



4004

ANNUAL REPORT

OF

Name: MILLTOWN MUTUAL TELEPHONE COMPANY

Principal Office: 107 N MILLTOWN AVE
P.O. BOX 40
MILLTOWN, WI 54858-0040

For the Year Ended: DECEMBER 31, 2001

**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. The annual report due date is April 1 of the following year. (Example: The 2001 report is due April 1, 2002.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required.** Go to the Public Service Commission of Wisconsin's web page at <http://psc.wi.gov>, click on Telecommunications and click on Annual Report for Incumbent Local Exchange Carriers (LECs).
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission 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.
5. 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.
6. 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.
7. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if 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.
8. Please report all dollar amounts to the nearest whole dollar.
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the 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.
11. 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.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items, based on the Commission's confidentiality determination dated February 5, 2002.
13. It is not necessary to sign the signature page.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files;
Filing the Completed Report:**

GENERAL RULES FOR REPORTING

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrcs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

15. Name Changes:

If a name change is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI.

These documents can be obtained by:

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at www.wdfi.org; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

While the electronic annual report filing may detail the name change (i.e., date of the change and the affected entities with their respective four-digit Commission utility identification numbers), a name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.

16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to filing with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MILLTOWN MUTUAL TELEPHONE COMPANY
Utility Location: 107 N MILLTOWN AVE
P.O. BOX 40
MILLTOWN, WI 54858-0040
Utility Web Site Address: www.lakeland.ws
When was utility organized?: 01/01/1908
Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR JOHN K . KLATT
Title: PRESIDENT/CEO

Office Address: 107 MILLTOWN AVENUE NORTH
P.O. BOX 40
MILLTOWN , WI 54858

Fax Number: (715) 825 - 4299
Telephone Number: (715) 825 - 2171
Email Address: jkklatt@lakeland.ws

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: MRS SALLY A . BAJAK
Title: OFFICE MANAGER

Office Address: 107 MILLTOWN AVENUE NORTH
P.O. BOX 40
MILLTOWN , WI 54858

Fax Number: (715) 825 - 4299
Telephone Number: (715) 825 - 2171
Email Address: sbajak@lakeland.ws

Person responsible for statistical information contained in report

Name: MRS SALLY A . BAJAK
Title: OFFICE MANAGER

Office Address: 107 MILLTOWN AVENUE NORTH
P.O. BOX 40
MILLTOWN , WI 54858

Fax Number: (715) 825 - 4299
Telephone Number: (715) 825 - 2171
Email Address: sbajak@lakeland.ws

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:	LAKELAND COMMUNICATIONS, INC.
Address:	28 1ST AVENUE WEST PO BOX 300 LUCK , WI 54853
Number of Shares Held:	1,968
Beneficial Owner:	NONE

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

Company Name:	LAKES COMMUNICATIONS, INC.
Form of Interest:	COMMON STOCK
Extent Of Interest:	100%

OFFICERS AND DIRECTORS**Name, Title/Occupation
and Business Address**

Name: DONALD BEAULIEU Title/Occupation: BOARD MEMBER Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	1
<hr/>	
Name: GAYLAND JENSEN Title/Occupation: SECRETARY Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	2
<hr/>	
Name: HAROLD DAU Title/Occupation: BOARD MEMBER Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	3
<hr/>	
Name: JOHN KLATT Title/Occupation: PRESIDENT/CEO Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	4
<hr/>	
Name: LARRY JENSEN Title/Occupation: BOARD MEMBER Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	5
<hr/>	
Name: ROBERT KAINZ Title/Occupation: VICE PRESIDENT Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	6

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address

Name: WARREN KIRK Title/Occupation: BOARD MEMBER Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	7
Name: WAYNE SHIRLEY Title/Occupation: ASSISTANT SECRETARY Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	8
Name: WILLIAM NELSON Title/Occupation: TREASURER Business Address (1): PO BOX 40 Business Address (2): Business Address (3): City State, Zip: MILLTOWN, WI 54858-0040	9

