



4004

ANNUAL REPORT

OF

Name: BAYLAND TELEPHONE INC

Principal Office: 2711 E FRONTAGE RD
ABRAMS, WI 54101

For the Year Ended: DECEMBER 31, 2005

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP - UTILITY INFORMATION

Exact Utility Name: BAYLAND TELEPHONE INC F
Utility Location: 2711 E FRONTAGE RD
ABRAMS, WI 54101

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

www.bayland.net

When was utility organized?: 01/01/1907**Report any change in name and the effective date:****Telephone numbers for potential customers to contact company:**

Business Customers: (920) 826 - 5215 Ext:

Residential Customers: (920) 826 - 5215 Ext:

Primary Address - Primary Utility Contact (located at utility address)

Name: MR. ROGER L. HERMSEN
Title: PRESIDENT AND GENERAL MANAGER

Office Address: 2711 E. FRONTAGE RD
ABRAMS, WI 54101

Fax Number: (608) 826 - 5911
Telephone Number: (608) 826 - 5215
Email Address: rlherm@bayland.net

Annual Report Address - Contact person for information contained in this annual report

 Same as Primary Address

Name:
Title:
Firm:
Office Address:

Fax Number: () - EXT
Telephone Number: () - EXT
Email Address:

IDENTIFICATION AND OWNERSHIP - UTILITY INFORMATION**Regulatory Contact - Contact person for regulatory inquiries and complaints** **Same as Primary Address****Name:****Title:****Firm:****Office Address:****Fax Number:** () - EXT**Telephone Number:** () - EXT**Email Address:**

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: CHRISTINE C. FRENCH
Address: 3517 BARKWOOD LANE
MANITOWOC, WI 54220

Percent Interest Held: 15
Beneficial Owner: NONE

Name: DONALD & RUTH LE BRECK
Address: 1122 BIEMERET STREET
GREEN BAY, WI 54304-3314

Percent Interest Held: 10
Beneficial Owner: NONE

Name: HELEN L. HERMSEN
Address: 13575 KERRY LANE
EDEN PRAIRIE, MN 55346-3152

Percent Interest Held: 10
Beneficial Owner: NONE

Name: J. ROGER HERSMEN
Address: 921C E. WINDFIELD PLACE
APPLETON, WI 54911

Percent Interest Held: 2
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP - UTILITY INFORMATION

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: JEAN J. HERMSEN
Address: 2832B MADISON STREET
WAUKESHA, WI 53188-4507

Percent Interest Held: 9
Beneficial Owner: NONE

Name: PATRICK & MARY ANDERSON
Address: 3502 E. BOTTSFORD AVE.
CUDAHY, WI 53110-1134

Percent Interest Held: 10
Beneficial Owner: NONE

Name: PAUL G. HERMSEN
Address: 6701 CHESTNET STREET
OCONTO FALLS, WI 54303-4438

Percent Interest Held: 15
Beneficial Owner: NONE

Name: ROGER L. HERMSEN
Address: 3025 BIG TIMBER CIRCLE
GREEN BAY, WI 54313

Percent Interest Held: 15
Beneficial Owner: NONE

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

Company Name: BAYLAND COMMUNICATIONS, INC.
Form of Interest: EQUITY
Extent Of Interest: 100% OWNERSHIP

Company Name: BAYNET, INC.
Form of Interest: EQUITY
Extent Of Interest: 100% OWNERSHIP

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address

Name: MR. J. ROGER HERMSEN Title/Occupation: VICE PRESIDENT Business Address (1): 2711 E. FRONTAGE ROAD Business Address (2): Business Address (3): City State, Zip: ABRAMS, WI 54101	1
Name: MR. PAUL HERMSEN Title/Occupation: SECRETARY/TREASURER Business Address (1): 2711 E. FRONTAGE ROAD Business Address (2): Business Address (3): City State, Zip: ABRAMS, WI 54101	2
Name: MR. ROGER L. HERMSEN Title/Occupation: PRESIDENT Business Address (1): 2711 E. FRONTAGE ROAD Business Address (2): Business Address (3): City State, Zip: ABRAMS, WI 54101	3

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Operating Revenues			
Operating Revenues (5000-5300)	1,787	1,821	1
Total Operating Revenues	1,787	1,821	
Operating Expenses			
Plant Specific Operations Expenses (6110-6410)	364	307	2
Other Plant Nonspecific Operations Expenses	603	588	3
Customer Operations Expense (6610-6620)	404	417	4
Corporate Operations Expense (6720-6790)	263	269	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	(16)	13	7
Total Operating Expenses	1,618	1,594	
Net Operating Income	169	227	
Other Income			
Nonoperating Income and Expense (7300)	1,396	887	8
Nonoperating Taxes (7400)	462	75	9
Interest and Related Items (7500)	151	146	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	33	59	12
Total Nonoperating Income	816	725	
Net Income	985	952	

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.)

