest and Related Items (7500)	49,291	50,348	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(6,572)	9,833	14
Total Nonoperating Income	(44,874)	(35,985)	15
Net Income	109,162	94,528	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 \$175,000 with Telecommunications Technologies Fund, Inc., and could distribute up to \$226,358 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)	154,857	163,893	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)	350	350	4
Temporary Investments (1160)	175,000	0	5
TOTAL CASH AND EQUIVALENTS	330,207	164,243	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	31,978	32,065	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	31,978	32,065	
Other Accounts Receivable (1190)*	113,166	116,636	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	113,166	116,636	
Notes Receivable (1200)*		0	10
Notes Receivable Allowance (1201)*		0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	673	690	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	145,817	149,391	
SUPPLIES			
Inventories (1220)*	12,109	13,966	13
TOTAL SUPPLIES	12,109	13,966	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)	906	959	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)	676	685	18
Other Prepayments (1330)	5,518	7,326	19
TOTAL PREPAYMENTS	7,100	8,970	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	30	30	20
TOTAL OTHER CURRENT ASSETS	30	30	
TOTAL CURRENT ASSETS	495,263	336,600	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
RTB Class B Stock (1402)*	7,540	7,540	22
Other Investments in Nonaffiliated Companies (1402)*	2,000	2,000	23
Nonregulated Investments (1406)*	4,974	3,392	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	14,514	12,932	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	6,474	8,116	28
Deferred Maintenance and Retirements (1438)*		0	29
Deferred Charges (1439)*	2,739	4,699	30
TOTAL DEFERRED CHARGES	9,213	12,815	
TOTAL NONCURRENT ASSETS	23,727	25,747	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	3,597,750	3,454,571	31
Less: Accumulated Depreciation (3100)*	1,814,204	1,576,306	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	1,783,546	1,878,265	
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)*	7,415	13,380	40
TOTAL TPUC	7,415	13,380	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	41
Less: Accumulated Amortization--Other (3600)*		0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,790,961	1,891,645	
TOTAL ASSETS AND OTHER DEBITS	2,309,951	2,253,992	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	85,627	89,261	1
Notes Payable (4020)*		0	2
Advance Billing and Payments (4030)*		0	3
Customer Deposits (4040)*	40	40	4
Current Maturities--Long-Term Debt (4050)*	30,963	29,648	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	15,302	12,336	7
Other Taxes--Accrued (4080)*	4,602	2,288	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	2,855	19,310	11
Other Current Liabilities (4130)*	13,082	11,515	12
TOTAL CURRENT LIABILITIES	152,471	164,398	
LONG-TERM DEBT			
Funded Debt (4210)*	927,210	958,234	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	927,210	958,234	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	(357)	25	20
Unamortized Operating ITC--Net (4320)*		0	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	139,124	147,345	23
Net Deferred Tax Liability Adjustments (4341)*	6,474	8,116	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		0	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	145,241	155,486	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	104,910	104,910	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*		0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	980,115	870,949	32
TOTAL STOCKHOLDERS' EQUITY	1,085,025	975,859	
TOTAL LIABILITIES AND OTHER CREDITS	2,309,947	2,253,977	

IMPORTANT CHANGES DURING THE YEAR

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

None

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)	
Badger Telecom, Inc.	BADGER	1
Central State Telephone Company	CENTRAL	2
Central Region-Telephone System Service Division, Inc.	CR-TSSD	3
Grantland Telephone Company	GRANTLAND	4
Mt. Vernon Telephone Company	MT VERNON	5
Other	OTH	6
Riverside Telecom, Inc.	RIVERSIDE	7
Suttle Press, Inc.	SUTTLE	8
TDS Corporate	TDS CORP	9
TDS Computing Services, Inc.	TDS/CS	10
TDS TELECOMMUNICATIONS, INC.	TDS-TEL	11
Telephone System Service Division, Inc.	TSSD	12
Waunakee Telephone Company	WAUNAKEE	13

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	MT VERNON	OTH	OTH	TDS CORP		1
Designate whether billed to or from:	FROM	FROM	TO	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C		3
Total Dollar Activity	40,523	16,928	14,156	23,573		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	0.00		0.00		6
Footnotes						

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	0005TI000124	0005TI000124				
Name of Affiliate	TDS/CS	TDS-TEL				1
Designate whether billed to or from:	FROM	FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C				3
Total Dollar Activity	45,382	356,136				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	0.00				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)	
Other	1160	175,000	1
TDS TELECOMMUNICATIONS, INC.	1190	40,346	2
TDS TELECOMMUNICATIONS, INC.	4010	57,001	3 c