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,572,661	1,580,878	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	364,637	316,606	2
Plant Nonspecific Operations Expense	511,738	387,786	3
Customer Operations Expense (6610-6620)	177,565	157,562	4
Corporate Operations Expense (6710-6790)	282,261	255,980	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	110,903	188,333	7
Total Operating Expenses	1,447,104	1,306,267	8
Net Operating Income	125,557	274,611	9
Other Income			
Nonoperating Income and Expense (7300)	431,130	250,256	10
Nonoperating Taxes (7400)	167,696	98,686	11
Interest and Related Items (7500)	28,238	29,773	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	116,684	83,109	14
Total Nonoperating Income	351,880	204,906	15
Net Income	477,437	479,517	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.)

The accounting policies of the Company and its subsidiaries conform to generally accepted accounting principles in the United States of America. Management uses estimates and assumptions in preparing its consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the telephone company are maintained in accordance with the Uniform Federal Communications Commission (FCC) as modified by the state regulatory authority.

A. Property and Equipment

Telephone plant is capitalized at original cost including the capitalized cost of salaries and wages, materials, certain payroll taxes, employee benefits, and interest incurred during the construction period.

The Company and its subsidiaries provide for depreciation for financial reporting purposes on the straight-line method by the application of rates based on the estimated service lives of the various classes of depreciable property.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operation's expense.

B. Income Taxes

Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the consolidated financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include the difference between carrying amounts of depreciable assets and the partnership investment. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible, when the assets and liabilities are recovered or settled.

C. Revenue Recognition

The Company recognizes revenues when earned regardless of the period in

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:

which they are billed. The Company is required to provide local network services to subscribers within its defined service territory.

Local network service and internet revenues are recognized over the period a subscriber is connected to the network. Telephone calls within an extended community calling area are recognized when made based on a rate per minute of usage as approved by the state regulatory authority.

Network access service revenues are derived from charges for access to the Company's local exchange network. The interstate portion of access revenues is based on average schedule settlement formula administered by the National Exchange Carrier Association which is regulated by the FCC. The intrastate portion of access revenues is billed on individual company tariff access charge structure based on expense and plant investment of the Company as approved by the state regulatory authority. The tariffs developed from these formulas are used to charge the connecting carrier and recognize revenues in the period the traffic is transported based on the minutes of traffic carried.

Miscellaneous revenues include contractually determined arrangements for the provision of billing and collecting services and are recognized in the period when the services are performed.

D. Cash and Cash Equivalents

All highly liquid investments purchased with a maturity of 3 months or less are considered cash equivalents.

E. Investments

Non-marketable investments are stated at cost.

-
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.

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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 mortgage to the United States of America, underlying the RUS notes, contains certain restrictions on the declaration or payment of cash dividends, redemption of capital stock, or investment in affiliated companies.

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)*	247,650	96,851	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	247,650	96,851	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	58,676	88,595	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	58,676	88,595	
Other Accounts Receivable (1190)*	115,219	227,028	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	115,219	227,028	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	0	0	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	173,895	315,623	
SUPPLIES			
Inventories (1220)*	52,502	27,263	13
TOTAL SUPPLIES	52,502	27,263	
PREPAYMENTS			
Total Prepayments (1280)*	3,149	6,584	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	3,149	6,584	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	6,678	5,760	20
TOTAL OTHER CURRENT ASSETS	6,678	5,760	
TOTAL CURRENT ASSETS	483,874	452,081	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	217,491	21
RTB Class B Stock (1402)*	0	0	22
Other Investments in Nonaffiliated Companies (1402)*	213,281	213,281	23
Nonregulated Investments (1406)*	97,562	34,207	24
Unamortized Debt Issuance Expense (1407)*	0	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	0	26
Other Noncurrent Assets (1410)*	222,123	114,560	27
TOTAL INVESTMENTS	532,966	579,539	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	28
Deferred Maintenance and Retirements (1438)*	0	0	29
Deferred Charges (1439)*	0	0	30
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	532,966	579,539	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	6,463,337	4,738,169	31
Less: Accumulated Depreciation (3100)*	4,119,410	3,646,946	32
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	33
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	34
Less: Accumulated Amortization--Intangible (3500)*	0	0	35
NET TELECOMMUNICATIONS PLANT IN SERVICE	2,343,927	1,091,223	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	38
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	124,890	368,775	40
TOTAL TPUC	124,890	368,775	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	41
Less: Accumulated Amortization--Other (3600)*	0	0	42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	2,468,817	1,459,998	
TOTAL ASSETS AND OTHER DEBITS	3,485,657	2,491,618	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	985,908	159,244	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	6,500	4,330	4
Current Maturities--Long-Term Debt (4050)*	65,600	63,600	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	62,326	87,960	7
Other Taxes--Accrued (4080)*	0	0	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	6,249	4,942	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES	1,126,583	320,076	
LONG-TERM DEBT			
Funded Debt (4210)*	602,290	669,835	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT	602,290	669,835	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	18,725	22,284	20
Unamortized Operating ITC--Net (4320)*	0	0	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	0	0	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	18,725	22,284	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	49,200	49,200	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	1,688,859	1,430,223	32
TOTAL STOCKHOLDERS' EQUITY	1,738,059	1,479,423	
TOTAL LIABILITIES AND OTHER CREDITS	3,485,657	2,491,618	

