



4004

ANNUAL REPORT

OF

Name: RIB LAKE TELEPHONE COMPANY

Principal Office: 1199 FAYETTE AVE
P.O. BOX 247
RIB LAKE, WI 54470-0247

For the Year Ended: DECEMBER 31, 1998

TELECOMMUNICATIONS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 267-9504

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records in conformity with the Uniform System of Accounts prescribed by the Public Service Commission of Wisconsin in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
2. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used, however please show the exact name of the respondent in full on the "Identification and Ownership" page.
3. Wherever information is requested in a "note", please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
4. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. Do not use parentheses for numeric values. The program will convert the minus sign to parentheses when a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
5. Please report all dollar amounts to the nearest whole dollar.
6. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
7. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, that previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
8. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the notes to the income statement or the balance sheet, which describes the nature and extent of work performed.
9. Please print a hard copy of the annual report on 20 pound or heavier paper, sign it and compare with the electronic copy before officially filing it with the Public Service Commission of Wisconsin.

SIGNATURE PAGE

I LEE A. LAPPIN of
(Person responsible for accounts)

RIB LAKE TELEPHONE COMPANY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

LEE A. LAPPIN 03/31/1999
(Person responsible for accounts) (Date)

CONTROLLER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: RIB LAKE TELEPHONE COMPANY
Utility Location: 1199 FAYETTE AVE
P.O. BOX 247
RIB LAKE, WI 54470-0247

Utility Web Site Address:

When was utility organized?: 01/01/1900

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR LEE A . LAPPIN
Title: CONTROLLER

Office Address: 45 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER , WI 54501-0340

Fax Number: (715) 369 - 2628
Telephone Number: (715) 365 - 7777
Email Address: lalap@newnorth.net

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

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MR LEE A . LAPPIN
Title: CONTROLLER

Office Address: 45 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER , WI 54501-0340

Fax Number: (715) 369 - 2628
Telephone Number: (715) 365 - 7777
Email Address: lalap@newnorth.net

Person responsible for statistical information contained in report

Name: MR LEE A . LAPPIN
Title: CONTROLLER

Office Address: 45 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER , WI 54501-0340

Fax Number: (715) 369 - 2628
Telephone Number: (715) 365 - 7777
Email Address: lalap@newnorth.net

IDENTIFICATION AND OWNERSHIP

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

Name:	RHINELANDER TELECOMMUNICATIONS, INC.
Address:	45 NORTH STEVENS STREET PO BOX 340 RHINELANDER , WI 54501-0340
Number of Shares Held:	320
Beneficial Owner:	NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,186,687	1,152,332	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	200,713	152,080	2
Plant Nonspecific Operations Expense	359,718	338,102	3
Customer Operations Expense (6610-6620)	143,575	152,607	4
Corporate Operations Expense (6710-6790)	173,211	155,544	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	130,113	156,471	7
Total Operating Expenses	1,007,330	954,804	8
Net Operating Income	179,357	197,528	9
Other Income			
Nonoperating Income and Expense (7300)	(1,968)	12,556	10
Nonoperating Taxes (7400)	(777)	4,044	11
Interest and Related Items (7500)	71,591	61,215	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	3,432	2,091	14
Total Nonoperating Income	(69,350)	(50,612)	15
Net Income	110,007	146,916	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

NONE .

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 MORTGAGE TO THE UNITED STATES OF AMERICA, UNDERLYING THE RUS AND RTB NOTES, CONTAINS CERTAIN RESTRICTIONS ON THE DECLARATION OR PAYMENT OF CASH DIVIDENDS, REDEMPTION OF CAPITAL STOCK OR INVESTMENT IN AFFILIATED COMPANIES EXCEPT AS MIGHT BE SPECIFICALLY AUTHORIZED IN WRITING IN ADVANCE BY THE RUS AND RTB NOTEHOLDERS,

