



4004

ANNUAL REPORT

OF

Name: MT. VERNON TELEPHONE COMPANY, LLC

Principal Office: 525 JUNCTION ROAD
P.O. BOX 5158
MADISON, WI 53717
PO Box Zip Code: 53705-0158

For the Year Ended: DECEMBER 31, 2004

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
<http://psc.wi.gov>

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. 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, unless additional provisional confidential treatment is desired.** Go to the Public Service Commission of Wisconsin's Web Page at <http://psc.wi.gov>, and select the appropriate program for Incumbent Local Exchange Carriers (LECs). If additional confidential treatment is desired, contact Christopher Larson at (608) 267-9508 or christopher.larson@psc.state.wi.us for instructions.
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-116. 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). Do not type commas when entering numbers. 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. Report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)
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. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.

GENERAL RULES FOR REPORTING

If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.

13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

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 (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) 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 <http://www.wdfi.org>; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

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.

GENERAL RULES FOR REPORTING

16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to an electronic filing (i.e., using the program's e-mail capabilities) 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: MT. VERNON TELEPHONE COMPANY, LLC
Utility Location: 525 JUNCTION ROAD
P.O. BOX 5158
MADISON, WI 53717
P.O. BOX ZIP 53705-0158

Utility (or Parent/Holding Company) Web Site Address:

When was utility organized?: 05/21/1901

Report any change in name and the effective date:

Telephone numbers for potential customers to contact company:

Business Customers: (608) 845 - 6445 Ext:

Residential Customers: (608) 845 - 6445 Ext:

Primary Utility Contact (located at utility address)

Name: ANDREW BUCHERT
Title: GENERAL MANAGER - SALES & SERVICE

Office Address: 1039 NORTH EDGE TRAILS
VERONA, WI 53593

Fax Number: (608) 845 - 6444
Telephone Number: (608) 845 - 8390
Email Address: ANDREW.BUCHERT@TDSTELECOM.COM

Officer in charge of correspondence concerning this report

Name: JOHN R. ERPENBACH
Title: ASSISTANT TREASURER

Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4289
Email Address: JOHN.ERPENBACH@TDSTELECOM.COM

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

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT
Firm: TDS TELECOM
Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

IDENTIFICATION AND OWNERSHIP

Person responsible for financial information contained in report

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT

Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

Person responsible for statistical information contained in report

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT

Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

Contact person for regulatory inquiries and complaints

Name: JEAN M. PAUK
Title: MANAGER - EXTERNAL RELATIONS
Firm: TDS TELECOM

Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4185
Telephone Number: (608) 664 - 4152
Email Address: JEAN.PAUK@TDSTELECOM.COM

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

Name: TDS TELECOMMUNICATIONS CORPORATION
Address: 525 JUNCTION ROAD
MADISON, WI 53717

Percent Interest Held: 100
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP

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

Company Name: NONE
Form of Interest: NONE
Extent Of Interest: NONE

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address

Name: DANIEL V. GREGORY Title/Occupation: VICE PRESIDENT Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	1
<hr/>	
Name: DAVID P. JONES Title/Occupation: SECRETARY/TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	2
<hr/>	
Name: JOHN R. ERPENBACH Title/Occupation: ASSISTANT TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	3
<hr/>	
Name: MICHAEL A. PANDOW Title/Occupation: PRESIDENT Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	4

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Operating Revenues			
Operating Revenues (5000-5300)	10,192	9,867	1
Total Operating Revenues	10,192	9,867	
Operating Expenses			
Plant Specific Operations Expenses (6110-6410)	984	959	2
Other Plant Nonspecific Operations Expenses	3,009	2,934	3
Customer Operations Expense (6610-6620)	1,016	877	4
Corporate Operations Expense (6720-6790)	1,489	1,462	5
Other Operating Income and Expense (7100)	3	3	6
Operating Taxes (7200)	1,488	1,557	7
Total Operating Expenses	7,983	7,786	
Net Operating Income	2,209	2,081	
Other Income			
Nonoperating Income and Expense (7300)	53	47	8
Nonoperating Taxes (7400)	16	12	9
Interest and Related Items (7500)	305	376	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	(31)	(130)	12
Total Nonoperating Income	(299)	(471)	
Net Income	1,910	1,610	

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

TELEPHONE PLANT

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

DEPRECIATION

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

REVENUES

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

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

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

PENSION

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

INCOME TAXES

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

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

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

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

None.