SIGNIFICANT ACCOUNTING POLICIES:

- A. TELEPHONE PLANT IS RECORDED AT ORIGINAL COST. DEPRECIATION IS COMPUTED ON A STRAIGHT-LINE BASIS BY APPLYING A RATE TO A GROUP OF ASSETS FOR BOOK PURPOSES. AN ACCELERATED METHOD TO COMPUTE DEPRECIATION IS USED FOR TAX PURPOSES. DEFERRED INCOME TAXES HAVE BEEN RECORDED FOR ALL TEMPORARY TIMING DIFFERENCES.
- B. THE COMPANY HAS ELECTED TO DEFER INCOME TAX SAVINGS EARNED BY AN INVESTMENT TAX CREDIT AND IS AMORTIZING THESE SAVINGS OVER THE SERVICE LIFE OF THE ASSETS ON WHICH THE ITC WAS GENERATED.
- C. THE COMPANY HAS A DEFINED CONTRIBUTION PENSION PLAN AND A 401(k) PLAN WHICH ARE ADMINISTERED BY A TRUSTEE AND COVERS ALL ELIGIBLE EMPLOYEES. PENSION PLAN EXPENSE FOR 2005 AMOUNTED TO \$70,332.
- D. IN GENERAL, REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF WHEN ACTUALLY RECEIVED.

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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.

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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.

RETAINED EARNINGS RESTRICTIONS:

UNDER THE MOST RESTRICTIVE PROVISIONS OF THE COMPANY'S RURAL UTILITIES SERVICE (RUS) LOAN AGREEMENT, APPROXIMATELY \$3,262,000 OF RETAINED EARNINGS IS AVAILABLE FOR 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)*	428	505	1
TOTAL CASH AND EQUIVALENTS	428	505	
RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS			
Receivables (1170)*	1,116	1,194	2
Allowance for Doubtful Accounts (1171)*			3
TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS	1,116	1,194	
SUPPLIES			
Inventories (1220)*	27	21	4
TOTAL SUPPLIES	27	21	
PREPAYMENTS			
Prepayments (1280)*	25		5
TOTAL PREPAYMENTS	25	0	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			6
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,596	1,720	
NONCURRENT ASSETS			
INVESTMENTS			
Nonregulated Investments (1406)*	313	48	7
RTB Class B Stock (1402)*	5	5	8
Other Noncurrent Assets (1410)*	2,828	2,625	9
TOTAL INVESTMENTS	3,146	2,678	
DEFERRED CHARGES			
Deferred Maint., Retirements and Other Deferred Charges (1438)*	14	23	10
TOTAL DEFERRED CHARGES	14	23	
OTHER JURISDICTIONAL ASSETS-NET			
Other Jurisdictional Assets-Net (1500)*			11
TOTAL OTHER JURISDICTIONAL ASSETS-NET	0	0	
TOTAL NONCURRENT ASSETS	3,160	2,701	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	9,956	7,765	12
Less: Accumulated Depreciation (3100)*	5,376	4,839	13
Less: Accumulated Amortization-Tangible (3400)*			14
Less: Accumulated Amortization-Capitalized Leases (3410)			15
NET TELECOMMUNICATIONS PLANT IN SERVICE	4,580	2,926	
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)*	214	432	20
TOTAL TPUC	214	432	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			21
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
GOODWILL			
Goodwill (2007)*			22
TOTAL GOODWILL	0	0	
TOTAL PLANT	4,794	3,358	
TOTAL ASSETS AND OTHER DEBITS	9,550	7,779	

