



4004

ANNUAL REPORT

OF

Name: FRONTIER COMMUNICATIONS VIROQUA INC

Principal Office: PO BOX 191
P.O. BOX 191
VIROQUA, WI 54665-1601

For the Year Ended: DECEMBER 31, 2000

TELECOMMUNICATIONS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

SIGNATURE PAGE

I DAVID J. RUHLAND of
(Person responsible for accounts)

FRONTIER COMMUNICATIONS VIROQUA INC, 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.

DAVID J. RUHLAND 03/26/2001
(Person responsible for accounts) (Date)

SENIOR REGULATORY ANALYST
(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: FRONTIER COMMUNICATIONS VIROQUA INC
Utility Location: PO BOX 191
P.O. BOX 191
VIROQUA, WI 54665-1601

Utility Web Site Address:

When was utility organized?: 08/31/1897

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR MARTIN MUCCI
Title: SENIOR VICE PRESIDENT

Office Address: 180 SOUTH CLINTON AVENUE
ROCHESTER , NY 14646-0700

Fax Number: (715) 823 - 5715
Telephone Number: (716) 777 - 7558
Email Address: Martin_Mucci@Frontiercorp.com

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: MS VALERIE GINGELLO
Title: ACCOUNTING SUPERVISOR

Office Address: 180 SOUTH CLINTON AVENUE
ROCHESTER , NY 14646

Fax Number: (716) 428 - 0654
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Email Address: Valerie_Gingello@Globalcrossing.com

Person responsible for statistical information contained in report

Name: MS VALERIE GINGELLO
Title: ACCOUNTING SUPERVISOR

Office Address: 180 SOUTH CLINTON AVENUE
ROCHESTER , NY 14646

Fax Number: (716) 423 - 0654
Telephone Number: (716) 777 - 6063
Email Address: Valerie_Gingello@Globalcrossing.com

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: FRONTIER SUBSIDIARY TELCO INC
Address: 180 SOUTH CLINTON AVENUE
ROCHESTER , NY 14646

Number of Shares Held: 8,000
Beneficial Owner: NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	3,276,884	3,338,980	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	172,857	160,502	2
Plant Nonspecific Operations Expense	573,169	512,332	3
Customer Operations Expense (6610-6620)	261,912	302,955	4
Corporate Operations Expense (6710-6790)	202,565	180,605	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	632,641	1,240,721	7
Total Operating Expenses	1,843,144	2,397,115	8
Net Operating Income	1,433,740	941,865	9
Other Income			
Nonoperating Income and Expense (7300)	288,926	191,531	10
Nonoperating Taxes (7400)	108,408	76,616	11
Interest and Related Items (7500)	18,817	6,636	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	167,726	139,126	14
Total Nonoperating Income	329,427	247,405	15
Net Income	1,763,167	1,189,270	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.)
-
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.
-
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.