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	165,565	303,348	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	165,565	303,348	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	30,651	25,561	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	30,651	25,561	
Other Accounts Receivable (1190)*	175,414	154,879	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	175,414	154,879	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	1,245	0	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	207,310	180,440	
SUPPLIES			
Inventories (1220)*	14,739	12,561	13
TOTAL SUPPLIES	14,739	12,561	
PREPAYMENTS			
Total Prepayments (1280)*	31,118	24,244	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	31,118	24,244	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	418,732	520,593	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	377,122	377,122	21
Investments in Nonaffiliated Companies (1402)*	55,600	55,600	22
Nonregulated Investments (1406)*	33,112	36,684	23
Unamortized Debt Issuance Expense (1407)*	6,829	7,255	24
Sinking Funds (1408)*	0	0	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	23,360	23,360	26
TOTAL INVESTMENTS	496,023	500,021	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	31,442	0	29
TOTAL DEFERRED CHARGES	31,442	0	
TOTAL NONCURRENT ASSETS	527,465	500,021	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	3,840,076	4,138,983	30
Less: Accumulated Depreciation (3100)*	2,056,403	2,355,954	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,783,673	1,783,029	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	18,383	27,130	39
TOTAL TPUC	18,383	27,130	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	40
Less: Accumulated Amortization--Other (3600)*	0	0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,802,056	1,810,159	
TOTAL ASSETS AND OTHER DEBITS*	2,748,253	2,830,773	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	78,112	70,161	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	0	0	3
Customer Deposits (4040)*	1,824	2,145	4
Current Maturities--Long-Term Debt (4050)*	63,035	63,035	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	3,763	(10,514)	7
Other Taxes--Accrued (4080)*	65	292	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	21,557	21,169	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	168,356	146,288	
LONG-TERM DEBT			
Funded Debt (4210)*	1,282,221	1,345,285	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	1,282,221	1,345,285	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	0	0	20
Unamortized Operating ITC--Net (4320)*	0	0	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	12,042	13,573	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	585	585	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	12,627	14,158	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	16,000	16,000	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	1,269,049	1,309,042	32
TOTAL STOCKHOLDERS' EQUITY*	1,285,049	1,325,042	
TOTAL LIABILITIES AND OTHER CREDITS*	2,748,253	2,830,773	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	110,007	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	319,795	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	(35,922)	4
Other noncurrent assets	(31,868)	5
Other current liabilities	22,068	6
Other liabilities and deferred credits	(1,531)	7
Other (specify):		
TOTAL ADJUSTMENTS	272,542	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	382,549	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(311,692)	8
Investments in affiliated companies	0	9
Nonoperating Investments	3,572	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(308,120)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(62,212)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(150,000)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(212,212)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(137,783)	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE.

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

NONE.

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

NONE.

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

NONE.

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

NONE.

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

NONE.

7. Changes in articles of incorporation or amendments to charter.

NONE.

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

DURING 1998, THE STOCK OF RHINELANDER TELECOMMUNICATIONS, INC. (PARENT) WAS ACQUIRED BY CITIZENS UTILITIES COMPANY.

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)	
HEADWATERS TELEPHONE COMPANY	HTC	1
RIB LAKE CELLULAR FOR WISCONSIN RSA#3, INC.	RCL	2
RHINELANDER TELEPHONE COMPANY	RTC	3
RIB LAKE TELECOM, INC.	RTV	4

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25,000 or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000,000, individual contracts or arrangements not exceeding \$100,000 may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing and categorize billings according to the account categories shown below.

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	None	None	None	5040-AT-000001	
Name of Affiliate	HTC	RCL	RLTI	RLTI	1
Designate whether billed to or from:	TO	TO	FROM	TO	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Revenues			573		4
Expenses:					
Plant Specific Operations Expense					5
Plant Nonspecific Operations Expense				13,395	6
Customer Operations Expense		184		24,821	7
Corporate Operations Expense		7,976		8,780	8
Total Operating Expenses	0	8,160	0	46,996	9
Other:					
Plant Accounts				1,858	10
Accumulated Depreciation					11
Accumulated Amortization					12
Clearing					13
All Other	2,601				14
Total	2,601	8,160	573	48,854	15
Percent of affiliate's business billed to all affiliated regulated utilities					16
If cost based, rate of return on equity or markup incorporated in billings			0.00		17
Footnotes					

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 and categorize billings according to the account categories shown below.

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	5040-AT-000100					
Name of Affiliate	RTC					1
Designate whether billed to or from:	FROM					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C					3
Revenues						4
Expenses:						
Plant Specific Operations Expense						5
Plant Nonspecific Operations Expense	9,725					6
Customer Operations Expense	3,227					7
Corporate Operations Expense	45,754					8
Total Operating Expenses	58,706	0	0	0		9
Other:						
Plant Accounts						10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other	68					14
Total	58,774	0	0	0		15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings	0.00					17
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
HEADWATERS TELEPHONE COMPANY	1190	(6,790)	1
RIB LAKE CELLULAR FOR WISCONSIN RSA#3, INC.	1190	104,362	2
RHINELANDER TELEPHONE COMPANY	1190	(150,859)	3

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off	16,634	1
Uncollectibles written off during the year	11,840	2
Net write offs during the year	<u>(4,794)</u>	

NOTES RECEIVABLE (ACCT. 1200) AND ALLOWANCES (ACCT. 1201)

For affiliates, list by issue or note by affiliate. Other, list by issue or note by entity. Separately identify economic development loans and associated particulars.