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)*			1
Other Current Accounts and Notes Payable (4000)*	350	119	2
Customers' Deposits (4040)*			3
Income Taxes-Accrued (4070)*		158	4
Other Taxes-Accrued (4080)*	(4)		5
Net Current Deferred Operating Income Taxes (4100)*	0	0	6
Net Current Deferred Nonoperating Income Taxes (4110)*			7
Current Maturities-Long-Term Debt (4050)*	256	211	8
Current Maturities-Capital Leases (4060)*			9
Other Current Liabilities (4130)*	52	22	10
TOTAL CURRENT LIABILITIES	654	510	
LONG-TERM DEBT			
Long-Term Debt and Funded Debt (4200)*	3,051	2,355	11
TOTAL LONG-TERM DEBT	3,051	2,355	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Liabilities and Deferred Credits (4300)*	2	32	12
Unamortized Operating Investment Tax Credits-Net (4320)*	1	2	13
Unamortized Nonoperating Investment Tax Credits-Net (4330)*			14
Net Noncurrent Deferred Operating Income Taxes (4340)*	303	265	15
Net Deferred Tax Liability Adjustments (4341)*	0	0	16
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(448)	(442)	17
Deferred Tax Regulatory Adjustments-Net (4361)*	13	13	18
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*			19
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	(129)	(130)	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	230	230	20
Additional Paid-in Capital (4520)*			21
Treasury Stock (4530)*			22
Other Capital (4540)*	(4)	(4)	23
Retained Earnings (4550)*	5,748	4,818	24
TOTAL STOCKHOLDERS' EQUITY	5,974	5,044	
TOTAL LIABILITIES AND OTHER CREDITS	9,550	7,779	

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

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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)	
BAYLAND COMMUNICATIONS, INC.	BAYCOM	1
BAYNET, INC.	BAYNET	2

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	0387NC100	7147TI100		
Name of Affiliate	BAYCOM	BAYNET		1
Designate whether billed to or from:	TO	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C		3
Total Dollar Activity (000's)	61	27		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				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)	
BAYLAND COMMUNICATIONS, INC.	1170	606	1
BAYNET, INC.	1170	311	2
BAYLAND COMMUNICATIONS, INC.	1410	(661)	3
BAYNET, INC.	1410	213	4

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	64	0	1
Motor Vehicles	2112	168	19	2
Aircraft	2113	0	0	3
Tools and Other Work Equipment	2114	33	10	4
Buildings	2121	687	4	5
Furniture	2122	67	2	6
Office Equipment	2123	25	4	7
General Purpose Computers	2124	133	4	8
TOTAL GENERAL SUPPORT ASSETS		1,177	43	
CENTRAL OFFICE ASSETS				
Non-Digital Switching	2211	0		9
Digital Electronic Switching	2212	1,331	82	10
Operator Systems	2220	0		11
Radio Systems	2231	0		12
Circuit Equipment	2232	1,348	760	13
TOTAL CENTRAL OFFICE ASSETS		2,679	842	
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	0		19
Aerial Cable	2421	0	0	20
Underground Cable	2422	0	0	21
Buried Cable	2423	3,878	1,313	22
Submarine and Deep Sea Cable	2424	0	0	23
Intrabuilding Network Cable	2426	0	0	24
Aerial Wire	2431	0		25
Conduit Systems	2441	31		26
TOTAL CABLE & WIRE FACILITIES ASSETS		3,909	1,313	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		27
Leasehold Improvements	2682	0		28
Intangibles	2690	0		29
TOTAL AMORTIZABLE ASSETS		0	0	

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			64	1
2112			187	2
2113			0	3
2114			43	4
2121			691	5
2122			69	6
2123			29	7
2124	1		136	8
	1	0	1,219	
2211			0	9
2212	0	0	1,413	10
2220			0	11
2231			0	12
2232	0	0	2,108	13
	0	0	3,521	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			0	18
	0	0	0	
2411			0	19
2421	0	0	0	20
2422	0	0	0	21
2423	6	0	5,185	22
2424	0	0	0	23
2426	0	0	0	24
2431			0	25
2441			31	26
	6	0	5,216	
2681			0	27
2682			0	28
2690			0	29
	0	0	0	

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	7,765	2,198	
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	7	0	9,956	
2001				30
2001			9,956	