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

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 2004, the company could distribute up to \$6,936,913 to the parent or other affiliates in the form of cash dividends.

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

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	468	588	1
TOTAL CASH AND EQUIVALENTS	468	588	
RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS			
Receivables (1170)*	3,344	1,708	2
Allowance for Doubtful Accounts (1171)*	20	5	3
TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS	3,324	1,703	
SUPPLIES			
Inventories (1220)*	121	128	4
TOTAL SUPPLIES	121	128	
PREPAYMENTS			
Prepayments (1280)*	246	228	5
TOTAL PREPAYMENTS	246	228	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			6
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	4,159	2,647	
NONCURRENT ASSETS			
INVESTMENTS			
Nonregulated Investments (1406)*	89	113	7
RTB Class B Stock (1402)*	133	133	8
Other Noncurrent Assets (1410)*	2	2	9
TOTAL INVESTMENTS	224	248	
DEFERRED CHARGES			
Deferred Maint., Retirements and Other Deferred Charges (1438)*			10
TOTAL DEFERRED CHARGES	0	0	
OTHER JURISDICTIONAL ASSETS-NET			
Other Jurisdictional Assets-Net (1500)*			11
TOTAL OTHER JURISDICTIONAL ASSETS-NET	0	0	
TOTAL NONCURRENT ASSETS	224	248	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	33,720	31,038	12
Less: Accumulated Depreciation (3100)*	11,953	10,159	13
Less: Accumulated Amortization-Tangible (3400)*			14
Less: Accumulated Amortization-Capitalized Leases (3410)	230	172	15
NET TELECOMMUNICATIONS PLANT IN SERVICE	21,537	20,707	
PROPERTY HELD FOR FUTURE USE			
Property Held for Future Telecommunications Use (2002)*			16
Less: Accumulated Depr.-Held for Future Telecom. Use (3200)*			17
NET PROPERTY HELD FOR FUTURE USE	0	0	

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

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)
PLANT		
NONOPERATING PLANT		
Nonoperating Plant (2006)*		18
Less: Accumulated Depreciation-Nonoperating (3300)*		19
NET NONOPERATING PLANT	0	0
TPUC		
Telecommunications Plant Under Construction (2003)*	225	570 20
TOTAL TPUC	225	570
TELECOMMUNICATIONS PLANT ADJUSTMENT		
Telecommunications Plant Adjustment (2005)*		21
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0
GOODWILL		
Goodwill (2007)*		22
TOTAL GOODWILL	0	0
TOTAL PLANT	21,762	21,277
TOTAL ASSETS AND OTHER DEBITS	26,145	24,172

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

Particulars (a)	Balance--EOY (000's) (b)	Balance--FOY (000's) (c)	
CURRENT LIABILITIES			
Notes Payable (4020)*	2,850	4,350	1
Other Current Accounts and Notes Payable (4000)*	3,028	1,550	2
Customers' Deposits (4040)*			3
Income Taxes-Accrued (4070)*	90	265	4
Other Taxes-Accrued (4080)*	68	45	5
Net Current Deferred Operating Income Taxes (4100)*	(8)	(2)	6
Net Current Deferred Nonoperating Income Taxes (4110)*			7
Current Maturities-Long-Term Debt (4050)*	116	108	8
Current Maturities-Capital Leases (4060)*			9
Other Current Liabilities (4130)*	317	499	10
TOTAL CURRENT LIABILITIES	6,461	6,815	
LONG-TERM DEBT			
Long-Term Debt and Funded Debt (4200)*	1,615	1,751	11
TOTAL LONG-TERM DEBT	1,615	1,751	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Liabilities and Deferred Credits (4300)*	(21)	12	12
Unamortized Operating Investment Tax Credits-Net (4320)*			13
Unamortized Nonoperating Investment Tax Credits-Net (4330)*			14
Net Noncurrent Deferred Operating Income Taxes (4340)*	3,468	2,881	15
Net Deferred Tax Liability Adjustments (4341)*			16
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			17
Deferred Tax Regulatory Adjustments-Net (4361)*			18
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*			19
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	3,447	2,893	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	353	353	20
Additional Paid-in Capital (4520)*	2	2	21
Treasury Stock (4530)*			22
Other Capital (4540)*			23
Retained Earnings (4550)*	14,267	12,358	24
TOTAL STOCKHOLDERS' EQUITY	14,622	12,713	
TOTAL LIABILITIES AND OTHER CREDITS	26,145	24,172	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule.