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*			1
Cash (1130)	10,796	777	2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)	200	200	4
Temporary Investments (1160)	2,270,493	3,563,881	5
TOTAL CASH AND EQUIVALENTS	2,281,489	3,564,858	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	64,640	55,025	6
Accounts Receivable Allowance-Telecom (1181)*	41,734	33,448	7
Net: Telecommunications Accounts Receivable	22,906	21,577	
Other Accounts Receivable (1190)*	763,978	284,273	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	763,978	284,273	
Notes Receivable (1200)*			10
Notes Receivable Allowance (1201)*			11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*			12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	786,884	305,850	
SUPPLIES			
Inventories (1220)*	7,159	4,645	13
TOTAL SUPPLIES	7,159	4,645	
PREPAYMENTS			
Total Prepayments (1280)*			14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)	13,627	3,308	19
TOTAL PREPAYMENTS	13,627	3,308	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	16,873	11,031	20
TOTAL OTHER CURRENT ASSETS	16,873	11,031	
TOTAL CURRENT ASSETS	3,106,032	3,889,692	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
RTB Class B Stock (1402)*	24,258	24,258	22
Other Investments in Nonaffiliated Companies (1402)*	33,350	33,350	23
Nonregulated Investments (1406)*	13,020	25,900	24
Unamortized Debt Issuance Expense (1407)*			25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Sinking Funds (1408)*			26
Other Noncurrent Assets (1410)*			27
TOTAL INVESTMENTS	70,628	83,508	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	2,718,890	200	28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*	(363)	492,539	30
TOTAL DEFERRED CHARGES	2,718,527	492,739	
TOTAL NONCURRENT ASSETS	2,789,155	576,247	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	7,254,633	6,854,487	31
Less: Accumulated Depreciation (3100)*	5,266,140	4,760,988	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,988,493	2,093,499	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	136,735	65,919	40
TOTAL TPUC	136,735	65,919	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	2,125,228	2,159,418	
TOTAL ASSETS AND OTHER DEBITS	8,020,415	6,625,357	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	460,572	246,809	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*	43,492	(12,299)	3
Customer Deposits (4040)*			4
Current Maturities--Long-Term Debt (4050)*	70,790	68,022	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	(136,189)	(88,272)	7
Other Taxes--Accrued (4080)*	37,747	15,359	8
Net Current Deferred Operating Income Taxes (4100)*			9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	42,607	8,519	11
Other Current Liabilities (4130)*	9,776	9,776	12
TOTAL CURRENT LIABILITIES	528,795	247,914	
LONG-TERM DEBT			
Funded Debt (4210)*	162,548	234,709	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*			19
TOTAL LONG-TERM DEBT	162,548	234,709	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	(213,248)	203,665	20
Unamortized Operating ITC--Net (4320)*		19,111	21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	3,061,959	654,505	23
Net Deferred Tax Liability Adjustments (4341)*			24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	70,735		26
Deferred Tax Regulatory Liability (4361)*		114,388	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	2,919,446	991,669	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	800,000	800,000	28
Additional Paid-in Capital (4520)*	5,027,724	58,903	29
Treasury Stock (4530)*			30
Other Capital (4540)*			31
Retained Earnings (4550)*	(1,418,098)	4,292,162	32
TOTAL STOCKHOLDERS' EQUITY	4,409,626	5,151,065	
TOTAL LIABILITIES AND OTHER CREDITS	8,020,415	6,625,357	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates.
-
2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

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)	
Frontier Corporation	FC	1
Frontier Communications Services, Inc.	FCS	2
Frontier Information Technologies	FIT	3
Frontier Infoservices, Inc	INFO	4
Frontier Communications of Minnesota	MINN	5
Frontier Communications of New York	NY	6
Other	OTH	7
Frontier Telephone of Rochester	RTC	8
Frontier Communications of Wisconsin, Inc.	WISC	9

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	6150AT000104	6150AT000101	6150AT000105	6150AT000102		
Name of Affiliate	FC	FC	FIT	INFO		1
Designate whether billed to or from:	FROM	TO	FROM	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C		3
Total Dollar Activity	1,054,573	473,905	153,219	122,793		4
Percent of affiliate's business billed to all affiliated regulated utilities						5
If cost based, rate of return on equity or markup incorporated in billings	0.00		0.00			6
Footnotes						

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	6150AT000103	6150AT000100				
Name of Affiliate	MINN	RTC				1
Designate whether billed to or from:	FROM	FROM				2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C				3
Total Dollar Activity	614,202	141,716				4
Percent of affiliate's business billed to all affiliated regulated utilities						5
If cost based, rate of return on equity or markup incorporated in billings	0.00	0.00				6
Footnotes						

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1200, Notes Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 1408, Sinking Funds; 4010, Accounts Payable; 4020, Notes Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Frontier Corporation	1160	2,270,493	1
Frontier Corporation	1190	392,452	2
Frontier Infoservices, Inc	1190	8,710	3
Frontier Telephone of Rochester	1190	8,230	4
Other	1190	3,694	5
Frontier Communications of Minnesota	4010	23,251	6
Frontier Communications of New York	4010	5,193	7
Frontier Communications Services, Inc.	4010	35,379	8
Frontier Corporation	4010	217,553	9
Frontier Information Technologies	4010	11,000	10
Frontier Infoservices, Inc	4010	26,461	11
Frontier Telephone of Rochester	4010	9,995	12
Other	4010	10,090	13