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	1,331	82	1
Digital Electronic Switching - Packet	2212.2	0		2
Circuit Equipment - Electronic	2232.1	1,256	760	3
Circuit Equipment- Optical	2232.2	92	0	4
Aerial Cable - Nonmetallic	2421.1	0		5
Aerial Cable - Metallic	2421.2	0		6
Underground Cable - Nonmetallic	2422.1	0		7
Underground Cable - Metallic	2422.2	0		8
Buried Cable - Nonmetallic	2423.1	279	695	9
Buried Cable - Metallic	2423.2	3,599	618	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			1,413	1
2212.2			0	2
2232.1			2,016	3
2232.2			92	4
2421.1			0	5
2421.2			0	6
2422.1			0	7
2422.2			0	8
2423.1			974	9
2423.2	6		4,211	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	147	10.0000	7		1
Aircraft	2113	0	.0000			2
Tools and Other Work Equipment	2114	32	10.0000	4		3
Buildings	2121	181	2.9500	20		4
Furniture	2122	18	10.0000	7		5
Office Equipment	2123	21	15.0000	6		6
General Purpose Computers	2124	129	25.0000	8		7
TOTAL GENERAL SUPPORT ASSETS		528		52	0	
CENTRAL OFFICE ASSETS						
Non-Digital Switching	2211	0	.0000			8
Digital Electronic Switching	2212	1,269	8.5000	107	0	9
Operator Systems	2220	0	.0000			10
Radio Systems	2231	0	.0000			11
Circuit Equipment	2232	1,244	12.0000	162	0	12
TOTAL CENTRAL OFFICE ASSETS		2,513		269	0	
INFORMATION ORIGINATION/TERMINATION ASSETS						
Station Apparatus	2311	0	.0000			13
Customer Premises Wiring	2321	0	.0000			14
Large Private Branch Exchanges	2341	0	.0000			15
Public Telephone Terminal Equipment	2351	0	.0000			16
Other Terminal Equipment	2362	0	.0000			17
TOTAL INFORMATION ORIG/TERM ASSETS		0		0	0	
CABLE & WIRE FACILITIES ASSETS						
Poles	2411	0	.0000			18
Aerial Cable	2421	0	.0000	0	0	19
Underground Cable	2422	0	.0000	0	0	20
Buried Cable	2423	1,795	5.0000	225	0	21
Submarine and Deep Sea Cable	2424	0	.0000	0	0	22
Intrabuilding Network Cable	2426	0	.0000	0	0	23
Aerial Wire	2431	0	.0000			24
Conduit Systems	2441	3	.0000			25
TOTAL CABLE & WIRE FACILITIES ASSETS		1,798		225	0	
Total Accumulated Depreciation	3100	4,839		546	0	
Less: Nonreg Accumulated Depreciation	3100					26
Net Reg Total Accumulated Depreciation	3100			546	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	0				154	1
2113	0				0	2
2114	0				36	3
2121	0				201	4
2122	0				25	5
2123	0				27	6
2124	1				136	7
	1	0	0	0	579	
2211	0				0	8
2212	0	0	0	0	1,376	9
2220	0				0	10
2231	0				0	11
2232	0	0	0	0	1,406	12
	0	0	0	0	2,782	
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				0	18
2421	0	0	0	0	0	19
2422	0	0	0	0	0	20
2423	6	2	0	0	2,012	21
2424	0	0	0	0	0	22
2426	0	0	0	0	0	23
2431	0				0	24
2441	0				3	25
	6	2	0	0	2,015	
3100	7	2	0	0	5,376	
3100						26
3100					5,376	

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	1,269	8.5	107		1
Digital Electronic Switching - Packet	2212.2	0				2
Circuit Equipment - Electronic	2232.1	1,152	12.0	162		3
Circuit Equipment- Optical	2232.2	92	9.5			4
Aerial Cable - Nonmetallic	2421.1	0				5
Aerial Cable - Metallic	2421.2	0				6
Underground Cable - Nonmetallic	2422.1	0				7
Underground Cable - Metallic	2422.2	0				8
Buried Cable - Nonmetallic	2423.1	131	4.6	31		9
Buried Cable - Metallic	2423.2	1,664	5.0	194	0	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	0				1,376	1
2212.2	0				0	2
2232.1	0				1,314	3
2232.2	0				92	4
2421.1	0				0	5
2421.2	0				0	6
2422.1	0				0	7
2422.2	0				0	8
2423.1	0				162	9
2423.2	6	2			1,850	10
2424.1	0				0	11
2424.2	0				0	12
2426.1	0				0	13
2426.2	0				0	14