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)	
Black Earth Telephone Company, LLC	BLACK	1
TDS Metrocom, Inc.	METROCOM	2
Mid-Plains Telephone, LLC	MP	3
Other	OTHER	4
Telephone & Data Systems, Inc.	TDS	5
TDS Communications Solutions, Inc.	TDS CS	6
TDS Long Distance Corporation	TDS LD	7
TDS Telecommunications Corporation	TDS TC	8
TDS Telecom Service Corporation	TDS TEL	9
Telecommunications Technologies Fund	TTF	10

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	5-ATF-183	5-ATF-183	5-ATF-183	5-ATF-183	
Name of Affiliate	BLACK	MP	MP	OTHER	1
Designate whether billed to or from:	TO	FROM	TO	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Total Dollar Activity (000's)	26	78	33	29	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	6
Footnotes					

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	5-ATF-183	5-ATF-183	5-ATF-183	5-ATF-183	
Name of Affiliate	OTHER	TDS	TDS CS	TDS TEL	1
Designate whether billed to or from:	TO	FROM	FROM	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Total Dollar Activity (000's)	98	224	209	2,756	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. 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 (000's) (c)	
Other	1170	18	1
TDS Communications Solutions, Inc.	1170	7	2
TDS Long Distance Corporation	1170	19	3
TDS Telecom Service Corporation	1170	386	4 G
Telephone & Data Systems, Inc.	1170	13	5 H
Other	4000	10	6
TDS Communications Solutions, Inc.	4000	30	7 I
TDS Metrocom, Inc.	4000	6	8 K
TDS Telecom Service Corporation	4000	1,984	9
TDS Telecommunications Corporation	4000	85	10 J
Telecommunications Technologies Fund	4000	15	11 L
Telecommunications Technologies Fund	4020	2,850	12
TDS Communications Solutions, Inc.	4200	27	13 M

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
GENERAL SUPPORT ASSETS				
Land	2111	54		1
Motor Vehicles	2112	368	66	2 B
Aircraft	2113	0		3
Tools and Other Work Equipment	2114	259	5	4 B
Buildings	2121	873		5
Furniture	2122	74		6
Office Equipment	2123	33		7
General Purpose Computers	2124	634	4	8 B
TOTAL GENERAL SUPPORT ASSETS		2,295	75	
CENTRAL OFFICE ASSETS				
Non-Digital Switching	2211	0		9
Digital Electronic Switching	2212	3,713	17	10 B
Operator Systems	2220	0		11
Radio Systems	2231	0		12
Circuit Equipment	2232	6,012	830	13 B
TOTAL CENTRAL OFFICE ASSETS		9,725	847	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		14
Customer Premises Wiring	2321	0		15
Large Private Branch Exchanges	2341	0		16
Public Telephone Terminal Equipment	2351	0		17
Other Terminal Equipment	2362	0		18
TOTAL INFORMATION ORIG/TERM ASSETS		0	0	
CABLE & WIRE FACILITIES ASSETS				
Poles	2411	46		19
Aerial Cable	2421	593	15	20
Underground Cable	2422	592	11	21
Buried Cable	2423	16,429	1,612	22
Submarine and Deep Sea Cable	2424	0	0	23
Intrabuilding Network Cable	2426	0	0	24
Aerial Wire	2431	53		25
Conduit Systems	2441	813	177	26
TOTAL CABLE & WIRE FACILITIES ASSETS		18,526	1,815	
AMORTIZABLE ASSETS				
Capital Leases	2681	275	11	27
Leasehold Improvements	2682	4		28
Intangibles	2690	213	(98)	29 B,C
TOTAL AMORTIZABLE ASSETS		492	(87)	

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

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2111			54	1
2112	63	(15)	356	2 B
2113			0	3
2114		16	280	4 B
2121			873	5
2122			74	6
2123			33	7
2124		14	652	8 B
	63	15	2,322	
2211			0	9
2212	30	3	3,703	10 B
2220			0	11
2231			0	12
2232	52	96	6,886	13 B
	82	99	10,589	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			0	18
	0	0	0	
2411			46	19
2421	23	0	585	20
2422	0	0	603	21
2423	44	0	17,997	22
2424	0	0	0	23
2426	0	0	0	24
2431			53	25
2441			990	26
	67	0	20,274	
2681			286	27
2682			4	28
2690		130	245	29 B,C
	0	130	535	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
TOTAL TELECOM. PLANT IN SERVICE	2001	31,038	2,650	
Less: Allocation to Nonregulated Activity - EOY	2001			30
NET REG TOTAL TELECOM. PLANT IN SERVICE - EOY 2001				

Explain all amounts shown in column (g).