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	37,051		1
Motor Vehicles	2112	120,786		2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	116,012		6
Buildings	2121	525,590		7
Furniture	2122	44,581		8
Office Equipment	2123	25,288	0	9
General Purpose Computers	2124	54,548	632	10
TOTAL--GENERAL SUPPORT ASSETS:		923,856	632	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	10,631		11
Digital Electronic Switching	2212	1,615,771	216,645	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	88,268	0	15
Circuit Equipment	2232	1,121,465	76,586	16
TOTAL--CENTRAL OFFICE ASSETS:		2,836,135	293,231	
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	3,873		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		3,873	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	45,038		22
Aerial Cable	2421	896	0	23
Underground Cable	2422	313,679	0	24
Buried Cable	2423	2,054,709	107,167	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	238		29
Conduit Systems	2441	676,063		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,090,623	107,167	
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			37,051	1
2112			120,786	2
2113			0	3
2114			0	4
2115			0	5
2116	185		115,827	6
2121			525,590	7
2122	301		44,280	8
2123	398	0	24,890	9
2124			55,180	10
	884	0	923,604	
2211			10,631	11
2212	0	0	1,832,416	12
2215	0	0	0	13
2220			0	14
2231	0	0	88,268	15
2232	0	0	1,198,051	16
	0	0	3,129,366	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			3,873	21
	0	0	3,873	
2411			45,038	22
2421	0	0	896	23
2422	0	0	313,679	24
2423	0	0	2,161,876	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			238	29
2441			676,063	30
	0	0	3,197,790	
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	6,854,487	401,030
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	
	884	0	7,254,633	
2001			0	34
			7,254,633	

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	15,317		1
Company Communications Equipment	2123.2	9,971		2
Software	2212.1	1,615,771	216,645	3
Digital Switching - Central Office	2212.2	0		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	88,268		9
Digital Circuit Equipment	2232.1	398,800	64,267	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	722,665	12,319	12
Aerial Cable - Nonmetallic	2421.1	896		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	19,813		15
Underground Cable - Metallic	2422.2	293,866		16
Buried Cable - Nonmetallic	2423.1	308,213		17
Buried Cable - Metallic	2423.2	1,746,496	107,167	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	398		14,919	1
2123.2			9,971	2
2212.1			1,832,416	3
2212.2			0	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			88,268	9
2232.1			463,067	10
2232.2			0	11
2232.3			734,984	12
2421.1			896	13
2421.2			0	14
2422.1			19,813	15
2422.2			293,866	16
2423.1			308,213	17
2423.2			1,853,663	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	45,326	12.5	15,098	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	116,012			5
Buildings	2121	336,469	2.5	13,140	6
Furniture	2122	38,982	6.4	1,872	7
Office Equipment	2123	17,602	10.0	1,009	8
General Purpose Computers	2124	42,315	25.0	12,501	9
Total-- GENERAL SUPPORT ASSETS		596,706		43,620	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	10,631			10
Digital Electronic Switching	2212	920,736	8.5	173,973	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	54,373	8.3999	5,395	14
Circuit Equipment	2232	897,090	21.0	142,992	15
Total-- CENTRAL OFFICE ASSETS		1,882,830		322,360	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	3,873			20
Total-- INFORMATION ORIG/TERM ASSETS		3,873		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	45,038			21
Aerial Cable	2421	99	6.3	56	22
Underground Cable	2422	201,624	5.0	15,367	23
Buried Cable	2423	1,672,628	5.3	107,777	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	237			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					60,424	1
2113					0	2
2114					0	3
2115					0	4
2116	185				115,827	5
2121					349,609	6
2122	301				40,553	7
2123	398				18,213	8
2124					54,816	9
	884	0	0	0	639,442	
2211					10,631	10
2212	0				1,094,709	11
2215	0				0	12
2220					0	13
2231	0				59,768	14
2232	0				1,040,082	15
	0	0	0	0	2,205,190	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					3,873	20
	0	0	0	0	3,873	
2411					45,038	21
2421	0	30			125	22
2422	0				216,991	23
2423	0				1,780,405	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431		16			221	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	357,953	2.5	16,902	29
Total-- CABLE WIRE FACILITIES ASSETS		2,277,579		140,102	0
Total Accumulated Depreciation	3100	4,760,988		506,082	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				506,082	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					374,855	29
	0	46	0	0	2,417,635	
3100	884	46	0	0	5,266,140	
3100					0	30
3100					5,266,140	

