



4004

ANNUAL REPORT

OF

Name: VERNON TELEPHONE COOPERATIVE

Principal Office: 103 N MAIN ST
P.O. BOX 20
WESTBY, WI 54667-0020

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: VERNON TELEPHONE COOPERATIVE
Utility Location: 103 N MAIN ST
P.O. BOX 20
WESTBY, WI 54667-0020

Utility Web Site Address:

When was utility organized?: 10/22/1952

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR SCOTT E . HAAKENSON
Title: ACCOUNTANT

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

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

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

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MR SCOTT E . HAAKENSON
Title: ACCOUNTANT

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

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

Person responsible for statistical information contained in report

Name: MR KURT C . HAUGE
Title: PLANT MANAGER

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

Fax Number: (608) 634 - 2000
Telephone Number: (608) 634 - 3136 EXT 222
Email Address:

IDENTIFICATION AND OWNERSHIP

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

Name: N/A
Address: N/A
PO BOX N/A
N/A , WI 54667
Number of Shares Held:
Beneficial Owner: NONE

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

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

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	4,683,119	4,352,052	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	715,024	607,846	2
Plant Nonspecific Operations Expense	1,879,319	1,726,523	3
Customer Operations Expense (6610-6620)	324,839	342,975	4
Corporate Operations Expense (6710-6790)	690,339	595,563	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	465,193	486,412	7
Total Operating Expenses	4,074,714	3,759,319	8
Net Operating Income	608,405	592,733	9
Other Income			
Nonoperating Income and Expense (7300)	143,880	76,555	10
Nonoperating Taxes (7400)	33,354	7,359	11
Interest and Related Items (7500)	158,227	174,450	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	98,986	101,043	14
Total Nonoperating Income	51,285	(4,211)	15
Net Income	659,690	588,522	16

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*			1
Cash (1130)	683,349	734,314	2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)	350	350	4
Temporary Investments (1160)	1,286,151	774,783	5
TOTAL CASH AND EQUIVALENTS	1,969,850	1,509,447	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	257,050	270,345	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	257,050	270,345	
Other Accounts Receivable (1190)*	641,627	626,909	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	641,627	626,909	
Notes Receivable (1200)*			10
Notes Receivable Allowance (1201)*			11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	1,474	7,717	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	900,151	904,971	
SUPPLIES			
Inventories (1220)*	72,139	122,966	13
TOTAL SUPPLIES	72,139	122,966	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)	324	108	15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)	11,087	12,637	17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)	42,091	46,741	19
TOTAL PREPAYMENTS	53,502	59,486	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	2,995,642	2,596,870	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*			21
RTB Class B Stock (1402)*			22
Other Investments in Nonaffiliated Companies (1402)*	260,839	651,549	23
Nonregulated Investments (1406)*	213,854	194,971	24
Unamortized Debt Issuance Expense (1407)*			25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Sinking Funds (1408)*			26
Other Noncurrent Assets (1410)*	23,520	71,010	27
TOTAL INVESTMENTS	498,213	917,530	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*			28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*	126,084	138,038	30
TOTAL DEFERRED CHARGES	126,084	138,038	
TOTAL NONCURRENT ASSETS	624,297	1,055,568	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	19,871,714	18,331,300	31
Less: Accumulated Depreciation (3100)*	12,546,736	11,565,432	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	7,324,978	6,765,868	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	742,743	1,143,895	40
TOTAL TPUC	742,743	1,143,895	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	8,067,721	7,909,763	
TOTAL ASSETS AND OTHER DEBITS	11,687,660	11,562,201	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	568,622	635,290	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*	1,687	1,687	3
Customer Deposits (4040)*			4
Current Maturities--Long-Term Debt (4050)*	248,200	231,800	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	55,118	117,731	7
Other Taxes--Accrued (4080)*	(5,532)	(609)	8
Net Current Deferred Operating Income Taxes (4100)*			9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	2,713	60,107	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	870,808	1,046,006	
LONG-TERM DEBT			
Funded Debt (4210)*	2,930,001	3,184,803	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*			18
Other Long-Term Debt (4270)*			19
TOTAL LONG-TERM DEBT	2,930,001	3,184,803	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	1,808,932	1,565,354	20
Unamortized Operating ITC--Net (4320)*			21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*			23
Net Deferred Tax Liability Adjustments (4341)*			24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	357,126	417,485	26
Deferred Tax Regulatory Liability (4361)*			27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	2,166,058	1,982,839	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	76,590	149,909	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*	5,644,203	5,198,644	31
Retained Earnings (4550)*	0	0	32
TOTAL STOCKHOLDERS' EQUITY	5,720,793	5,348,553	
TOTAL LIABILITIES AND OTHER CREDITS	11,687,660	11,562,201	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	241,719		1 D
Motor Vehicles	2112	330,168	76,617	2 A
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	7,764	523	5
Other Work Equipment	2116	339,244	3,890	6
Buildings	2121	1,211,340	75,431	7
Furniture	2122	33,341	1,266	8
Office Equipment	2123	92,671	1,996	9
General Purpose Computers	2124	436,663	124,314	10
TOTAL--GENERAL SUPPORT ASSETS:		2,692,910	284,037	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	5,331,423	666,549	12 A
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	105,258	0	15
Circuit Equipment	2232	1,010,193	506,389	16
TOTAL--CENTRAL OFFICE ASSETS:		6,446,874	1,172,938	
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	24,920		22
Aerial Cable	2421	79,295	60	23
Underground Cable	2422	78,334	0	24
Buried Cable	2423	8,775,127	1,008,325	25 A
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	17,563	704	29
Conduit Systems	2441	216,277		30 D
TOTAL--CABLE WIRE FACILITIES ASSETS:		9,191,516	1,009,089	
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		(1)	241,718	1 D
2112	11,542	554	395,797	2 A
2113			0	3
2114			0	4
2115			8,287	5
2116			343,134	6
2121			1,286,771	7
2122			34,607	8
2123	0	0	94,667	9
2124			560,977	10
	11,542	553	2,965,958	
2211			0	11
2212	474,930	(32,420)	5,490,622	12 A
2215	0	0	0	13
2220			0	14
2231	68,137	0	37,121	15
2232	214,383	0	1,302,199	16
	757,450	(32,420)	6,829,942	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411	228		24,692	22
2421	0	0	79,355	23
2422	0	0	78,334	24
2423	135,055	10,493	9,658,890	25 A
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			18,267	29
2441		(1)	216,276	30 D
	135,283	10,492	10,075,814	
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	18,331,300	2,466,064
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	
	904,275	(21,375)	19,871,714	
2001			0	34
			19,871,714	