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
----------------------------------------------	-------------------------------	-------------------------	----------------------------------	-------------------------------	-----------------------------------------

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	54,450	1
Other:		
ST. PAUL BANK STOCK	1,000	2
RIB LAKE DEVELOPMENT	50	3
RIB LAKE HOUSING	100	4
Total Investments in Nonaffiliated Companies	55,600	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
CUSTOMERS PREMISE EQUIPMENT	15,766	1
PAGING EQUIPMENT	5,797	2
MATERIALS & SUPPLIES HELD FOR RESALE	11,549	3

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

	Description of Item (a)	Balance EOY (b)	
NONE		0	1
Total		0	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	18,646		1 A
Motor Vehicles	2112	84,353	43,412	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	65,942		6
Buildings	2121	236,803	207	7 A
Furniture	2122	11,321	4,415	8
Office Equipment	2123	12,126	4,116	9
General Purpose Computers	2124	21,348		10
TOTAL--GENERAL SUPPORT ASSETS:		450,539	52,150	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,099,994	20,036	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	287,567	50,178	16
TOTAL--CENTRAL OFFICE ASSETS:		1,387,561	70,214	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0	17,004	21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	17,004	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	29,386		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	2,521	0	24
Buried Cable	2423	2,254,223	200,987	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	14,753		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		2,300,883	200,987	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111	0	(7,950)	10,696	1 A
2112	34,139		93,626	2
2113			0	3
2114			0	4
2115			0	5
2116		0	65,942	6
2121		7,950	244,960	7 A
2122			15,736	8
2123	0	0	16,242	9
2124			21,348	10
	34,139	0	468,550	
2211			0	11
2212	584,337	0	535,693	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	10,165	0	327,580	16
	594,502	0	863,273	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			17,004	21
	0	0	17,004	
2411			29,386	22
2421	0	0	0	23
2422	0	0	2,521	24
2423	10,621	0	2,444,589	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			14,753	30
	10,621	0	2,491,249	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	4,138,983	340,355
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	639,262	0	3,840,076	
2001			0	34
			3,840,076	

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

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

Plant Subaccount (a)	Subaccount (b)	Balance FOY (c)	Additions (d)	
Office Support Equipment	2123.1	6,793	0	1
Company Communications Equipment	2123.2	5,333	4,116	2
Software	2212.1	110,492		3
Digital Switching - Central Office	2212.2	989,502	20,036	4
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	249,406	48,542	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	38,161	1,636	12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	2,521		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	208,291		17
Buried Cable - Metallic	2423.2	2,045,932	200,987	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			6,793	1
2123.2			9,449	2
2212.1	71,245		39,247	3
2212.2	513,092		496,446	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	10,165		287,783	10
2232.2			0	11
2232.3			39,797	12
2421.1			0	13
2421.2			0	14
2422.1			2,521	15
2422.2			0	16
2423.1			208,291	17
2423.2	10,621		2,236,298	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	41,070	20.0	13,303	0 1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	39,006	2.97	346	5
Buildings	2121	81,701	3.33	7,947	6
Furniture	2122	6,611	10.0	1,482	7
Office Equipment	2123	5,433	20.0	2,528	8
General Purpose Computers	2124	7,399	25.0	5,337	9
Total-- GENERAL SUPPORT ASSETS		181,220		30,943	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	821,944	9.7	163,893	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	139,680	11.6	34,647	15
Total-- CENTRAL OFFICE ASSETS		961,624		198,540	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	0			19
Other Terminal Equipment	2362	0	13.57	288	20
Total-- INFORMATION ORIG/TERM ASSETS		0		288	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	11,651	11.7	3,408	21
Aerial Cable	2421	0			22
Underground Cable	2422	824	5.8	131	23
Buried Cable	2423	1,197,013	5.8	91,176	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	34,139		15,000		35,234	1
2113					0	2
2114					0	3
2115					0	4
2116					39,352	5
2121					89,648	6
2122					8,093	7
2123	0				7,961	8
2124					12,736	9
	34,139	0	15,000	0	193,024	
2211					0	10
2212	584,337	289			401,211	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	10,165				164,162	15
	594,502	289	0	0	565,373	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					288	20
	0	0	0	0	288	
2411					15,059	21
2421	0				0	22
2422	0				955	23
2423	10,621				1,277,568	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	3,622	3.5	514	29
Total-- CABLE WIRE FACILITIES ASSETS		1,213,110		95,229	0
Total Accumulated Depreciation	3100	2,355,954		325,000	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			5,205	0 300
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				319,795	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					4,136	29
	10,621	0	0	0	1,297,718	
3100	639,262	289	15,000	0	2,056,403	
3100					0	30 0
3100					2,056,403	