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	14,269	10.0	336		1
Company Communications Equipment	2123.2	3,333	10.0	673		2
Software	2212.1	920,736	25.0	173,973		3
Digital Switching - Central Office	2212.2	0	8.5	0		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	54,373	8.3999	5,395		9
Digital Circuit Equipment	2232.1	254,830	21.0	141,863		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	642,260	11.0	1,129		12
Aerial Cable - Nonmetallic	2421.1	99	4.6	56		13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	7,526	3.4	674		15
Underground Cable - Metallic	2422.2	194,098	5.0	14,693		16
Buried Cable - Nonmetallic	2423.1	156,893	4.6	14,178		17
Buried Cable - Metallic	2423.2	1,515,735	5.3	93,599		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	398				14,207	1
2123.2					4,006	2
2212.1					1,094,709	3
2212.2					0	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					59,768	9
2232.1					396,693	10
2232.2					0	11
2232.3					643,389	12
2421.1		30			125	13
2421.2					0	14
2422.1					8,200	15
2422.2					208,791	16
2423.1					171,071	17
2423.2					1,609,334	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	4,292,162	3,102,892	1
Changes:			
Balance Transferred from Income	1,763,167	1,189,270	2
Dividends Declared:			
Common	2,500,923	0	3
Preferred		0	4
Total Dividends Declared	2,500,923	0	
Miscellaneous Debits to Retained Earnings	4,972,504	0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>(1,418,098)</u>	<u>4,292,162</u>	

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

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	783,658	653,926	2
Optional Extended Area Revenue (5002)	15,679	25,281	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)	192,246	172,136	9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	991,583	851,343	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	212,881	195,061	11
Switched Access Revenue (5082)*	936,579	1,032,198	12
Special Access Revenue (5083)*	149,713	151,342	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,299,173	1,378,601	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	696,430	754,108	15
Special Access Revenue (5084.3)*	7,010	5,337	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	703,440	759,445	
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)*	202,795	200,524	30
Rent Revenue (5240)*	(5,080)	48,568	31 A
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)	4,833	7,019	35
Plant Operations Revenue (5263)	720	2,056	36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)	921	138	38
Total Miscellaneous Revenue (5260)	6,474	9,213	
Interstate Billing and Collection Revenue*	37,577	33,206	39
Intrastate Billing and Collection Revenue*	47,760	62,601	40 A
Total Carrier Billing and Collection Revenue (5270)*	85,337	95,807	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	289,526	354,112	
GROSS OPERATING REVENUES	3,283,722	3,343,501	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	6,838	4,521	43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	6,838	4,521	
TOTAL OPERATING REVENUES	<u>3,276,884</u>	<u>3,338,980</u>	

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

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	854	1,724	1
Less: Nonregulated		0	2
Net Regulated	854	1,724	3
Total General Support Expense (6120)	113,746	82,394	4
Less: Nonregulated		0	5 B
Net Regulated	113,746	82,394	6
Total Central Office Switching Expense (6210)	8,415	16,520	7
Less: Nonregulated		0	8 C
Net Regulated	8,415	16,520	9
Total Operator Systems Expense (6220)	6,882	0	10
Less: Nonregulated		0	11
Net Regulated	6,882	0	12
Total Central Office Transmission Expenses (6230)		9,161	13
Less: Nonregulated		0	14
Net Regulated	0	9,161	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	42,960	50,703	19
Less: Nonregulated		0	20
Net Regulated	42,960	50,703	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	172,857	160,502	
Less: Nonregulated	0	0	
Net Regulated	172,857	160,502	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)		0	22
Less: Nonregulated		0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	18,360	15,477	25
Less: Nonregulated		0	26
Net Regulated	18,360	15,477	27
Access Expense (6540)	18,528	11,870	28
Less: Nonregulated		0	29
Net Regulated	18,528	11,870	30
Total Depreciation and Amortization Expense (6560)	536,281	484,985	31
Less: Nonregulated		0	32
Net Regulated	536,281	484,985	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	573,169	512,332	
Less: Nonregulated	0	0	
Net Regulated	573,169	512,332	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	24,805	16,663	34
Less: Nonregulated		0	35
Net Regulated	24,805	16,663	36
<hr/>			
Total Services (6620)	237,107	286,292	37
Less: Nonregulated		0	38
Net Regulated	237,107	286,292	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	261,912	302,955	
Less: Nonregulated	0	0	
Net Regulated	261,912	302,955	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	32,918	48,470	40
Less: Nonregulated		0	41 C
Net Regulated	32,918	48,470	42
<hr/>			
Total General and Administrative (6720)	169,647	132,135	43
Less: Nonregulated		0	44 B
Net Regulated	169,647	132,135	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	202,565	180,605	
Less: Nonregulated	0	0	
Net Regulated	202,565	180,605	
<hr/>			
TOTAL EXPENSES	1,210,503	1,156,394	
Less: Nonregulated	0	0	
Net Regulated	1,210,503	1,156,394	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		0	1
Provisioning Expense (6512)		0	2
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	532,995	481,969	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0	4
Amortization Expense--Tangible (6563)	1,078	808	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)	2,208	2,208	7
Total: Reported in Account 6560	536,281	484,985	