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

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2001	212	244	33,720	
2001				30
2001			33,720	

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

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. 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 (000's) (c)	Additions (000's) (d)	
Digital Electronic Switching - Circuit	2212.1	3,713	17	1 B
Digital Electronic Switching - Packet	2212.2	0		2
Circuit Equipment - Electronic	2232.1	4,118	684	3 B
Circuit Equipment- Optical	2232.2	1,894	146	4 B
Aerial Cable - Nonmetallic	2421.1	168	4	5
Aerial Cable - Metallic	2421.2	425	11	6
Underground Cable - Nonmetallic	2422.1	67	6	7
Underground Cable - Metallic	2422.2	525	5	8
Buried Cable - Nonmetallic	2423.1	1,707	123	9
Buried Cable - Metallic	2423.2	14,722	1,489	10
Submarine and Deep Sea Cable - Nonmetallic	2424.1	0		11
Submarine and Deep Sea Cable - Metallic	2424.2	0		12
Intrabuilding Cable - Nonmetallic	2426.1	0		13
Intrabuilding Cable - Metallic	2426.2	0		14

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2212.1	30	3	3,703	1B
2212.2			0	2
2232.1	22	132	4,912	3B
2232.2	30	(36)	1,974	4B
2421.1			172	5
2421.2	23		413	6
2422.1			73	7
2422.2			530	8
2423.1			1,830	9
2423.2	44		16,167	10
2424.1			0	11
2424.2			0	12
2426.1			0	13
2426.2			0	14

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	220	8.8500	31		1 B
Aircraft	2113	0				2
Tools and Other Work Equipment	2114	246	7.1400	18		3 B
Buildings	2121	352	2.4700	21		4
Furniture	2122	38	10.0000	7		5
Office Equipment	2123	29	10.0000	1		6
General Purpose Computers	2124	634	20.0000	13		7 B
TOTAL GENERAL SUPPORT ASSETS		1,519		91	0	
CENTRAL OFFICE ASSETS						
Non-Digital Switching	2211	0				8
Digital Electronic Switching	2212	1,545	11.4000	423	0	9 B
Operator Systems	2220	0				10
Radio Systems	2231	0				11
Circuit Equipment	2232	1,709	8.4700	519	0	12 B
TOTAL CENTRAL OFFICE ASSETS		3,254		942	0	
INFORMATION ORIGINATION/TERMINATION ASSETS						
Station Apparatus	2311	0				13
Customer Premises Wiring	2321	0				14
Large Private Branch Exchanges	2341	0				15
Public Telephone Terminal Equipment	2351	0				16
Other Terminal Equipment	2362	0				17
TOTAL INFORMATION ORIG/TERM ASSETS		0		0	0	
CABLE & WIRE FACILITIES ASSETS						
Poles	2411	68	6.0000	2		18 Q
Aerial Cable	2421	227	6.7100	39	0	19
Underground Cable	2422	158	4.7400	28	0	20
Buried Cable	2423	4,694	5.2200	898	0	21
Submarine and Deep Sea Cable	2424	0		0	0	22
Intrabuilding Network Cable	2426	0		0	0	23
Aerial Wire	2431	80	15.0000			24 Q
Conduit Systems	2441	159	2.7800	24		25 D
TOTAL CABLE & WIRE FACILITIES ASSETS		5,386		991	0	
Total Accumulated Depreciation	3100	10,159		2,024	0	
Less: Nonreg Accumulated Depreciation	3100					26
Net Reg Total Accumulated Depreciation	3100			2,024	0	