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	61,675	1,044	1
Company Communications Equipment	2123.2	30,996	952	2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	5,172,976	500,220	4 A
Digital Switching - Remote	2212.3	158,447	166,329	5 A
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	23,646		8
Other Radio Facilities	2231.2	81,612		9
Digital Circuit Equipment	2232.1	206,332	33,925	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	803,861	472,464	12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	79,295	60	14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	78,334		16
Buried Cable - Nonmetallic	2423.1	2,051,821	335,565	17 A
Buried Cable - Metallic	2423.2	6,723,306	672,760	18 A
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			62,719	1
2123.2			31,948	2
2212.1			0	3
2212.2	349,954	(91,136)	5,232,106	4 A
2212.3	124,976	58,716	258,516	5 A
2215.1			0	6
2215.2			0	7
2231.1			23,646	8
2231.2	68,137		13,475	9
2232.1	58,138		182,119	10
2232.2			0	11
2232.3	156,245		1,120,080	12
2421.1			0	13
2421.2			79,355	14
2422.1			0	15
2422.2			78,334	16
2423.1	806	12,064	2,398,644	17 A
2423.2	134,249	(1,571)	7,260,246	18 A
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	245,678		56,838	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	5,548		657	4
Other Work Equipment	2116	280,176		32,273	5
Buildings	2121	641,619		41,175	6
Furniture	2122	29,598		2,013	7
Office Equipment	2123	48,615		6,339	8
General Purpose Computers	2124	238,234		98,298	26,407 9
Total-- GENERAL SUPPORT ASSETS		1,489,468		237,593	26,407
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	4,458,308		682,126	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	87,727		3,487	225 14
Circuit Equipment	2232	321,288		108,028	21,307 15D
Total-- CENTRAL OFFICE ASSETS		4,867,323		793,641	21,532
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	24,920		171	21F
Aerial Cable	2421	77,706		1,649	22
Underground Cable	2422	36,844		3,916	23
Buried Cable	2423	5,017,693		536,164	15,891 24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	14,367		1,506	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	11,542		650		291,624	1
2113					0	2
2114					0	3
2115					6,205	4
2116					312,449	5
2121					682,794	6
2122					31,611	7
2123	0				54,954	8
2124					362,939	9
	11,542	0	650	0	1,742,576	
2211					0	10
2212	474,930	2,719	88,669	0	4,751,454	11
2215	0				0	12
2220					0	13
2231	68,137				23,302	14
2232	214,383	259		153,198	389,179	15 D
	757,450	2,978	88,669	153,198	5,163,935	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411	228				24,863	21 F
2421	0				79,355	22
2422	0				40,760	23
2423	135,055				5,434,693	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					15,873	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	37,111		5,406	2,164 29
Total-- CABLE WIRE FACILITIES ASSETS		5,208,641		548,812	18,055
Total Accumulated Depreciation	3100	11,565,432		1,580,046	65,994
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				1,580,046	65,994