NET DEFERRED OPERATING INCOME TAXES

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

Particulars (a)	Balance EOY (000's) (b)	
PROPERTY RELATED		
Other Current Assets (1350)		1
Other Noncurrent Assets (1410)		2
Net Current Deferred Operating Income Taxes (4100)		3
Net Noncurrent Deferred Operating Income Taxes (4340)	(317)	4
Net Deferred Tax Liability Adjustments (4341)		5
Deferred Tax Regulatory Adjustments-Net (4361)	(13)	6
Net Property Related Deferred Operating Income Taxes	(330)	
Less: Allocation to Nonregulated Activity		7
Net Regulated Total Property Related Deferred Operating Income Taxes	(330)	
NONPROPERTY RELATED		
Other Current Assets (1350)		8
Other Noncurrent Assets (1410)		9
Net Current Deferred Operating Income Taxes (4100)		10
Net Noncurrent Deferred Operating Income Taxes (4340)	14	11
Net Deferred Tax Liability Adjustments (4341)		12
Deferred Tax Regulatory Adjustments-Net (4361)		13
Total Nonproperty Related Deferred Operating Income Taxes	14	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	4,818	3,916	1
Changes:			
Balance Transferred from Income	985	952	2
Dividends Declared:			
Common	55	50	3
Preferred		0	4
Total Dividends Declared	55	50	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>5,748</u>	<u>4,818</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)*	728	748	1
Basic Area Revenue (5001)			2
Private Line Revenue (5040)			3
Other Basic Area Revenue (5060)			4
TOTAL LOCAL NETWORK SERVICES REVENUES	728	748	
INTERSTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*	192	213	5
Switched Access Revenue (5082)*	394	377	6
Special Access Revenue (5083)*	76	77	7
TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.	662	667	
INTRASTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*			8
Switched Access Revenue (5082)*	294	308	9
Special Access Revenue (5083)*			10
TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.	294	308	
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)*	104	103	12
Directory Revenue (5230)			13
Nonregulated Operating Revenue (5280)*			14
TOTAL MISCELLANEOUS & NONREGULATED REVENUES	104	103	
GROSS OPERATING REVENUES	1,788	1,826	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1	5	15
TOTAL UNCOLLECTIBLE REVENUES	1	5	
TOTAL OPERATING REVENUES	1,787	1,821	

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	1,038	839	1 D
LESS: NONREGULATED	674	532	2
NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE	364	307	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Other Property, Plant and Equip. Exp. (6510)	0	0	3
Network Operations Expense (6530)	181	172	4
Access Expense (6540)	17	34	5 E
Depreciat. Exp.--Tele. Plant in Service (6561)	561	522	6
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0	7
Amortization Expense--Tangible (6563)		0	8
Amortization Expense--Intangible (6564)		0	9
Amortization Expense--Other (6565)		0	10
Depreciation and Amortization Expense (6560)	561	522	11
TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE	759	728	12
LESS: NONREGULATED	156	140	13
NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE	603	588	
CUSTOMER OPERATIONS EXPENSE			
Marketing (6610)	69	72	14
Services (6620)	388	399	15
TOTAL CUSTOMER OPERATIONS EXPENSE	457	471	16
LESS: NONREGULATED	53	54	17
NET REGULATED CUSTOMER OPERATIONS EXPENSE	404	417	
CORPORATE OPERATIONS EXPENSE			
TOTAL CORPORATE OPERATIONS EXPENSE	263	269	18
LESS: NONREGULATED	0	0	19
NET REGULATED CORPORATE OPERATIONS EXPENSE	263	269	
TOTAL EXPENSES	2,517	2,307	
LESS: NONREGULATED	883	726	
NET REGULATED EXPENSES	1,634	1,581	