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)	
Lakeland Communications, Inc.	LAKELAND	1
Lakes Communications, Inc.	LAKES	2
Lakeland Telecom, Inc.	LLT	3
Luck Telephone Company	LUCK	4

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	3690ATF103	3690ATF104	3690ATF100	
Name of Affiliate	LAKELAND	LLT	LUCK	1
Designate whether billed to or from:	FROM	FROM	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	3
Total Dollar Activity	60,303	672,154	675,566	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				

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)	
Lakeland Communications, Inc.	1190	71,152	1
Lakeland Telecom, Inc.	4010	624,377	2
Luck Telephone Company	4010	312,854	3

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	15,854		1
Motor Vehicles	2112	145,395	74,779	2 A
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	129,264	2,329	6
Buildings	2121	256,230		7
Furniture	2122	19,515		8
Office Equipment	2123	30,361	0	9
General Purpose Computers	2124	51,408	3,189	10
TOTAL--GENERAL SUPPORT ASSETS:		648,027	80,297	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,453,998	456,400	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	376,173	68,057	16
TOTAL--CENTRAL OFFICE ASSETS:		1,830,171	524,457	
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	10,168		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		10,168	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	6,096		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	8,317	0	24
Buried Cable	2423	2,224,226	1,140,986	25
Submarine Cable	2424	1,500	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	263		29
Conduit Systems	2441	9,401		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		2,249,803	1,140,986	
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			15,854	1
2112	33,976	33,743	219,941	2 A
2113			0	3
2114			0	4
2115			0	5
2116			131,593	6
2121			256,230	7
2122			19,515	8
2123	0	0	30,361	9
2124			54,597	10
	33,976	33,743	728,091	
2211			0	11
2212	20,339	0	1,890,059	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	444,230	16
	20,339	0	2,334,289	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			10,168	21
	0	0	10,168	
2411			6,096	22
2421	0	0	0	23
2422	0	0	8,317	24
2423	0	0	3,365,212	25
2424	0	0	1,500	26
2425			0	27
2426	0	0	0	28
2431			263	29
2441			9,401	30
	0	0	3,390,789	
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	4,738,169	1,745,740
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	
	54,315	33,743	6,463,337	
2001			161,370	34
			6,301,967	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Amounts pertaining to subaccount 2212.4, Test Equipment, should be reported in account 2212.2, Digital Switching - Central Office; amounts for subaccounts 2231.3, Microwave, 2231.4, Cellular, 2231.5, Mobile Radio, and 2231.6, Paging, should be included in 2231.2, Other Radio Facilities; amounts pertaining to subaccounts 2232.4, Digital Data Services, 2232.5, Digital Circuit - Subscriber, 2232.6, Digital Circuit - Trunk - Toll, and 2232.7, Concentrators, should be reported in 2232.1, Digital Circuit Equipment. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	21,388		1
Company Communications Equipment	2123.2	8,973		2
Software	2212.1	137,066		3
Digital Switching - Central Office	2212.2	1,316,932	409,673	4
Digital Switching - Remote	2212.3	0	46,727	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	376,173	68,057	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	8,317		16
Buried Cable - Nonmetallic	2423.1	422,951	918,586	17
Buried Cable - Metallic	2423.2	1,801,275	222,400	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	1,500		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)**