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					44,681	29
	135,283	0	0	0	5,640,225	
3100	904,275	2,978	89,319	153,198	12,546,736	
3100					0	30
3100					12,546,736	

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	17,619		5,388		1
Company Communications Equipment	2123.2	30,996		951		2
Software	2212.1	0				3
Digital Switching - Central Office	2212.2	4,386,584		623,343		4 B
Digital Switching - Remote	2212.3	71,724		58,783		5 B
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	16,892		2,365		8
Other Radio Facilities	2231.2	70,835		1,122	225	9
Digital Circuit Equipment	2232.1	190,107		17,746		10 C
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	131,181		90,282	21,307	12 E
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	77,706		1,649		14
Underground Cable - Nonmetallic	2422.1	0				15
Underground Cable - Metallic	2422.2	36,844		3,916		16
Buried Cable - Nonmetallic	2423.1	393,971		113,102	15,891	17
Buried Cable - Metallic	2423.2	4,623,722		423,062		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					23,007	1
2123.2					31,947	2
2212.1					0	3
2212.2	349,954	440	2,955	(26,514)	4,635,974	4 B
2212.3	124,976	2,279	85,714	26,514	115,480	5 B
2215.1					0	6
2215.2					0	7
2231.1					19,257	8
2231.2	68,137				4,045	9
2232.1	58,138	259		14,779	164,235	10 C
2232.2					0	11
2232.3	156,245			138,419	224,944	12 E
2421.1					0	13
2421.2					79,355	14
2422.1					0	15
2422.2					40,760	16
2423.1	806				522,158	17
2423.2	134,249				4,912,535	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	0	0	1
Changes:			
Balance Transferred from Income	659,690	588,522	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	659,690	588,522	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	0	0	

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

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	1,015,436	975,052	2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)	9,781	12,408	5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)	146,390	124,173	9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	1,171,607	1,111,633	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	287,817	276,378	11
Switched Access Revenue (5082)*	1,448,147	1,370,015	12
Special Access Revenue (5083)*	144,546	114,840	13 G
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,880,510	1,761,233	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	1,084,782	1,033,226	15
Special Access Revenue (5084.3)*	105,032	66,131	16 H
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,189,814	1,099,357	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	40,145	27,469	17 I
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)	60,359	5,030	23 J
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	60,359	5,030	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	100,504	32,499	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	160,099	154,849	30
Rent Revenue (5240)*	16,759	5,562	31 K
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)	10,547	9,473	37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	10,547	9,473	
Interstate Billing and Collection Revenue*	94,374	85,122	39
Intrastate Billing and Collection Revenue*	58,681	87,658	40 L
Total Carrier Billing and Collection Revenue (5270)*	153,055	172,780	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	340,460	342,664	
GROSS OPERATING REVENUES	4,682,895	4,347,386	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	(224)	(4,666)	43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(224)	(4,666)	
TOTAL OPERATING REVENUES	<u>4,683,119</u>	<u>4,352,052</u>	