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2112	63		14	(5)	197	1 B
2113	0				0	2
2114	0			8	272	3 B
2121	0				373	4
2122	0				45	5
2123	0				30	6
2124	0			2	649	7 B
	63	0	14	5	1,566	
2211	0				0	8
2212	30	0	0	(2)	1,936	9 B
2220	0				0	10
2231	0				0	11
2232	52	0	0	(18)	2,158	12 B
	82	0	0	(20)	4,094	
2311	0				0	13
2321	0				0	14
2341	0				0	15
2351	0				0	16
2362	0				0	17
	0	0	0	0	0	
2411	0	2			68	18 Q
2421	23	14	0	0	229	19
2422	0	0	0	0	186	20
2423	44	4	2	0	5,546	21
2424	0	0	0	0	0	22
2426	0	0	0	0	0	23
2431	0				80	24 Q
2441	0			1	184	25 D
	67	20	2	1	6,293	
3100	212	20	16	(14)	11,953	
3100						26
3100					11,953	

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 or subsidiary record. 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 (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
Digital Electronic Switching - Circuit	2212.1	1,545	11.4	423		1 B
Digital Electronic Switching - Packet	2212.2	0				2
Circuit Equipment - Electronic	2232.1	1,208	8.4700	358		3 B
Circuit Equipment- Optical	2232.2	501	8.4700	161		4 B
Aerial Cable - Nonmetallic	2421.1	0	6.07	12		5
Aerial Cable - Metallic	2421.2	227	6.47	27		6
Underground Cable - Nonmetallic	2422.1	11	4.4	3		7
Underground Cable - Metallic	2422.2	147	4.78	25		8
Buried Cable - Nonmetallic	2423.1	522	4.4	91		9
Buried Cable - Metallic	2423.2	4,172	5.0	807		10
Submarine and Deep Sea Cable - Nonmetall	2424.1	0				11
Submarine and Deep Sea Cable - Metallic	2424.2	0				12
Intrabuilding Cable - Nonmetallic	2426.1	0				13
Intrabuilding Cable - Metallic	2426.2	0				14

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

Subacct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2212.1	30			(2)	1,936	1 B
2212.2	0				0	2
2232.1	22			1	1,545	3 B
2232.2	30			(19)	613	4 B
2421.1	0				12	5
2421.2	23	14			217	6
2422.1	0				14	7
2422.2	0				172	8
2423.1	0				613	9
2423.2	44	4	2		4,933	10
2424.1	0				0	11
2424.2	0				0	12
2426.1	0				0	13
2426.2	0				0	14

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	12,358	10,748	1 0
Changes:			
Balance Transferred from Income	1,910	1,610	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	1	0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>14,267</u>	<u>12,358</u>	

REVENUES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	2,584	2,559	2 E
Private Line Revenue (5040)	79	104	3 R
Other Basic Area Revenue (5060)	901	912	4 F
TOTAL LOCAL NETWORK SERVICES REVENUES	3,564	3,575	
INTERSTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*	1,228	1,193	5
Switched Access Revenue (5082)*	2,241	1,947	6 F
Special Access Revenue (5083)*	468	565	7
TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.	3,937	3,705	
INTRASTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*			8
Switched Access Revenue (5082)*	917	920	9
Special Access Revenue (5083)*	1,106	1,018	10
TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.	2,023	1,938	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			11
TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.	0	0	
MISCELLANEOUS & NONREGULATED REVENUES			
Miscellaneous Revenue (5200)*	375	327	12 E
Directory Revenue (5230)	289	296	13
Nonregulated Operating Revenue (5280)*			14
TOTAL MISCELLANEOUS & NONREGULATED REVENUES	664	623	
GROSS OPERATING REVENUES	10,188	9,841	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(4)	(26)	15 S
TOTAL UNCOLLECTIBLE REVENUES	(4)	(26)	
TOTAL OPERATING REVENUES	10,192	9,867	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	984	959	1
LESS: NONREGULATED			2
NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE	984	959	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Other Property, Plant and Equip. Exp. (6510)			3
Network Operations Expense (6530)	652	641	4
Access Expense (6540)	241	194	5 T
Depreciat. Exp.--Tele. Plant in Service (6561)	1,960	1,770	6
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)			7
Amortization Expense--Tangible (6563)	57	78	8 U
Amortization Expense--Intangible (6564)	99	235	9 V
Amortization Expense--Other (6565)		16	10 W
Depreciation and Amortization Expense (6560)	2,116	2,099	11
TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE	3,009	2,934	12
LESS: NONREGULATED			13
NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE	3,009	2,934	
CUSTOMER OPERATIONS EXPENSE			
Marketing (6610)	281	89	14 X
Services (6620)	735	788	15
TOTAL CUSTOMER OPERATIONS EXPENSE	1,016	877	16
LESS: NONREGULATED			17
NET REGULATED CUSTOMER OPERATIONS EXPENSE	1,016	877	
CORPORATE OPERATIONS EXPENSE			
TOTAL CORPORATE OPERATIONS EXPENSE	1,489	1,462	18
LESS: NONREGULATED			19
NET REGULATED CORPORATE OPERATIONS EXPENSE	1,489	1,462	
TOTAL EXPENSES	6,498	6,232	
LESS: NONREGULATED	0	0	
NET REGULATED EXPENSES	6,498	6,232	