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

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

Plant Subaccount (a)	Subacct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
Office Support Equipment	2123.1	3,233	20.0	1,358		1
Company Communications Equipment	2123.2	2,200	20.0	1,170		2
Software	2212.1	110,492	25.0			3
Digital Switching - Central Office	2212.2	711,452	9.7	163,893		4
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	118,903	11.6	30,198		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	20,777	11.6	4,449		12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	824	5.8	131		15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	57,505	5.8	12,060		17
Buried Cable - Metallic	2423.2	1,139,508	5.8	79,116		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

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

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					4,591	1
2123.2					3,370	2
2212.1	71,245				39,247	3
2212.2	513,092	289			361,964	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	10,165				138,936	10
2232.2					0	11
2232.3					25,226	12
2421.1					0	13
2421.2					0	14
2422.1					955	15
2422.2					0	16
2423.1					69,565	17
2423.2	10,621				1,208,003	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

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

This schedule should be used to report the deferred operating income tax portion of the stated accounts. In addition, column (e) of this schedule should be used to report the flowback of property related excess deferred taxes (e.g., 46 percent versus 34 percent federal tax rates). Credit amounts should be shown in ().

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(13,573)	5
Net Deferred Tax Liability Adjustments (4341)	0	6
Deferred Tax Regulatory Liability (4361)	0	7
Net Property Related Deferred Operating Income Taxes	(13,573)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(13,573)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	0	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	0	

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

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250				0	2
				0	3
7250				0	4
7250	1,531			(12,042)	5
				0	6
				0	7
	1,531	0	0	(12,042)	8
				0	
	1,531	0	0	(12,042)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250				0	13
				0	14
				0	15
	0	0	0	0	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
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LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RTB	03/26/1992	03/26/2027	6.0100-6.1400	1
RUS	05/24/1963-12/01/1997	05/24/1998-12/01/2029	2.0000-6.0100	2
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
6.1111			1,016,149	27,902	1,044,051	1
			266,072	35,133	301,205	2
	0	0	1,282,221	63,035	1,345,256	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
	1,000	50.00	1
TOTAL COMMON STOCK	1,000		
TOTAL	<u>1,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
	320	16,000			1
	320	16,000	0	0	
TOTAL	<u>320</u>	<u>16,000</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	1,309,042	1,362,126	1
Changes:			
Balance Transferred from Income	110,007	146,916	2
Dividends Declared:			
Common	150,000	200,000	3
Preferred			4
Total Dividends Declared	150,000	200,000	
Miscellaneous Debits to Retained Earnings			5
Miscellaneous Credits to Retained Earnings			6
Balance--End of Year	<u>1,269,049</u>	<u>1,309,042</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	68,472	13,968	44,503	1
Nonoperating Taxes (Accts. 7410 - 7450)		(164)	(613)	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		473	1,770	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u><u>68,472</u></u>	<u><u>14,277</u></u>	<u><u>45,660</u></u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
2			3,168		130,113	1
					(777)	2
					0	3
					2,243	4
					0	5
					0	6
				21,230	21,230	7
				272	272	8
				392	392	9
2	0	0	3,168	21,894	153,473	