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

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	12,474	8,773	1
Less: Nonregulated		0	2
Net Regulated	12,474	8,773	3
Total General Support Expense (6120)	128,511	64,524	4
Less: Nonregulated		0	5 M
Net Regulated	128,511	64,524	6
Total Central Office Switching Expense (6210)	227,001	211,107	7
Less: Nonregulated		0	8
Net Regulated	227,001	211,107	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	26,130	18,413	13
Less: Nonregulated		0	14
Net Regulated	26,130	18,413	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)	320,908	305,029	19
Less: Nonregulated		0	20
Net Regulated	320,908	305,029	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	715,024	607,846	
Less: Nonregulated	0	0	
Net Regulated	715,024	607,846	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	6,529	6,167	22
Less: Nonregulated		0	23
Net Regulated	6,529	6,167	24
Total Network Operations Expense (6530)	188,748	185,099	25
Less: Nonregulated		0	26
Net Regulated	188,748	185,099	27
Access Expense (6540)	37,830	23,440	28
Less: Nonregulated		0	29 N
Net Regulated	37,830	23,440	30
Total Depreciation and Amortization Expense (6560)	1,646,212	1,511,817	31
Less: Nonregulated		0	32
Net Regulated	1,646,212	1,511,817	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,879,319	1,726,523	
Less: Nonregulated	0	0	
Net Regulated	1,879,319	1,726,523	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)		0	34
Less: Nonregulated		0	35
Net Regulated	0	0	36
<hr/>			
Total Services (6620)	324,839	342,975	37
Less: Nonregulated		0	38
Net Regulated	324,839	342,975	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	324,839	342,975	
Less: Nonregulated	0	0	
Net Regulated	324,839	342,975	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	393,723	312,218	40
Less: Nonregulated		0	41 o
Net Regulated	393,723	312,218	42
<hr/>			
Total General and Administrative (6720)	296,616	283,345	43
Less: Nonregulated		0	44
Net Regulated	296,616	283,345	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	690,339	595,563	
Less: Nonregulated	0	0	
Net Regulated	690,339	595,563	
<hr/>			
TOTAL EXPENSES	3,609,521	3,272,907	
Less: Nonregulated	0	0	
Net Regulated	3,609,521	3,272,907	

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)	6,529	6,167	2
Total: Reported in Account 6510	6,529	6,167	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,646,212	1,511,817	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	1,646,212	1,511,817	

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	4,682,895	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)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	4,682,895	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,171,607	1
Plus: Total Intrastate Access Revenues (5084)	1,189,814	2
Plus: Total Long Distance Network Services Revenue	100,504	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	2,461,925	

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	4,682,895	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)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>4,682,895</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	1,171,607	1
Plus: Total Intrastate Access Revenues (5084)	1,189,814	2
Plus: Total Long Distance Network Services Revenue	100,504	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>2,461,925</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)		0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)			2
Operating Federal Income Taxes (7220)	191,006	244,364	3
Operating State and Local Income Taxes (7230)			4
Operating Other Taxes (7240)	274,187	242,048	5
Provision for Deferred Operating Income Taxes--Net (7250)			6
TOTAL OPERATING TAXES (7200)	465,193	486,412	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	27,796	13,708	7
Interest Income (7320)	35,089	62,739	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)			10
Gains or (Losses) from the Disposition of Certain Property (7350)			11
Other Nonoperating Income (7360)	83,185	2,220	12
Special Charges (7370)	2,190	2,112	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	143,880	76,555	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	33,354	7,359	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	158,227	174,450	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)		0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	98,986	101,043	17

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange			1
Extended Area Service			2
Extended Community Calling	41	192	3
Other Local-Undefined			4
Total Local	41	192	
TOLL			
Toll	190	3,891	5
Total Toll	190	3,891	
Total Local & Toll	231	4,083	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	8,233	3,173	6,397	3	7
Feature Group D -- Term.	8,815	4,711	2,673		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	226	1
Strand miles of plant - fiber optics	4,574	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	1	6	1 P
56 kbps	12	30	2
64 kbps (DS0)	0	1	3
1.54 Mbps (DS-1)	0	18	4
45 Mbps (DS-3)	0	3	5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	226	1
Strand miles of plant - fiber optics	4,574	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	1	6	1 P
56 kbps	12	30	2
64 kbps (DS0)	0	1	3
1.54 Mbps (DS-1)	0	18	4
45 Mbps (DS-3)	0	3	5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			10

SERVICE DATA

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

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	726	827	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	63	68	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	271	280	9
Mobile (Utility Provided Service)	7		10
Paging (Utility Provided Service)			11
FX-Out (Switched)			12
Pay Telephone	52	47	13
Coin-Operated Pay Telephone		0	14
Independent Pay Telephone Provider		0	15
Pay Stations - Public			16
- Semi-Public			17
- Cust. Owned			18
Other			19
Total Business Lines	1,119	1,222	20
Residential (Incl. Emp. Concess.)			
1 Party	5,363	5,612	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	5,363	5,612	27
Total Bus & Res Lines	6,482	6,834	28
Company Used Lines			29
Total Lines Used	6,482	6,834	30