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	1,788	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	1	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	1,787	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	728	1
Plus: Total Intrastate Access Revenues (5081-5083)	294	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	0	5
Plus (or Less) Other (please specify):	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	1,022	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)	0	0	1
LESS: NONREGULATED	0	0	2
NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)	0	0	
TOTAL OPERATING TAXES (7200)	21	51	3
LESS: NONREGULATED	37	38	4
NET REGULATED OPERATING TAXES (7200)	(16)	13	
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	1,396	887	5
LESS: NONREGULATED	0	0	6
NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)	1,396	887	
TOTAL NONOPERATING TAXES (7400)	462	75	7
LESS: NONREGULATED		0	8
NET REGULATED NONOPERATING TAXES (7400)	462	75	
TOTAL INTEREST AND RELATED ITEMS (7500)	151	146	9
LESS: NONREGULATED	0	0	10
NET REGULATED INTEREST AND RELATED ITEMS (7500)	151	146	
TOTAL EXTRAORDINARY ITEMS (7600)		0	11
LESS: NONREGULATED		0	12
NET REGULATED EXTRAORDINARY ITEMS (7600)	0	0	
TOTAL NONREGULATED NET INCOME (7990)	33	59	13
TOTAL OTHER INCOME ACCOUNTS	795	674	
TOTAL NONREGULATED	(4)	21	
TOTAL NET REGULATED OTHER INCOME ACCOUNTS	799	653	

NONREGULATED ACTIVITIES

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

Nonregulated Activity	
(a)	
PROVIDE INTERNET SERVICE	1
PUBLIC PAYPHONE SERVICE	2
SALES AND INSTALLATION OF NONREGULATED TELEPHONE EQUIPMENT	3
VIDEO SERVICE	4

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	13	62	1 B
Other Local-Undefined	302	4,704	2 B
Total Local	315	4,766	
TOLL			
Toll	59	708	3 B
Total Toll	59	708	
Total Local & Toll	374	5,474	

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					1
Feature Group A & B -- Terminating					2
Feature Group C -- Originating					3
Feature Group C -- Terminating					4
Feature Group D -- Originating	2,455	938	1,005	0	5
Feature Group D -- Terminating	2,249	620	1,235	0	6

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	54	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	1	1 A
56/64 kbps (DS0)	0	1	2 A
1.54 Mbps (DS-1)	12	2	3
45 Mbps (DS-3)	0	0	4 A
SONET OC-1 (51.84 Mbps)			5
SONET OC-3 (155.52 Mbps)			6
SONET OC-12 (622.08 Mbps)			7
SONET OC-48 (2.488 Gbps)			8
SONET OC-192 (9.953 Gbps)			9
SONET OC-768 (39.812 Gbps)			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	243	251	3
PBX Trunks/Centrex & Key System Trunks			4
Centrex Lines	23	25	5
FX-Out (Switched)	0	0	6
Pay Telephone	8	3	7
Other			8
Total Business Lines	274	279	9
Residential (Incl. Emp. Concess.)			
1 Party	2,137	2,092	10
FX-Out (Switched)			11
Other			12
Total Residential Lines	2,137	2,092	13
Total Bus & Res Lines	2,411	2,371	14
Company Total Lines Used	40	42	15
Total Lines Used	2,451	2,413	16
Miscellaneous			
WATS Lines - OutWATS			17
WATS Lines - 800 Service			18
FX-In-intraLATA			19
Special Access-intraLATA (expressed in equiv. access lines)	50	50	20
Special Access-interLATA (expressed in equiv. access lines)	264	288	21
Feature Group C Trunks			22
Feature Group D Trunks	226	226	23
TSPS - Trunks	7	7	24
EAS and ECC - Trunks	404	490	25
Cellular Trunks (Pub. Sw. Net.)	637	723	26
Customers			
Number of Lifeline customers at FOY (January 1, 2005) and EOY (December 31, 2005):	22	26	27
Number of Linkup customers connected during FOY (Calendar year 2004) and EOY (Calendar year 2005):	2	3	28
Other			
Total Company Square Miles	88	88	29
Total Company Route Miles	556	597	30
Footnotes			31