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			21,388	1
2123.2			8,973	2
2212.1			137,066	3
2212.2	20,339		1,706,266	4
2212.3			46,727	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			444,230	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			8,317	16
2423.1			1,341,537	17
2423.2			2,023,675	18
2424.1			0	19
2424.2			1,500	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	69,836	33.3	25,425	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	84,149	10.0	13,457	5
Buildings	2121	138,389	2.63	6,740	6
Furniture	2122	19,410	8.33	104	7
Office Equipment	2123	25,997	8.33	4,364	8
General Purpose Computers	2124	38,457	20.0	10,707	9
Total-- GENERAL SUPPORT ASSETS		376,238		60,797	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,380,124	11.28	238,441	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	333,567	8.33	23,136	15
Total-- CENTRAL OFFICE ASSETS		1,713,691		261,577	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	6,584	10.0	1,017	20
Total-- INFORMATION ORIG/TERM ASSETS		6,584		1,017	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	5,562	11.7	381	21
Aerial Cable	2421	0			22
Underground Cable	2422	8,317			23
Buried Cable	2423	1,529,426	5.3	168,838	24
Submarine Cable	2424	790	5.3	96	25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	263			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	33,976		33,743		95,028	1
2113					0	2
2114					0	3
2115					0	4
2116					97,606	5
2121					145,129	6
2122					19,514	7
2123	0				30,361	8
2124					49,164	9
	33,976	0	33,743	0	436,802	
2211					0	10
2212	20,339				1,598,226	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				356,703	15
	20,339	0	0	0	1,954,929	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					7,601	20
	0	0	0	0	7,601	
2411					5,943	21
2421	0				0	22
2422	0				8,317	23
2423	0				1,698,264	24
2424	0				886	25
2425					0	26
2426	0				0	27
2431					263	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	6,075	2.5	330	29
Total-- CABLE WIRE FACILITIES ASSETS		1,550,433		169,645	0
Total Accumulated Depreciation	3100	3,646,946		493,036	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			14,856	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				478,180	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					6,405	29
	0	0	0	0	1,720,078	
3100	54,315	0	33,743	0	4,119,410	
3100					73,635	30
3100					4,045,775	

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	17,024	8.33	4,364	1
Company Communications Equipment	2123.2	8,973			2
Software	2212.1	137,066			3
Digital Switching - Central Office	2212.2	1,243,058	10.0	234,997	4
Digital Switching - Remote	2212.3	0	10.0	3,444	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	333,567	8.33	23,136	10
Analog Circuit Equipment	2232.2	0			11
Light Wave Circuit Equipment	2232.3	0			12
Aerial Cable - Nonmetallic	2421.1	0			13
Aerial Cable - Metallic	2421.2	0			14
Underground Cable - Nonmetallic	2422.1	0			15
Underground Cable - Metallic	2422.2	8,317			16
Buried Cable - Nonmetallic	2423.1	106,148	5.3	59,913	17
Buried Cable - Metallic	2423.2	1,423,278	5.3	108,925	18
Submarine Cable - Nonmetallic	2424.1	0			19
Submarine Cable - Metallic	2424.2	790	5.3	96	20
Intrabuilding Cable - Nonmetallic	2426.1	0			21
Intrabuilding Cable - Metallic	2426.2	0			22