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS			3
WATS Lines - 800 Service			4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	1,524	2,480	7
Special Access-interLATA			8
(expressed in equiv. access lines)	13	13	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	435	401	13
TSPS - Trunks	44	38	14
EAS - Trunks	788	823	15
Cellular Trunks (Pub. Sw. Net.)	24	24	16
Video Distance Learning			17
- discounted (special tariff)	1	1	18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical location of plant)	15,638,390	16,905,756	24
Total Company Square Miles	549	549	25
Total Company Route Miles	1,901	1,986	26
Footnotes			27

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1480	2010	2790	2940	1
Business					2
1 Party	98	69	165	32	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	2	14	2		6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	27	8	46	4	9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	7	5	5	1	13
Coin-Operated Pay Telephone	0	0	0		14
Independent Pay Telephone Provider	0	0	0		15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	134	96	218	37	20
Residential (Incl. Emp. Concess.)					21
1 Party	777	581	911	334	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	777	581	911	334	27
Total Bus & Res Lines	911	677	1,129	371	28
Company Used Lines					29
Total Lines Used	911	677	1,129	371	30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4500	5520	5780	6050	1
Business					2
1 Party	58	95	296	14	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		8	42		6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	17	39	139		9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone	4	9	15	1	13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	79	151	492	15	20
Residential (Incl. Emp. Concess.)					21
1 Party	391	556	1,875	187	22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	391	556	1,875	187	27
Total Bus & Res Lines	470	707	2,367	202	28
Company Used Lines					29
Total Lines Used	470	707	2,367	202	30

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1480	2010	2790	2940	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	674	26	49		7
Special Access-interLATA					8
(equiv. access lines)		3			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	56	53	69	48	13
TSPS - Trunks	5	5	8	4	14
EAS - Trunks	116	105	110	112	15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	2,100,947	1,950,812	2,885,875	1,319,068	27
Exchange Square Miles	80	56	90	48	28
Exchange Route Miles	305	214	330	213	29
Footnotes					30

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4500	5520	5780	6050	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	25	51	1,655		7
Special Access-interLATA					8
(equiv. access lines)	1	2	7		9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks		67	108		13
TSPS - Trunks		6	10		14
EAS - Trunks		165	215		15
Cellular Trunks (Pub. Sw. Net.)			24		16
Video Distance Learning					17
- discounted (special tariff)			1		18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	954,710	1,973,388	5,044,734	676,222	27
Exchange Square Miles	42	83	104	46	28
Exchange Route Miles	134	196	484	110	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

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Lucent	ATT/LUC	5
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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

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	DESOTO	GENOA	LA FARGE	LIBERTY POLE	1
PSCW Exchange ID	1480	2010	2790	2940	2
Central Office Name	DESOTO	GENOA	LA FARGE	LIBERTY POLE	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	NTI	NTI	NTI	NTI	5
Year COE Installed	1986	1986	1983	1987	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	S	S	S	8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0	0	0	0	10
COE Generic Software Release No.	410.10	410.10	410.10	410.10	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	No	No	Yes	No	13
Access Lines - In Use	911	677	1,129	371	14
- Equipped	945	688	1,139	428	15
- Wired	1,280	1,280	1,344	1,280	16
Trunks - In Use	213	181	240	272	17
- Equipped	216	192	240	288	18
- Wired	288	288	288	288	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	8	10	21	14	25
DS-3 - In Use	1	0	0	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	Yes	Yes	Yes	Yes	31
- In Use (# lines) ¹	1	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68	60	52	60	33
No. of fiber strands working (LIT) in C.O.	20	17	28	14	34
No. of fiber strands for interoffice use	0	0	0	0	35
Miles of fiber sheath in wire center	26	28	38	17	36
Access Tandem Serving this C.O.:					
- C.O. Name	VIROQUA	VIROQUA	VIROQUA	VIROQUA	37
- PSCW C.O. ID	5530-01	5530-01	5530-01	5530-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	Yes	Yes	Yes	Yes	41
Footnotes					42

¹ Teleco provided end-to-end facility.