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	19,349		1 B
Motor Vehicles	2112	13,819		2
Aircraft	2113	12,081		3 B
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	50,752		6 B
Buildings	2121	90,314		7 B
Furniture	2122	0		8
Office Equipment	2123	6,089	0	9
General Purpose Computers	2124	315,212	42,742	10 B
TOTAL--GENERAL SUPPORT ASSETS:		507,616	42,742	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	659,508	32,634	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	428,268	1,645	16 B
TOTAL--CENTRAL OFFICE ASSETS:		1,087,776	34,279	
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	4,299		22
Aerial Cable	2421	11,029	0	23
Underground Cable	2422	8,996	0	24
Buried Cable	2423	1,717,847	56,153	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	3,579		29
Conduit Systems	2441	113,430		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,859,180	56,153	
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		2,000	21,349	1 B
2112			13,819	2
2113		(3,020)	9,061	3 B
2114			0	4
2115			0	5
2116	2,392	(6,948)	41,412	6 B
2121		22,731	113,045	7 B
2122			0	8
2123	0	0	6,089	9
2124	15,257	14,767	357,464	10 B
	17,649	29,530	562,239	
2211			0	11
2212	0	0	692,142	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	(78)	429,835	16 B
	0	(78)	1,121,977	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			4,299	22
2421	0	0	11,029	23
2422	0	0	8,996	24
2423	1,799	0	1,772,201	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			3,579	29
2441			113,430	30
	1,799	0	1,913,534	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	3,454,572	133,174
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	
	19,448	29,452	3,597,750	
2001			0	34
			3,597,750	

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	0		1
Company Communications Equipment	2123.2	6,089		2
Software	2212.1	49,842		3
Digital Switching - Central Office	2212.2	609,666	13,515	4
Digital Switching - Remote	2212.3	0	19,119	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	356,281	1,645	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	71,987		12 B
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	11,029		14
Underground Cable - Nonmetallic	2422.1	6,108		15
Underground Cable - Metallic	2422.2	2,888		16
Buried Cable - Nonmetallic	2423.1	157,141	9,212	17
Buried Cable - Metallic	2423.2	1,560,706	46,941	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			0	1
2123.2			6,089	2
2212.1			49,842	3
2212.2			623,181	4
2212.3			19,119	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			357,926	10
2232.2			0	11
2232.3		(78)	71,909	12 B
2421.1			0	13
2421.2			11,029	14
2422.1			6,108	15
2422.2			2,888	16
2423.1			166,353	17
2423.2	1,799		1,605,848	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	12,437	11.43		1
Aircraft	2113	7,113	.0	1,242	2B
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	43,169	7.14	8,090	5B
Buildings	2121	39,938	3.3	3,664	6B
Furniture	2122	0	10.0		7
Office Equipment	2123	6,089	14.3	798	8B
General Purpose Computers	2124	171,004	14.0	47,016	9B
Total-- GENERAL SUPPORT ASSETS		279,750		60,810	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	537,881	8.3500	51,341	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	274,415	8.3999	35,481	15
Total-- CENTRAL OFFICE ASSETS		812,296		86,822	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	13.6		19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	(1,197)	10.0	(16)	21B
Aerial Cable	2421	(13,487)	6.0	660	22B
Underground Cable	2422	1,500	4.4	396	23
Buried Cable	2423	486,136	4.98	86,095	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	1,274	19.0	684	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					12,437	1
2113				(3,020)	5,335	2 B
2114					0	3
2115					0	4
2116	2,392			(5,211)	43,656	5 B
2121				1,563	45,165	6 B
2122					0	7
2123	0				6,887	8 B
2124	15,257			400	203,163	9 B
	17,649	0	0	(6,268)	316,643	
2211					0	10
2212	0				589,222	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				309,896	15
	0	0	0	0	899,118	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411				8,126	6,913	21 B
2421	0			16,605	3,778	22 B
2422	0				1,896	23
2423	1,799				570,432	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					1,958	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	10,034	3.03	3,432	29
Total-- CABLE WIRE FACILITIES ASSETS		484,260		91,251	0
Total Accumulated Depreciation	3100	1,576,306		238,883	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				238,883	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					13,466	29
	1,799	0	0	24,731	598,443	
3100	19,448	0	0	18,463	1,814,204	
3100					0	30
3100					1,814,204	