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					21,388	1
2123.2					8,973	2
2212.1					137,066	3
2212.2	20,339				1,457,716	4
2212.3					3,444	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					356,703	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					8,317	16
2423.1					166,061	17
2423.2					1,532,203	18
2424.1					0	19
2424.2					886	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	1,430,223	1,375,706	1
Changes:			
Balance Transferred from Income	477,437	479,517	2
Dividends Declared:			
Common	0	425,000	3
Preferred		0	4
Total Dividends Declared	0	425,000	
Miscellaneous Debits to Retained Earnings	218,801	0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>1,688,859</u>	<u>1,430,223</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)*	580,981	592,234	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	580,981	592,234	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	117,345	122,227	11
Switched Access Revenue (5082)*	416,766	409,921	12
Special Access Revenue (5083)*	15,272	11,037	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	549,383	543,185	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	(328)	(328)	14
Switched Access Revenue (5084.2)*	281,288	292,619	15
Special Access Revenue (5084.3)*	19,886	13,602	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	300,846	305,893	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	3,559	2,563	17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	3,559	2,563	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	78,728	72,702	30
Rent Revenue (5240)*	5,849	9,710	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	8,168	8,481	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	8,168	8,481	
Interstate Billing and Collection Revenue*	27,184	30,080	39
Intrastate Billing and Collection Revenue*	21,324	21,780	40
Total Carrier Billing and Collection Revenue (5270)*	48,508	51,860	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	141,253	142,753	
GROSS OPERATING REVENUES	1,576,022	1,586,628	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	3,361	5,750	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	3,361	5,750	
TOTAL OPERATING REVENUES	<u>1,572,661</u>	<u>1,580,878</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)	25,383	18,480	1
Less: Nonregulated		0	2
Net Regulated	25,383	18,480	3
Total General Support Expense (6120)	41,054	34,620	4
Less: Nonregulated		0	5
Net Regulated	41,054	34,620	6
Total Central Office Switching Expense (6210)	138,441	120,151	7
Less: Nonregulated		0	8
Net Regulated	138,441	120,151	9
Total Operator Systems Expense (6220)	0	0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	877	3,363	13
Less: Nonregulated		0	14
Net Regulated	877	3,363	15
Total Information Orig. / Term. Expense (6310)	0	0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	158,882	139,992	19
Less: Nonregulated		0	20
Net Regulated	158,882	139,992	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	364,637	316,606	
Less: Nonregulated	0	0	
Net Regulated	364,637	316,606	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)		0	22
Less: Nonregulated		0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	10,475	15,459	25
Less: Nonregulated		0	26
Net Regulated	10,475	15,459	27
Access Expense (6540)	8,227	6,725	28
Less: Nonregulated		0	29
Net Regulated	8,227	6,725	30
Total Depreciation and Amortization Expense (6560)	493,036	365,602	31
Less: Nonregulated		0	32 c
Net Regulated	493,036	365,602	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	511,738	387,786	
Less: Nonregulated	0	0	
Net Regulated	511,738	387,786	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	1,448	727	34
Less: Nonregulated		0	35
Net Regulated	1,448	727	36
<hr/>			
Total Services (6620)	176,117	156,835	37
Less: Nonregulated		0	38
Net Regulated	176,117	156,835	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	177,565	157,562	
Less: Nonregulated	0	0	
Net Regulated	177,565	157,562	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	126,026	114,340	40
Less: Nonregulated		0	41
Net Regulated	126,026	114,340	42
<hr/>			
Total General and Administrative (6720)	156,235	141,640	43
Less: Nonregulated		0	44
Net Regulated	156,235	141,640	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	282,261	255,980	
Less: Nonregulated	0	0	
Net Regulated	282,261	255,980	
<hr/>			
TOTAL EXPENSES	1,336,201	1,117,934	
Less: Nonregulated	0	0	
Net Regulated	1,336,201	1,117,934	

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)		0	2
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	493,036	365,602	3 c
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	493,036	365,602	

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	1,576,022	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): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	1,576,022	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	580,981	1
Plus: Total Intrastate Access Revenues (5084)	300,846	2
Plus: Total Long Distance Network Services Revenue	3,559	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	3,538	5
Plus (or Less) Other (please specify): None.	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	888,924	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