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

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	364,728	354,138	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	364,728	354,138	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	57,630	55,180	11
Switched Access Revenue (5082)*	469,915	421,274	12
Special Access Revenue (5083)*			13
TOTAL INTERSTATE ACCESS REVENUES (5080)	527,545	476,454	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	226,553	255,880	15
Special Access Revenue (5084.3)*			16
TOTAL INTRASTATE ACCESS REVENUES (5084)	226,553	255,880	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	10,721	10,429	30
Rent Revenue (5240)*	12,004	573	31 B
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	5,861	4,717	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	5,861	4,717	
Interstate Billing and Collection Revenue*	8,794	10,609	39
Intrastate Billing and Collection Revenue*	25,687	30,201	40
Total Carrier Billing and Collection Revenue (5270)*	34,481	40,810	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	63,067	56,529	
GROSS OPERATING REVENUES	1,181,893	1,143,001	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(4,794)	(9,331)	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(4,794)	(9,331)	
TOTAL OPERATING REVENUES	<u>1,186,687</u>	<u>1,152,332</u>	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	2,189	2,860	805	1
Less: Nonregulated	0	0	0	2
Net Regulated	2,189	2,860	805	3
Total General Support Expense (6120)	20,572	10,887	1,424	4
Less: Nonregulated	0	0		5 P
Net Regulated	20,572	10,887	1,424	6
Total Central Office Switching Expense (6210)	65,821	113,858	15,059	7
Less: Nonregulated	0	0		8 C
Net Regulated	65,821	113,858	15,059	9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated	0	0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	3,463	6,417	2,022	13
Less: Nonregulated	0	0		14
Net Regulated	3,463	6,417	2,022	15
Total Information Orig. / Term. Expense (6310)	243	0		16
Less: Nonregulated	0	0		17
Net Regulated	243	0	0	18
Total Cable and Wire Fac. Expense (6410)	59,792	66,691	32,894	19
Less: Nonregulated	0	0		20
Net Regulated	59,792	66,691	32,894	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	152,080	200,713	52,204	
Less: Nonregulated	0	0	0	
Net Regulated	152,080	200,713	52,204	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0		22
Less: Nonregulated	0	0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	38,102	39,923	21,920	25
Less: Nonregulated	0	0		26
Net Regulated	38,102	39,923	21,920	27
Access Expense (6540)	0	0		28
Less: Nonregulated	0	0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	300,000	319,795		31
Less: Nonregulated	0	0		32
Net Regulated	300,000	319,795		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	338,102	359,718	21,920	
Less: Nonregulated	0	0	0	
Net Regulated	338,102	359,718	21,920	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			10,621	(8,566)	1
	0	0	10,621	(8,566)	2
					3
6120	438		9,025		4
	438	0	9,025	0	5 P
					6
6210	4,744	76,371	17,684		7
	4,744	76,371	17,684	0	8 C
					9
6220					10
	0	0	0	0	11
					12
6230	626		3,769		13
	626	0	3,769	0	14
					15
6310					16
	0	0	0	0	17
					18
6410	11,025	13,741	9,031		19
	11,025	13,741	9,031	0	20
	16,833	90,112	50,130	(8,566)	21
	0	0	0	0	
	16,833	90,112	50,130	(8,566)	
6510					22
	0		0	0	23
					24
6530	7,100		10,903		25
	7,100	0	10,903	0	26
					27
6540					28
	0	0	0	0	29
					30
6560			319,795		31
			319,795		32
					33
	7,100	0	330,698	0	
	0	0	0	0	
	7,100	0	330,698	0	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	58,086	44,870	32,230	34
Less: Nonregulated	0	0		35 D
Net Regulated	58,086	44,870	32,230	36
Total Services (6620)	94,521	98,705	32,441	37
Less: Nonregulated	0	0		38
Net Regulated	94,521	98,705	32,441	39
TOTAL CUSTOMER OPERATIONS EXPENSE	152,607	143,575	64,671	
Less: Nonregulated	0	0	0	
Net Regulated	152,607	143,575	64,671	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	46,471	53,319	30,916	40
Less: Nonregulated	0	0		41
Net Regulated	46,471	53,319	30,916	42
Total General and Administrative (6720)	109,073	119,892	33,160	43
Less: Nonregulated	0	0		44
Net Regulated	109,073	119,892	33,160	45
Provision for Uncollectible Notes Receiv. (6790)	0	0		46
Less: Nonregulated	0	0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	155,544	173,211	64,076	
Less: Nonregulated	0	0	0	
Net Regulated	155,544	173,211	64,076	
TOTAL EXPENSES	798,333	877,217	202,871	
Less: Nonregulated	0	0	0	
Net Regulated	798,333	877,217	202,871	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	11,896		744		34
					35 D
	11,896	0	744	0	36
6620	10,215		56,049		37
					38
	10,215		56,049	0	39
	22,111	0	56,793	0	
	0	0	0	0	
	22,111	0	56,793	0	
6710	9,832		12,571		40
					41
	9,832		12,571	0	42
6720	10,754		75,978		43
					44
	10,754		75,978	0	45
6790					46
					47
			0		48
	20,586	0	88,549	0	
	0	0	0	0	
	20,586	0	88,549	0	
	66,630	90,112	526,170	(8,566)	
	0	0	0	0	
	66,630	90,112	526,170	(8,566)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)	0	0		1
Provisioning Expense (6512)	0	0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	300,000	319,795		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0		4
Amortization Expense--Tangible (6563)	0	0		5
Amortization Expense--Intangible (6564)	0	0		6
Amortization Expense--Other (6565)	0	0		7
Total: Reported in Account 6560	300,000	319,795		

EXPENSE MATRIX - CLASS A & B (DETAIL) (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			319,795		3
6562					4
6563					5
6564					6
6565					7
			319,795		

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to Department of Justice and telephone relay assessments.