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	READSTOWN	VIOLA	WESTBY	YUBA	1
PSCW Exchange ID	4500	5520	5780	6050	2
Central Office Name	READSTOWN	VIOLA	WESTBY	YUBA	3
PSCW Central Office ID	1	1	1	1	4
Manufacturer of COE (Page 54)	NTI	NTI	NTI	NTI	5
Year COE Installed	1987	1987	1983	1992	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote	S	S	S	R	8
Remote Host PSCW Exchange ID				2790	9
Remote Host PSCW Central Office ID	0	0	0	2790	10
COE Generic Software Release No.	410.10	410.10	410.10		11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	No	Yes	No	Yes	13
Access Lines - In Use	441	648	2,253	194	14
- Equipped	500	815	2,529	220	15
- Wired	1,280	1,280	3,184	512	16
Trunks - In Use	158	208	442	0	17
- Equipped	192	216	576	0	18
- Wired	288	288	728	0	19
ISDN Available?	No	No	No	No	20
ISDN Lines - In Use (BRI)	0	0	0	0	21
- In Use (PRI)	0	0	0	0	22
Switched 56 Service?	No	No	No	No	23
Switched 56 lines in use	0	0	0	0	24
Digital Transmission Facilities: DS-1 - In Use	13	15	109	4	25
DS-3 - In Use	0	0	1	0	26
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	27
SMDS?	No	No	No	No	28
Frame Relay?	No	No	No	No	29
ATM (Asynchronous Trans. Mode)?	No	No	No	No	30
Video Information - Service Available?	Yes	Yes	Yes	Yes	31
- In Use (# lines) ¹	0	0	0	0	32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	32	104	88	12	33
No. of fiber strands working (LIT) in C.O.	8	16	28	8	34
No. of fiber strands for interoffice use	0	0	0	0	35
Miles of fiber sheath in wire center	16	35	47	19	36
Access Tandem Serving this C.O.:					
- C.O. Name	VIROQUA	VIROQUA	VIROQUA	VIROQUA	37
- PSCW C.O. ID	5530-01	5530-01	5530-01	5530-01	38
Does this C.O. do access tandem switching?	No	No	No	No	39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes	Yes	40
Equal Access: IntraLATA (1+)?	Yes	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) These amounts represent corrections of errors made in prior periods. The amounts used correct the balances of these accounts to those of our financial statements.
- B) The amount included in the Other column regards corrections applying to an exchange that moved from being a stand alone office to a remote office. This corrects the balances for each of these sub-accounts.
- C) This footnote is used to represent the correction of errors used in closing work orders in during the year. These amounts place the correct dollar amount in the correct account.
- D) The \$1 adjustments are used to correct balances so that they tie out to both, our financials and the bottom line - Total Plant In Service.
- E) The amount used to correct the balance of this account includes amounts incorrectly recorded as retirements - should have been transfers.
- F) Value in Accumulated Depreciation is larger than amount in Plant in Service due to an error in recording monthly depreciation. This error will be corrected in 2000.
- G) The difference in 5083 from 1998 to 1999 is due to an increase in the number of interstate special access circuits we have in service. Changes in our internet service has required us to have different circuits than we had in 1998.
- H) An increase in the number of intralata circuits resulted in an increase in the amount of revenue we received from Ameritech. This accounts fully for the increase from 1998 to 1999.
- I) Long distance message revenue has increased over 1998. This is due to an increasing subscriber count. More people making long distance calls leads to an increase in revenues.
- J) The increase in Video Program Grade Revenue is due to revenue received from the BadgerNET contract. The amount this year reflects a full year of amortization of the amount received. Last year only reflects one month of amortization. The length of amortization will be from Dec., 1999 to Nov., 2005.
- K) The Rent Revenue increased as a result of our beginning to rent facilities to other businesses.
- L) This amount decreased due to customers changing long distance carriers for intrastate messages. As a result, Billing & Collection revenue from Ameritech decreased.
- M) This amount increased from 1998 to 1999 due mainly to remodeling we did inside of our office building. The costs of moving a couple walls, painting and flooring would account for the increase.
- N) This increase is due to an increase in our TEACH-Assessment, DPI-Assessment, Baderlink, & USF contributions.
- O) The increase in Executive expenses is due to the hiring of a person who will assume the General Managers position in 2000. He has been hired to learn our company under the existing General Manager. Both salaries have, for the most part, been included in these accounts.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- P)** The values for the calculation involved are in error. The error report indicates that I am 5 off of the total. Upon a manual calculation, these figures are correct.