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 (000's) (b)	
Gross Operating Revenues	10,188	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	(4)	3 N
Plus: Total Other Operating Income and (Expense) (7100)	3	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	10,195	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	3,564	1
Plus: Total Intrastate Access Revenues (5081-5083)	2,023	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	5,587	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)	3	3	1
LESS: NONREGULATED			2
NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)	3	3	
TOTAL OPERATING TAXES (7200)	1,488	1,557	3
LESS: NONREGULATED			4
NET REGULATED OPERATING TAXES (7200)	1,488	1,557	
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	53	47	5
LESS: NONREGULATED			6
NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)	53	47	
TOTAL NONOPERATING TAXES (7400)	16	12	7
LESS: NONREGULATED			8
NET REGULATED NONOPERATING TAXES (7400)	16	12	
TOTAL INTEREST AND RELATED ITEMS (7500)	305	376	9
LESS: NONREGULATED			10
NET REGULATED INTEREST AND RELATED ITEMS (7500)	305	376	
TOTAL EXTRAORDINARY ITEMS (7600)			11
LESS: NONREGULATED			12
NET REGULATED EXTRAORDINARY ITEMS (7600)	0	0	
TOTAL NONREGULATED NET INCOME (7990)	(31)	(130)	13
TOTAL OTHER INCOME ACCOUNTS	(1,784)	(2,025)	
TOTAL NONREGULATED	(31)	(130)	
TOTAL NET REGULATED OTHER INCOME ACCOUNTS	(1,753)	(1,895)	

NONREGULATED ACTIVITIES

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

Nonregulated Activity (a)	
1 & 2 line phones, business systems and inside wiring.	1
Direct Broadcast Satellite (DBS) where available.	2
Internet service where available.	3
Mobile equipment where tariff allows and where available.	4
Paging service where tariff allows and where available.	5
Voicemail service where tariff allows and where available.	6

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			
Extended Community Calling	72	264	1
Other Local-Undefined			2
Total Local	72	264	
TOLL			
Toll	1,396	4,890	3
Total Toll	1,396	4,890	
Total Local & Toll	1,468	5,154	

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 & B -- Originating	99	0	0	0	1
Feature Group A & B -- Terminating	0	0	0	0	2
Feature Group C -- Originating	0	0	0	0	3
Feature Group C -- Terminating	0	0	0	0	4
Feature Group D -- Originating	98,624	63,130	51,664	26	5
Feature Group D -- Terminating	121,227	43,502	57,529	540	6

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	77	1
Route miles of plant - microwave		2

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	6	1 A
56/64 kbps (DS0)	17	10	2
1.54 Mbps (DS-1)	72	25	3
45 Mbps (DS-3)	1	0	4 A
SONET OC-1 (51.84 Mbps)	0	0	5
SONET OC-3 (155.52 Mbps)	0	0	6
SONET OC-12 (622.08 Mbps)	0	0	7
SONET OC-48 (2.488 Gbps)	0	0	8
SONET OC-192 (9.953 Gbps)	0	0	9
SONET OC-768 (39.812 Gbps)	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	1,848	1,794	3
PBX Trunks/Centrex & Key System Trunks	39	431	4
Centrex Lines	257	257	5
FX-Out (Switched)	1	1	6
Pay Telephone	0	0	7
Other	0	34	8
Total Business Lines	2,145	2,517	9
Residential (Incl. Emp. Concess.)			10
1 Party	10,880	10,752	11
FX-Out (Switched)	12	10	12
Other	5	3	13
Total Residential Lines	10,897	10,765	14
Total Bus & Res Lines	13,042	13,282	15
Company Total Lines Used	200	197	16
Total Lines Used	13,242	13,479	17
Miscellaneous			18
WATS Lines - OutWATS	0	0	19
WATS Lines - 800 Service	0	0	20
FX-In-intraLATA	0	14	21
Special Access-intraLATA (expressed in equiv. access lines)	651	616	22
Special Access-interLATA (expressed in equiv. access lines)	1,535	2,417	24
Feature Group C Trunks	0	0	26
Feature Group D Trunks	492	492	27
TSPS - Trunks	8	8	28
EAS and ECC - Trunks	1,312	1,384	29
Cellular Trunks (Pub. Sw. Net.)	0	0	30
Customers			31
Number of Lifeline customers at FOY (January 1, 2004) and EOY (December 31, 2004):	76	91	32
Number of Linkup customers connected during FOY (Calendar year 2003) and EOY (Calendar year 2004):	53	49	33
Other			34
Total Company Square Miles	164	164	35
Total Company Route Miles	561	625	36
Footnotes			37
			38
			39