Description (a)	This Year (b)	
Gross Operating Revenues	1,181,893	1
Plus: Collection of amounts previously written off	16,634	2
Less: Uncollectibles written off during the year	11,840	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes		
	<u>1,186,687</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	364,728	1
Plus: Total Intrastate Access Revenues (5084)	226,553	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes		
	<u>591,281</u>	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

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

Description (a)	This Year (b)	
Gross Operating Revenues	1,181,893	1
Plus: Collection of amounts previously written off	16,634	2
Less: Uncollectibles written off during the year	11,840	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,186,687</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	364,728	1
Plus: Total Intrastate Access Revenues (5084)	226,553	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>591,281</u>	

OTHER INCOME ACCOUNTS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*			1
Return from Nonregulated Use of Regulated Facilities (7130)*			2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*			5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*		0	6
Operating Federal Income Taxes (7220)*	46,034	65,229	7
Operating State and Local Income Taxes (7230)*	13,968	18,238	8
Operating Other Taxes (7240)*	71,642	67,411	9
Provision for Deferred Operating Income Taxes--Net (7250)*	(1,531)	5,593	10
TOTAL OPERATING TAXES (7200)*	130,113	156,471	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	3,870	3,107	11
Interest Income (7320)*	7,151	8,733	12
Income from Sinking and Other Funds (7330)*			13
Allowance for Funds Used During Construction (7340)*			14
Gains or (Losses) from the Disposition of Certain Property (7350)*			15
Other Nonoperating Income (7360)*	(4,125)	7,500	16
Special Charges (7370)*	8,864	6,784	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	(1,968)	12,556	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*			18
Nonoperating Federal Income Taxes (7420)*	(613)	4,385	19
Nonoperating State and Local Income Taxes (7430)*	(164)	(341)	20
Nonoperating Other Taxes (7440)*			21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*			22
TOTAL NONOPERATING TAXES (7400)*	(777)	4,044	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	70,659	60,183	23
Interest Expense--Capital Leases (7520)*			24
Amortization of Debt Issuance Expense (7530)*	426	254	25
Other Interest Deductions (7540)*	506	778	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	71,591	61,215	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	3,432	2,091	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	103,044	1
Less: Cost of Goods Sold	30,333	2
Net Sales	72,711	3
Expenses (Acct. 7990.2)	69,279	4
Nonregulated Net Income	<u><u>3,432</u></u>	5

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

SALE AND LEASE OF TELEPHONE, CELLULAR, PAGING AND PAYSTATION EQUIPMENT.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

CELLULAR COMMISSIONS INCREASED ALMOST TENFOLD.

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	202,871	1
Nonregulated Expense	31,337	2
Plant Accounts	34,322	3
Accumulated Depreciation Accounts	210	4
All Other Accounts	45,022	5
Total Salaries and Wages	313,762	6 H

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.00			1
Supervision and Other Management	2.00	3.00	170,254	2
Other Employees	4.00	4.00	113,054	3
Total	7.00	7.00	283,308	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	202,871	1
Nonregulated Expense	31,337	2
Plant Accounts	34,322	3
Accumulated Depreciation Accounts	210	4
All Other Accounts	45,022	5
Total Salaries and Wages	313,762	6 H

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	1.00			1
Supervision and Other Management	2.00	3.00	170,254	2
Other Employees	4.00	4.00	113,054	3
Total	7.00	7.00	283,308	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	0	0	1
Extended Area Service	0	0	2
Extended Community Calling	29	110	3
Other Local-Undefined	0	0	4
Total Local	29	110	
TOLL			
Operator Handled: State--intraLATA	0	0	5
Operator Handled: State--interLATA	0	0	6
Operator Handled: Interstate	0	2	7
Customer Dialed: State--intraLATA	10	47	8
Customer Dialed: State--interLATA	3	11	9
Customer Dialed: Interstate	11	51	10
WATS	0	0	11
Other Toll-Undefined	0	0	12
Total Toll	24	111	
Total Local & Toll	53	221	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.	0	0	0	0	1
Feature Group A -- Term.	0	0	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	1	0	0	0	4
Feature Group C -- Orig.	0	0	567	0	5
Feature Group C -- Term.	0	0	571	0	6
Feature Group D -- Orig.	1,134	892	134	0	7
Feature Group D -- Term.	1,555	612	0	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	331	2
Sheath miles of plant - fiber optics	15	3
Strand miles of plant - fiber optics	157	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	331	2
Sheath miles of plant - fiber optics	15	3
Strand miles of plant - fiber optics	157	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

SERVICE DATA

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

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	170	193	3
2 Party		0	4
4 Party		0	5
PBX Trunks/System Trunks		0	6
Centrex Trunks		0	7
Centrex Lines		0	8
Key System Trunks		0	9
Mobile (Utility Provided Service)		0	10
Paging (Utility Provided Service)		0	11
FX-Out (Switched)		0	12
Pay Telephone	14	14	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	0	0	16
- Semi-Public	0	0	17
- Cust. Owned		0	18
Other		0	19
Total Business Lines	184	207	20
Residential (Incl. Emp. Concess.)			
1 Party	1,072	1,099	22
2 Party		0	23
4 Party		0	24
FX-Out (Switched)		0	25
Other		0	26
Total Residential Lines	1,072	1,099	27
Total Bus & Res Lines	1,256	1,306	28
Company Used Lines	14	8	29
Total Lines Used	1,270	1,314	30