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	0	19.0		1
Company Communications Equipment	2123.2	6,089	14.3	798	2 G
Software	2212.1	49,841	25.0	11,422	3 G
Digital Switching - Central Office	2212.2	488,040	6.53	39,796	4
Digital Switching - Remote	2212.3	0	7.85	123	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	240,429	8.3999	29,435	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	33,986	8.3999	6,046	12
Aerial Cable - Nonmetallic	2421.1	0	4.8		13
Aerial Cable - Metallic	2421.2	(13,487)	6.0	660	14 B
Underground Cable - Nonmetallic	2422.1	947	4.4	264	15
Underground Cable - Metallic	2422.2	553	4.4	132	16
Buried Cable - Nonmetallic	2423.1	40,538	4.8	7,548	17
Buried Cable - Metallic	2423.2	445,598	5.0	78,547	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					0	1
2123.2					6,887	2 G
2212.1					61,263	3 G
2212.2					527,836	4
2212.3					123	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					269,864	10
2232.2					0	11
2232.3					40,032	12
2421.1					0	13
2421.2				16,605	3,778	14 B
2422.1					1,211	15
2422.2					685	16
2423.1					48,086	17
2423.2	1,799				522,346	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

NET DEFERRED OPERATING INCOME TAXES (ACCT. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)

This schedule should be used to report the deferred operating income tax portion of the stated accounts. Credit amounts should be shown in ().

Particulars (a)	Balance EOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Deferred Tax Regulatory Asset (1437)	6,474	3
Net Current Deferred Operating Income Taxes (4100)		4
Net Noncurrent Deferred Operating Income Taxes (4340)	(140,074)	5
Net Deferred Tax Liability Adjustments (4341)	(6,474)	6
Deferred Tax Regulatory Liability (4361)		7
Net Property Related Deferred Operating Income Taxes	(140,074)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(140,074)	
NONPROPERTY RELATED		
Other Current Assets (1350)	30	9
Other Noncurrent Assets (1410)		10
Deferred Tax Regulatory Asset (1437)		11
Net Current Deferred Operating Income Taxes (4100)		12
Net Noncurrent Deferred Operating Income Taxes (4340)	950	13
Net Deferred Tax Liability Adjustments (4341)		14
Deferred Tax Regulatory Liability (4361)		15
Total Nonproperty Related Deferred Operating Income Taxes	980	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	870,953	789,825	1
Changes:			
Balance Transferred from Income	109,162	94,528	2
Dividends Declared:			
Common		13,400	3
Preferred		0	4
Total Dividends Declared	0	13,400	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>980,115</u>	<u>870,953</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)	400,295	368,126	2
Optional Extended Area Revenue (5002)	724	333	3
Cellular Mobile Revenue (5003)		0	4
Other Mobile Services Revenue (5004)		0	5
Public Telephone Revenue (5010)		0	6
Local Private Line Revenue (5040)	4,848	6,165	7
Customer Premises Revenue (5050)	48	13	8
Other Local Exchange Revenue (5060)	61,761	53,396	9
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	467,676	428,033	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	70,423	68,195	11
Switched Access Revenue (5082)*	265,916	260,231	12
Special Access Revenue (5083)*	4,144	2,064	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	340,483	330,490	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	120,447	116,469	15
Special Access Revenue (5084.3)*	55,827	37,147	16 D
TOTAL INTRASTATE ACCESS REVENUES (5084)	176,274	153,616	
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)*	46,510	32,060	30 E
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)		(197)	34
Customer Operations Revenue (5262)		0	35
Plant Operations Revenue (5263)		0	36
Other Incidental Regulated Revenue (5264)	3,284	2,399	37
Other Revenue Settlements (5269)	59	320	38
Total Miscellaneous Revenue (5260)	3,343	2,522	
Interstate Billing and Collection Revenue*	11,219	12,859	39
Intrastate Billing and Collection Revenue*	14,973	17,792	40
Total Carrier Billing and Collection Revenue (5270)*	26,192	30,651	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	76,045	65,233	
GROSS OPERATING REVENUES	1,060,478	977,372	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	1,887	3,540	43
Uncollectible Revenue--Other (5302)		1	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,887	3,541	
TOTAL OPERATING REVENUES	1,058,591	973,831	