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	3580	3760	5500		1
Business					2
1 Party	46	312	1,436		3
PBX Trunks/Centrex & Key System Trunks	4	62	365		4
Centrex Lines	0	80	177		5
FX-Out (Switched)	0	1	0		6
Pay Telephone	0	0	0		7
Other	0	11	23		8
Total Business Lines	50	466	2,001	0	9
Residential (Incl. Emp. Concess.)					10
1 Party	552	1,628	8,572		11
FX-Out (Switched)	4	0	6		12
Other	1		2		13
Total Residential Lines	557	1,628	8,580	0	14
Total Bus & Res Lines	607	2,094	10,581	0	15
Company Total Lines Used		30	167		16
Total Lines Used	607	2,124	10,748	0	17
Miscellaneous					18
WATS Lines - OutWATS	0	0	0		19
WATS Lines - 800 Service	0	0	0		20
FX-In-intraLATA	0	1	13		21
Special Access-intraLATA (equiv. access lines)	565	51	0		22
Special Access-interLATA (equiv. access lines)	1,477	220	720		23
Feature Group C Trunks	0		0		24
Feature Group D Trunks	0		492		25
TSPS - Trunks	0		8		26
EAS and ECC - Trunks	0		1,384		27
Cellular Trunks (Pub. Sw. Net.)	0		0		28
Other					29
Exchange Square Miles	43	69	52		30
Exchange Route Miles	133	207	285		31
Footnotes					32
					33
					34

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Advanced Fiber Communication	AFC	1
Alcatel	AL	2
ATTC	ATT	3
Digital Loop Carrier	DLC	4
GTE	GTE	5
ITT	ITT	6
Lucent	ATT/LUC	7
Northern Telecom	NTI	8
Siemens	SI	9
Stromberg-Carlson	SC	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electronic--Digital	D	1
Electronic--Video	V	2
IP-Packet	P	3

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	MOUNT VERNON	NEW GLARUS	VERONA		1
PSCW Exchange ID	3580	3760	5500		2
Central Office Name	MOUNT VERNON	NEW GLARUS	VERONA		3
PSCW Central Office ID	1	1	1		4
Central Office CLLI Code	MTVRWIXARS2	NWGLWIXARS0	VRNAWIXADS1		5
Manufacturer of COE (Page 54)	NTI	NTI	SI		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	R	R	H		8
Remote Host PSCW Exchange ID	3380	3380			9
Remote Host Central Office CLLI Code	MDSNWIGJDS0	MDSNWIGJDS0			10
COE Generic Software Release No.	RMT	RMT	19		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	607	2,124	10,748		14
Trunks - In Use	0	0	2,412		15
ISDN Available?	Yes	Yes	Yes		16
ISDN Lines - In Use (BRI)	2	4	17		17
- In Use (PRI)	0	0	14		18
DSL Service Available?	Yes	Yes	Yes		19
- In Use (# lines)	83	282	1,705		20
End User VoIP Available?	No	No			21
Digital Service Available: DS-1 - In Use	11	104	710		22
DS-3 - In Use	6	18	51		23
OC-3 - In Use	4	4	16		24
Advanced Data Service Available:					25
Packet Switching?	No	No	Yes		26
Frame Relay?	Yes	Yes	No		27
ATM (Asynchronous Trans. Mode)?	No	No	Yes		28
Fiber Transmission Facilities:					29
No. of fiber strands entering C.O.	44	112	284		30
No. of fiber strands working (LIT) in C.O.	16	12	60		31
No. of fiber strands for interoffice use	8	8	60		32
Miles of fiber sheath in wire center	14	10	53		33
Access Tandem Serving this C.O.:					34
- C.O. Name	MADISON	MADISON	MADISON		35
- PSCW C.O. CLLI Code	MDSNWI1171T	MDSNWI1171T	MDSNWI1171T		36
Does this C.O. do access tandem switching?	No	No	No		37
Footnotes	P	P			38