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

Description (a)	This Year (b)	
Gross Operating Revenues	1,576,022	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): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,576,022</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	580,981	1
Plus: Total Intrastate Access Revenues (5084)	300,846	2
Plus: Total Long Distance Network Services Revenue	3,559	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues	3,538	5
Plus (or Less) Other (please specify): None.	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>888,924</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	0	0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	0	0	2
Operating Federal Income Taxes (7220)	129,138	184,700	3
Operating State and Local Income Taxes (7230)	32,542	44,953	4
Operating Other Taxes (7240)	36,387	34,146	5
Provision for Deferred Operating Income Taxes--Net (7250)	(87,164)	(75,466)	6
TOTAL OPERATING TAXES (7200)	110,903	188,333	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	0	0	7
Interest Income (7320)	9,442	40,049	8
Income from Sinking and Other Funds (7330)	0	0	9
Allowance for Funds Used During Construction (7340)	0	0	10
Gains or (Losses) from the Disposition of Certain Property (7350)	0	0	11
Other Nonoperating Income (7360)	423,605	211,261	12
Special Charges (7370)	1,917	1,054	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	431,130	250,256	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	167,696	98,686	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	28,238	29,773	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)	0	0	16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	116,684	83,109	17

NONREGULATED ACTIVITIES

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

Nonregulated Activity	
(a)	
Customer premise equipment	1
Internet Access	2
Wireless phone & accessories	3

EMPLOYEE DATA - END OF YEAR

Report employee data based on primary allocation of respective wages and salaries.

Particulars (a)	Employees (b)	Employees (b)
Plant Operations		
Supervisory & Management		1
Central Office	1	2
Outside Plant	3	3
Building & Service		4
Other		5
Customer Operations		
Supervisory & Management		6
Operators		7
Business Office	2	8
Other		9
Corporate Operations		
Executive & General Management	1	10
Accounting & Finance	1	11
External Relations	1	12
Human Resources		13
Information Management		14
Legal		15
Procurement		16
Research & Development		17
Other		18
Other		
All Other Employees, Not Listed Above		19
Total Employees	9	
Part-Time Employees	2	20
Full-Time Employees	7	21
Total Part-Time and Full-Time Employees	9	

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	109	1,312	1
Extended Area Service	187	1,562	2
Extended Community Calling	72	249	3
Other Local-Undefined	0	0	4
Total Local	368	3,123	
TOLL			
Toll	110	981	5
Total Toll	110	981	
Total Local & Toll	478	4,104	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	46	1	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	2,936	425	1,266	3	7
Feature Group D -- Term.	4,521	2,113	466	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	47	1
Strand miles of plant - fiber optics	416	2
Route miles of plant - microwave	0	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	3	1 B
56 kbps	1	2	2
64 kbps (DS0)	0	0	3 B
1.54 Mbps (DS-1)	8	1	4
45 Mbps (DS-3)	0	0	5 B
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	47	1
Strand miles of plant - fiber optics	416	2
Route miles of plant - microwave	0	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	3	1 B
56 kbps	1	2	2
64 kbps (DS0)	0	0	3 B
1.54 Mbps (DS-1)	8	1	4
45 Mbps (DS-3)	0	0	5 B
SONET OC-1	0	0	6
SONET OC-3	0	0	7
SONET OC-12	0	0	8
SONET OC-48	0	0	9
SONET OC-192	0	0	10

SERVICE DATA

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

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	252	262	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks			6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	83	71	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)	173	168	11
FX-Out (Switched)	3		12
Pay Telephone	4	4	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	3	2	15
Other			16
Total Business Lines	518	507	17
Residential (Incl. Emp. Concess.)			
1 Party	2,226	2,262	18
2 Party			19
4 Party			20
FX-Out (Switched)			21
Other	13	13	22
Total Residential Lines	2,239	2,275	23
Total Bus & Res Lines	2,757	2,782	24
Company Used Lines	98	101	25
Total Lines Used	2,855	2,883	26
			27