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS		0	3
WATS Lines - 800 Service		0	4
FX-In-intraLATA	4	4	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	29	1,376	7
Special Access-interLATA			8
(expressed in equiv. access lines)	704	27	9
Feature Group A Lines		0	10
Feature Group B Trunks		0	11
Feature Group C Trunks		0	12
Feature Group D Trunks		0	13
TSPS - Trunks	6	6	14
EAS - Trunks		0	15
Cellular Trunks (Pub. Sw. Net.)		0	16
Video Distance Learning			17
- discounted (special tariff)		0	18
Customers			
Business - 2 Party Customers		0	20
Business - 4 Party Customers		0	21
Residential - 2 Party Customers		0	22
Residential - 4 Party Customers		0	23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	3,688,444	3,371,526	27
Total Company Square Miles	260	260	28
Total Company Route Miles	277	346	29
Footnotes			30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4560				1
Business					
1 Party	193				2
2 Party	0				3
4 Party	0				4
PBX Trunks/System Trunks	0				5
Centrex Trunks	0				6
Centrex Lines	0				7
Key System Trunks	0				8
Mobile (utility provided service)	0				9
Paging (utility provided service)	0				10
FX-Out (Switched)	0				11
Pay Telephone	14				12
Coin-Operated Pay Telephone	0				13
Independent Pay Telephone Provider	0				14
Pay Stations - Public	0				15
- Semi-Public	0				16
- Cust. Owned	0				17
Other	0				18
Total Business Lines	207	0	0	0	19
Residential (Incl. Emp. Concess.)					
1 Party	1,099				20
2 Party	0				21
4 Party	0				22
FX-Out (Switched)	0				23
Other	0				24
Total Residential Lines	1,099	0	0	0	25
Total Bus & Res Lines	1,306	0	0	0	26
Company Used Lines	8				27
Total Lines Used	1,314	0	0	0	28
					29
					30

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	4560				1
Miscellaneous					2
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	4				5
Special Access-intraLATA					6
(equiv. access lines)	1,376				7
Special Access-interLATA					8
(equiv. access lines)	27				9
Feature Group A Lines	0				10
Feature Group B Trunks	0				11
Feature Group C Trunks	0				12
Feature Group D Trunks	0				13
TSPS - Trunks	6				14
EAS - Trunks	0				15
Cellular Trunks (Pub. Sw. Net.)	0				16
Video Distance Learning					17
- discounted (special tariff)	0				18
Customers					19
Business - 2 Party Customers	0				20
Business - 4 Party Customers	0				21
Residential - 2 Party Customers	0				22
Residential - 4 Party Customers	0				23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	3,371,526				27
Exchange Square Miles	260				28
Exchange Route Miles	346				29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Alcatel	AL	1
ATTC	ATT	2
GTE	GTE	3
ITT	ITT	4
Lucent	ATT/LUC	5
Nippon Electric	NEC	6
Northern Telecom	NTI	7
Siemens	SI	8
Stromberg-Carlson	SC	9
VIDAR	VI	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electromechanical	EM	1
Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

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Equipment Type (a)	Abbreviation (b)	
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Electronic--Analog	A	2
Electronic--Digital	D	3
Electronic--Video	V	4

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	RIB LAKE				1
PSCW Exchange ID	4560				2
Central Office Name	RIB LAKE				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1998				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	S				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID					10
COE Generic Software Release No.	LLT00008				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	1,314				14
- Equipped	1,657				15
- Wired	2,560				16
Trunks - In Use	0				17
- Equipped	0				18
- Wired	0				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	Yes				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	14				25
DS-3 - In Use	2				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	Yes				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	64				33
No. of fiber strands working (LIT) in C.O.	10				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	15				36
Access Tandem Serving this C.O.:					
- C.O. Name	RHINELANDER				37
- PSCW C.O. ID	4550-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes	E				42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote**

Response received 11/24/99:

Item 1: (entries provided and keyed into 1997 annual report, Important Changes schedule)

Item 2: Telephone Calls and Minutes of Use will be filed completely in 1999

Item 3: noted
ele

October 25, 1999

Mr. Lee A. Lappin, Controller
Rib Lake Telephone Company
45 North Stevens Street
P.O. Box 340
Rhinelander, WI 54501-0340

Re:1998 Analytical Review DWCCA-5040-ELE

Dear Mr. Lappin:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. In order to complete this review, we request the following information:

1. During our review, we noted we cannot locate a response to your 1997 analytical review letter dated September 24, 1998. One matter remains relevant: Please provide the journal entry(ies) recorded on the telcos books for the transaction concerning the deregulation of payphone assets, whether transferred below-the-line or to a separate affiliate, basis of valuation and how it compared to net book value, and the date of such journal entry(ies). If you did reply, please provide a copy of your response, and we apologize for any inconvenience.