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Income Statement - Total Company Footnote. Page 8

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Balance Sheet - Assets (Class B Use Accounts Designated By *) Footnote. Page 10

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Revenues - Class A & B (Class B Use Accounts Designated By *) Footnote. Page 40

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Expenses - Class A & B Footnote. Page 41

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Other Income Accounts Footnote. Page 44

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Schedule Line Footnotes

- A) Where a zero is indicated, the company does not have these types of circuits in service.
- B) Amounts listed on pages 22 and 24, in column (g) and pages 26 and 28, column (k) are reclasses between accounts or transfers with affiliates.
- C) The composite depreciation rate for A/C 2690 is 6.21%.
- D) Rounding.
- E) Last year figures changed from what was reported on the 2003 report for accounts 5001 and 5200 due to reclassifying Interconnection revenues. These revenues were reclassified because they are not assessable (and to be consistent with 2004 reporting).
- F) Last year figures changed from what was reported on the 2003 report for accounts 5060 and 5082 (Interstate) due to reclassifying USF revenues. These revenues were reclassified because they are not assessable (and to be consistent with 2004 reporting).
- G) \$213K of this amount is a prepayment to affiliate that is recorded in account 1280.
- H) Prepayment to affiliate is recorded in account 1280.
- I) (\$2)K of this current liability to affiliate is recorded in account 4130.
- J) Federal Income Tax payable to affiliate is recorded in account 4070.
- K) State Income Tax payable to affiliate is recorded in account 4070.
- L) This current liability to affiliate is recorded in account 4130.
- M) Capital lease with affiliate is recorded in account 4250.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- N)** Collection of amounts previously written off and uncollectibles written off during the year are netted on line 3.
- O)** Miscellaneous debit is for rounding.
- P)** The Mount Vernon & New Glarus exchanges are remotes off of the Schroeder Road switch. This switch is owned by Chorus Networks, LLC which is also a subsidiary of TDS Telecommunications Corporation. Chorus Networks, LLC leases switching services to Mt. Vernon Telephone Company, LLC per the Master Affiliate Agreement in place between TDS Telecommunications Corporation subsidiaries.
- Q)** Accumulated depreciation is greater than the asset balance because per the WI PSC, the company is allowed to depreciate more than 100% of this account group.
- R)** Decrease in revenue is due to a change in the classification of a fiber optics lease.
- S)** In 2003 the company recovered some of the 2002 write-offs related to the WorldCom/MCI bankruptcy.
- T)** Increase is due to increase in USAC, WI TEACH and Recip Comp.
- U)** Decrease in expense due to certain leases becoming fully amortized.
- V)** Decrease in expense due to certain software assets becoming fully amortized.
- W)** Decrease in expense due to leasehold improvement becoming fully depreciated.
- X)** Sales efforts were increased in 2004.

Communities where Basic Local Service is offered to New Customers

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Green	ADAMS	Town	1
Dane	BELLEVILLE	Village	2
Dane	CROSS PLAINS	Town	3
Green	EXETER	Town	4
Dane	FITCHBURG	City	5
Dane	MADISON	City	6
Dane	MADISON	Town	7
Dane	MIDDLETON	Town	8
Green	MONTICELLO	Village	9
Dane	MONTROSE	Town	10
Dane	MOUNT HOREB	Town	11
Green	MOUNT PLEASANT	Town	12
Dane	MOUNT VERNON	Unincorporated	13
Green	NEW GLARUS	Town	14
Green	NEW GLARUS	Village	15
Dane	OREGON	Town	16
Dane	PERRY	Town	17
Dane	PRIMROSE	Town	18
Dane	SPRINGDALE	Town	19
Dane	VERONA	City	20
Dane	VERONA	Town	21
Green	WASHINGTON	Town	22
Green	YORK	Town	23