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	1		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	30	29	7
Special Access-interLATA			8
(expressed in equiv. access lines)	50	193	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	95	95	13
TSPS - Trunks	9	9	14
EAS - Trunks	184	192	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning	1	1	17
- discounted (special tariff)			18
Customers			
Lifeline Customers	52	36	20
Linkup Customers	0	0	21
Other			
Total Company Square Miles	86	86	23
Total Company Route Miles	301	352	24
Footnotes			25

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	1940	3400			1
Business					2
1 Party	43	219			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks		71			9
Mobile (utility provided service)					10
Paging (utility provided service)		168			11
FX-Out (Switched)					12
Pay Telephone	1	3			13
Coin-Operated Pay Telephone	0	0			14
Independent Pay Telephone Provider	1	1			15
Other					16
Total Business Lines	45	462	0	0	17
Residential (Incl. Emp. Concess.)					18
1 Party	994	1,268			19
2 Party					20
4 Party					21
FX-Out (Switched)					22
Other	3	10			23
Total Residential Lines	997	1,278	0	0	24
Total Bus & Res Lines	1,042	1,740	0	0	25
Company Used Lines	9	92			26
Total Lines Used	1,051	1,832	0	0	27

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	1940	3400			1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)		29			7
Special Access-interLATA					8
(equiv. access lines)		193			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks			95		13
TSPS - Trunks			9		14
EAS - Trunks			192		15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)			1		18
Other					19
Exchange Square Miles	36	50			20
Exchange Route Miles	123	229			21
Footnotes					22

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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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	FOX CREEK	MILLTOWN			1
PSCW Exchange ID	1940	3400			2
Central Office Name	FOX CREEK	MILLTOWN			3
PSCW Central Office ID	1	1			4
Central Office CLLI Code	FXCKWIXARSO	MLTWWIXADSO			5
Manufacturer of COE (Page 54)	SC	SC			6
Year COE Installed	1986	1986			7
Type of Equipment (Page 54)	D	D			8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	R	H			9
Remote Host PSCW Exchange ID	3400				10
Remote Host PSCW Central Office ID	1				11
COE Generic Software Release No.	22	22			12
SS7?	Yes	Yes			13
9-1-1?	Yes	Yes			14
Access Lines - In Use	1,051	1,664			15
- Equipped	1,077	3,222			16
- Wired	1,080	3,240			17
Trunks - In Use	120	577			18
- Equipped	120	768			19
- Wired	192	768			20
ISDN Available?	No	No			21
ISDN Lines - In Use (BRI)					22
- In Use (PRI)					23
XDSL Available?	No	Yes			24
- In Use (# lines)		4			25
Switched 56 Service?	No	No			26
Switched 56 lines in use					27
Digital Transmission Facilities: DS-1 - In Use	5	27			28
DS-3 - In Use	0	2			29
Advanced Data Service Available:					
Packet Switching?	No	No			30
SMDS?	No	No			31
Frame Relay?	No	No			32
ATM (Asynchronous Trans. Mode)?	No	No			33
Video Information - Service Available?	No	No			34
- In Use (# lines) ¹					35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	48	112			36
No. of fiber strands working (LIT) in C.O.	18	52			37
No. of fiber strands for interoffice use	14	47			38
Miles of fiber sheath in wire center	7	40			39
Access Tandem Serving this C.O.:					
- C.O. Name	FREDERIC	FREDERIC			40
- PSCW C.O. ID	1960-01	1960-01			41
Does this C.O. do access tandem switching?	No	No			42
Footnotes					43

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

On November 1, 2001, Milltown Mutual Telephone Company spun off its wholly-owned subsidiary, Lakes Communications to Lakeland Telecom, Inc. a wholly-owned subsidiary of Lakeland Communications, Inc.

Schedule Footnotes

Schedule Line Footnotes

- A) The amount reported in "Other" is the Salvage value recorded on the "Telecommunication Plant in Service Class A & B Subaccount" schedule.
- B) Milltown Mutual Telephone Company did not provide these special circuits in year 2001.
- C) Depreciation on depreciable property resulted in higher composite rates for 2001 of 8.8% versus 7.95% for 2000.