2. Staff review of page 47 reveals that information related to telephone calls and minutes of use per month are either partially provided or not provided at all. Further, no footnote is provided as to the reason(s) for not furnishing this information.

Your attention is drawn to the instructions for filing this data shown in the Commission staff e-mail dated November 19, 1998, concerning the 1998 report and the schedule reference sheet for page 47, Telephone Calls and Minutes of Use Per Month, in the 1998 Operations Manual. Even though the Commission is not requiring your company to furnish this data for the 1998 annual report due to time constraints, all efforts should be made to provide this information for the 1999 annual report due April 1, 2000. In cases where actual data cannot be made available for the 1999 report, estimated number of calls and minutes of use per month may be provided. Nonavailability of this information should be documented in a footnote that states clearly the reason(s) as to why it is not available and outlines the actions taken by the company to obtain such information (such

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

OUTLINES THE ACTIONS TAKEN BY THE COMPANY TO OBTAIN SUCH INFORMATION (SUCH AS THE RESULTS OF DISCUSSIONS WITH SWITCH VENDORS AND THE COST ASSOCIATED WITH ADDING THIS FEATURE TO THE SWITCHING EQUIPMENT OR SOFTWARE).

3. In the future, please file the public copy of your annual report with the pages printed back to back.

We appreciate your cooperation in providing the above information. These recommendations are intended to provide accounting assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 266-3768. Please respond within 30 days of this letter. If we have no questions regarding your response, you can consider the review closed.

Please note that if your response to this letter contains any data that you want to be subject to confidential treatment, you must submit a confidentiality request form with your response.

Sincerely,

Elaine L. Engelke
Financial Specialist
Division of Water, Compliance, and Consumer Affairs

ELE:tlk:w:comptelco letters5040 rev letter

Schedule Footnotes

Central Office Lookup Table Footnote. Page 0

Cover Page Footnote. Page 1

Telecommunications Plant in Service Class A & B Footnote. Page 22

A RECLASSIFICATIONS FROM/TO THE PROPER UNIFORM SYSTEM OF ACCOUNTS ACCOUNT.

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

B. NEW FOR 1998: MONTHLY BILLING FOR T1 HI-CAP CIRCUITS.

Expense Matrix - Class A & B Footnote. Page 41

C. 47,812 OF THE 48,037 INCREASE RESULTS FROM A FULL YEAR OF RTC T1 COST.

D. REDIRECTED ENERGIES & RESOURCES TO NON-REGULATED ACTIVITY.

P. PURSUANT TO AGREEMENT WITH PSCW, NOT MATERIAL.

Distribution of Salaries and Wages Footnote. Page 46

H. RECONCILIATION OF WAGES PAID TO WAGES EARNED:

WAGES PER W-2 283,308

ACCRUAL F.O.Y. -18,763

ACCRUAL E.O.Y. 7,351

AFFIL P/R: RTC 43,236

OTHER ADJUST -1,370

Telephone Calls and Minutes of Use Per Month Footnote. Page 47

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**Central Office Data - End of Year Footnote. Page 55**

E. ERROR. PROGRAM PROBLEMS.PAGE 55:

LINE 8 S/B: R

LINE 9 S/B: 4550

LINE 10 S/B: 1

Schedule Line Footnotes

0) NOT USED.

1) NOT USED.

A) RECLASSIFICATIONS FROM/TO THE PROPER UNIFORM SYSTEM OF ACCOUNTS ACCOUNT.

B) NEW FOR 1998: MONTHLY BILLING FOR T1 HI-CAP CIRCUITS.

C) \$47,812 OF THE \$48,037 INCREASE RESULTS FROM A FULL YEAR OF RTC T1 COSTS.

D) REDIRECTED ENERGIES & RESOURCES TO NON-REGULATED ACTIVITIES.

E) ERROR. PROGRAM PROBLEM.

LINE 8 S/B: R

LINE 9 S/B: 4550

LINE 10 S/B: 1

H) SEE SAME "SCHEDULE FOOTNOTE" ABOVE.

P) PURSUANT TO AGREEMENT WITH PSCW STAFF, NOT MATERIAL.