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	0010				1
Business					2
1 Party	251				3
PBX Trunks/Centrex & Key System Trunks					4
Centrex Lines	25				5
FX-Out (Switched)	0				6
Pay Telephone	3				7
Other					8
Total Business Lines	279	0	0	0	9
Residential (Incl. Emp. Concess.)					10
1 Party	2,092				11
FX-Out (Switched)					12
Other					13
Total Residential Lines	2,092	0	0	0	14
Total Bus & Res Lines	2,371	0	0	0	15
Company Total Lines Used	42				16
Total Lines Used	2,413	0	0	0	17
Miscellaneous					18
WATS Lines - OutWATS					19
WATS Lines - 800 Service					20
FX-In-intraLATA					21
Special Access-intraLATA (equiv. access lines)	50				22 23
Special Access-interLATA (equiv. access lines)	288				24 25
Feature Group C Trunks					26
Feature Group D Trunks	226				27
TSPS - Trunks	7				28
EAS and ECC - Trunks	490				29
Cellular Trunks (Pub. Sw. Net.)	723				30
Other					31
Exchange Square Miles	88				32
Exchange Route Miles	597				33
Footnotes					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	ABRAMS				1
PSCW Exchange ID	0010				2
Central Office Name	ABRAMS				3
PSCW Central Office ID	1				4
Central Office CLLI Code	ABRMWIXADSO				5
Manufacturer of COE (Page 54)	NTI				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	H				8
Remote Host PSCW Exchange ID					9
Remote Host Central Office CLLI Code					10
COE Generic Software Release No.	601.10				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	2,413				14
Trunks - In Use	901				15
ISDN Available?	No				16
ISDN Lines - In Use (BRI)	0				17
- In Use (PRI)	0				18
DSL Service Available?	Yes				19
- In Use (# lines)	400				20
End User VoIP Available?					21
Digital Service Available: DS-1 - In Use	46				22
DS-3 - In Use	4				23
OC-3 - In Use					24
Advanced Data Service Available:					25
Packet Switching?	No				26
Frame Relay?	No				27
ATM (Asynchronous Trans. Mode)?	No				28
Fiber Transmission Facilities:					29
No. of fiber strands entering C.O.	380				30
No. of fiber strands working (LIT) in C.O.	92				31
No. of fiber strands for interoffice use	52				32
Miles of fiber sheath in wire center	54				33
Access Tandem Serving this C.O.:					34
- C.O. Name	GREEN BAY				35
- PSCW C.O. CLLI Code					36
Does this C.O. do access tandem switching?	No				37
Footnotes					38

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A)** PAGE 49 - SPECIAL ACCESS CIRCUITS - TELEPHONE COMPANY DOES NOT HAVE ANY VOICE GRADE INTERLATA, 56/64 KBPS INTERLATA, 45 MPBS INTERLATA OR INTRALATA CIRCUITS IN SERVICE AT THE END OF 2005.
- B)** PAGE 47 - PER COMPANY INFORMATION THE TOTAL LOCAL MINUTES OF USE DIVIDED BY THE TOTAL LOCAL TELEPHONE CALLS IS 15.13.
- C)** PAGE 41 - NONREGULATED PLANT SPECIFIC - DURING 2005, BAYLAND BEGAN OFFERING NONREGULATED VIDEO SERVICE RESULTING IN SIGNIFICANT INCREASES IN NONREGULATED SPECIFIC OPERATIONS EXPENSE OVER 2004.
- D)** PAGE 41 - TOTAL PLANT SPECIFIC - HAD A COE SOFTWARE UPGRADE DURING 2005 FOR APPROXIMATELY \$40,000 THAT DID NOT OCCUR IN 2004.
- E)** PAGE 41 - ACCESS EXPENSE - COMPANY WAS NOT SUBJECT TO USAC PAYMENTS IN 2005 AS THEY WERE IN 2004.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**F) Board of Directors
BAYLAND TELEPHONE, INC.
Abrams, Wisconsin**

The balance sheets of Bayland Telephone, Inc. as of December 31, 2005 and 2004 and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed forms have been compiled by us. We have also compiled the financial and non-financial data included on page 9 and on pages 13 through 56 of the prescribed forms

Our compilations were limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements or accompanying data referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Public Service Commission of Wisconsin and do not include the statements of cash flows and all of the disclosures required by generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

SIEPERT & CO. LLP
Certified Public Accountants

Beloit, Wisconsin

March 27, 2006

Communities where Basic Local Service is offered to New Customers

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Oconto	ABRAMS	Town	1
Oconto	LITTLE SUAMICO	Town	2
Oconto	MORGAN	Town	3
Oconto	PENSAUKEE	Town	4
Oconto	STILES	Town	5