** 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)	1,524	3,429	1
Less: Nonregulated		0	2
Net Regulated	1,524	3,429	3
Total General Support Expense (6120)	12,474	10,377	4
Less: Nonregulated		0	5
Net Regulated	12,474	10,377	6
Total Central Office Switching Expense (6210)	26,142	17,143	7
Less: Nonregulated		0	8 N
Net Regulated	26,142	17,143	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	6,606	5,244	13
Less: Nonregulated		0	14
Net Regulated	6,606	5,244	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	23,920	16,596	19
Less: Nonregulated		0	20 o
Net Regulated	23,920	16,596	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	70,666	52,789	
Less: Nonregulated	0	0	
Net Regulated	70,666	52,789	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	776	1,766	22
Less: Nonregulated		0	23
Net Regulated	776	1,766	24
Total Network Operations Expense (6530)	67,761	61,186	25
Less: Nonregulated		0	26
Net Regulated	67,761	61,186	27
Access Expense (6540)	4,819	455	28
Less: Nonregulated		0	29
Net Regulated	4,819	455	30
Total Depreciation and Amortization Expense (6560)	238,453	224,201	31
Less: Nonregulated		0	32
Net Regulated	238,453	224,201	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	311,809	287,608	
Less: Nonregulated	0	0	
Net Regulated	311,809	287,608	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	59,749	60,439	34
Less: Nonregulated		0	35
Net Regulated	59,749	60,439	36
<hr/>			
Total Services (6620)	147,767	35,590	37
Less: Nonregulated		0	38 P
Net Regulated	147,767	35,590	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	207,516	96,029	
Less: Nonregulated	0	0	
Net Regulated	207,516	96,029	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	25,693	119,667	40
Less: Nonregulated		0	41 P
Net Regulated	25,693	119,667	42
<hr/>			
Total General and Administrative (6720)	154,206	165,021	43
Less: Nonregulated		0	44
Net Regulated	154,206	165,021	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	179,899	284,688	
Less: Nonregulated	0	0	
Net Regulated	179,899	284,688	
<hr/>			
TOTAL EXPENSES	769,890	721,114	
Less: Nonregulated	0	0	
Net Regulated	769,890	721,114	

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)	776	1,766	2
Total: Reported in Account 6510	776	1,766	
Depreciat. Exp.--Tele. Plant in Service (6561)	237,211	222,959	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)	1,242	1,242	7
Total: Reported in Account 6560	238,453	224,201	

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	1,060,478	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)	481	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
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,060,959</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	467,676	1
Plus: Total Intrastate Access Revenues (5084)	176,274	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
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>643,950</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	1,060,478	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)	481	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
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,060,959</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	467,676	1
Plus: Total Intrastate Access Revenues (5084)	176,274	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
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>643,950</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	481	(1,315)	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)		60	2
Operating Federal Income Taxes (7220)	66,479	55,266	3
Operating State and Local Income Taxes (7230)	16,270	14,397	4
Operating Other Taxes (7240)	60,623	57,896	5
Provision for Deferred Operating Income Taxes--Net (7250)	(8,226)	(6,730)	6
TOTAL OPERATING TAXES (7200)	135,146	120,889	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	110	145	7
Interest Income (7320)	13,749	6,901	8
Income from Sinking and Other Funds (7330)		0	9
Allowance for Funds Used During Construction (7340)		0	10
Gains or (Losses) from the Disposition of Certain Property (7350)		0	11
Other Nonoperating Income (7360)		0	12
Special Charges (7370)	2,469	1,475	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	11,390	5,571	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	401	1,041	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	49,291	50,348	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)		0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	(6,572)	9,833	17

NONREGULATED ACTIVITIES

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

Nonregulated Activity (a)	
Sale, installaion and maintenance of Direct Broadcast Satelite (DBS)	1
Sale, leaseing, installaion and maintenance of 1& 2 line phones	2
Sale, leaseing, installaion and maintenance of data modems	3
Sale, leaseing, installaion and maintenance of key systems	4
Sale, leaseing, installaion 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

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	55,148	1
All Other Accounts	28,629	2
Total Salaries and Wages	<u>83,777</u>	3

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 F
Extended Area Service			2 F
Extended Community Calling			3 F
Other Local-Undefined			4 F
Total Local	0	0	
TOLL			
Toll	90	371	5
Total Toll	90	371	
Total Local & Toll	90	371	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.	3				3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	1,380	649	751	1	7
Feature Group D -- Term.	1,194	436	707	1	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	11	1
Strand miles of plant - fiber optics	177	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade		2	1 H
56 kbps		2	2 H
64 kbps (DS0)			3 H
1.54 Mbps (DS-1)	1	3	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	11	1
Strand miles of plant - fiber optics	177	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade		2	1 H
56 kbps		2	2 H
64 kbps (DS0)			3 H
1.54 Mbps (DS-1)	1	3	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	120	139	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	163	168	8
Key System Trunks	18	19	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	15	7	12
Pay Telephone	4	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	320	333	20
Residential (Incl. Emp. Concess.)			
1 Party	1,207	1,235	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	24	21	25
Other	0	0	26
Total Residential Lines	1,231	1,256	27
Total Bus & Res Lines	1,551	1,589	28
Company Used Lines	22	24	29
Total Lines Used	1,573	1,613	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	0	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	28	76	7
Special Access-interLATA			8
(expressed in equiv. access lines)	25	24	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	0	0	12
Feature Group D Trunks	60	84	13
TSPS - Trunks	6	6	14
EAS - Trunks	168	250	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)	2,946,954	3,035,508	27
Total Company Square Miles	62	62	28
Total Company Route Miles	122	123	29
Footnotes			30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0530				1
Business					
1 Party	139				2
2 Party	0				3
4 Party	0				4
PBX Trunks/System Trunks	0				5
Centrex Trunks	0				6
Centrex Lines	168				7
Key System Trunks	19				8
Mobile (utility provided service)	0				9
Paging (utility provided service)	0				10
FX-Out (Switched)	7				11
Pay Telephone	0				12
Coin-Operated Pay Telephone	0				13
Independent Pay Telephone Provider	0				14
Pay Stations - Public	0				15
- Semi-Public	0				16
- Cust. Owned	0				17
Other	0				18
Total Business Lines	333	0	0	0	19
Residential (Incl. Emp. Concess.)					
1 Party	1,235				20
2 Party	0				21
4 Party	0				22
FX-Out (Switched)	21				23
Other	0				24
Total Residential Lines	1,256	0	0	0	25
Total Bus & Res Lines	1,589	0	0	0	26
Company Used Lines	24				27
Total Lines Used	1,613	0	0	0	28

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0530				1
Miscellaneous					2
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	0				5
Special Access-intraLATA					6
(equiv. access lines)	76				7
Special Access-interLATA					8
(equiv. access lines)	24				9
Feature Group A Lines	0				10
Feature Group B Trunks	0				11
Feature Group C Trunks	0				12
Feature Group D Trunks	84				13
TSPS - Trunks	6				14
EAS - Trunks	250				15
Cellular Trunks (Pub. Sw. Net.)	0				16
Video Distance Learning					17
- discounted (special tariff)	0				18
Customers					19
Business - 2 Party Customers	0				20
Business - 4 Party Customers	0				21
Residential - 2 Party Customers	0				22
Residential - 4 Party Customers	0				23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	3,035,508				27
Exchange Square Miles	62				28
Exchange Route Miles	123				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
ATTC	ATT	2
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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	BLACK EARTH				1
PSCW Exchange ID	0530				2
Central Office Name	BLACK EARTH				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	SC				5
Year COE Installed	1991				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	S				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID					10
COE Generic Software Release No.	20				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	1,607				14
- Equipped	1,725				15
- Wired	1,725				16
Trunks - In Use	234				17
- Equipped	384				18
- Wired	384				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	15				25
DS-3 - In Use	2				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	56				33
No. of fiber strands working (LIT) in C.O.	12				34
No. of fiber strands for interoffice use	110				35
Miles of fiber sheath in wire center	11				36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON				37
- PSCW C.O. ID	3080-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	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, page 49 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)** 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.
- C)** Federal Income Taxes due to parent recorded in a/c 40701.
- D)** Increase in Special access circuits.
- E)** Increase in directory revenues due to national directory assistance.
- F)** No data available
- G)** Depreciation rates were adjusted downward as of December 1999 for all of 1999. These rate adjustments were approved by the Public Service Commission of Wisconsin,
- H)** No circuits of this type are currently in use.
- M)** No data available.
- N)** Increase in 1999 due to switch repairs.
- O)** Adjustment to inventory in 1998 makes 1999 look higher in expense.
- p)** Change in wages for consulting work during virtual business office implementation. Also Executive time decreased during 1999 due to an open position in 1999.