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	3,283,722	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,283,722</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	991,583	1
Plus: Total Intrastate Access Revenues (5084)	703,440	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): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,695,023</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	3,283,722	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>3,283,722</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	991,583	1
Plus: Total Intrastate Access Revenues (5084)	703,440	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): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,695,023</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)		0	1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)	(19,111)	0	2
Operating Federal Income Taxes (7220)	279,738	563,038	3
Operating State and Local Income Taxes (7230)	153,564	136,422	4
Operating Other Taxes (7240)	79,706	205,040	5
Provision for Deferred Operating Income Taxes--Net (7250)	138,744	336,221	6
TOTAL OPERATING TAXES (7200)	632,641	1,240,721	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	6,467	4,205	7
Interest Income (7320)	271,774	186,818	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)	1,355	1,943	10
Gains or (Losses) from the Disposition of Certain Property (7350)			11
Other Nonoperating Income (7360)			12
Special Charges (7370)	(9,330)	1,435	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	288,926	191,531	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	108,408	76,616	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	18,817	6,636	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)			16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	167,726	139,126	17

NONREGULATED ACTIVITIES

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

Nonregulated Activity (a)

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	296	1,225	1
Extended Area Service	103	1,027	2
Extended Community Calling	27	108	3
Other Local-Undefined	23	30	4
Total Local	449	2,390	
TOLL			
Toll	249	807	5
Total Toll	249	807	
Total Local & Toll	698	3,197	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.					2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	4,373	2	2,270	3,036	7
Feature Group D -- Term.	4,213	1	2,070	2,097	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	23	1
Strand miles of plant - fiber optics	207	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	13	30	1
56 kbps	20	13	2
64 kbps (DS0)	2	0	3 D
1.54 Mbps (DS-1)	48	20	4
45 Mbps (DS-3)	4	0	5 D
SONET OC-1	0	0	6 D
SONET OC-3	0	0	7 D
SONET OC-12	0	0	8 D
SONET OC-48	0	0	9 D
SONET OC-192	0	0	10 D

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
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SONET OC-3	0	0	7 D
SONET OC-12	0	0	8 D
SONET OC-48	0	0	9 D
SONET OC-192	0	0	10 D

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	701	755	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	31	31	6
Centrex Trunks			7
Centrex Lines	12	11	8
Key System Trunks	322	338	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)	58	57	11
FX-Out (Switched)			12
Pay Telephone	29	29	13
Coin-Operated Pay Telephone	12	12	14
Independent Pay Telephone Provider	9	9	15
Pay Stations - Public			16
- Semi-Public			17
- Cust. Owned			18
Other			19
Total Business Lines	1,174	1,242	20
Residential (Incl. Emp. Concess.)			
1 Party	2,772	2,864	22
2 Party			23
4 Party			24
FX-Out (Switched)			25
Other			26
Total Residential Lines	2,772	2,864	27
Total Bus & Res Lines	3,946	4,106	28
Company Used Lines	89	89	29
Total Lines Used	4,035	4,195	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	5	5	3
WATS Lines - 800 Service	4	4	4
FX-In-intraLATA	2	2	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	477	523	7
Special Access-interLATA			8
(expressed in equiv. access lines)	3,510	3,875	9
Feature Group A Lines	2	2	10
Feature Group B Trunks	24	24	11
Feature Group C Trunks	24	72	12
Feature Group D Trunks	821	888	13
TSPS - Trunks	12	72	14
EAS - Trunks	238	238	15
Cellular Trunks (Pub. Sw. Net.)	12	24	16
Video Distance Learning			17
- discounted (special tariff)	2	2	18
Customers			
Business - 2 Party Customers			19
Business - 4 Party Customers			20
Residential - 2 Party Customers			21
Residential - 4 Party Customers			22
Other			
Total Central Office, Info. Orig./Term., & Cable			23
Wire Fac. Assets (based on physical location of plant)			24
	5,930,631	6,331,029	25
Total Company Square Miles	69	69	26
Total Company Route Miles	288	299	27
Footnotes			28
			29
			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	5530				1
Business					2
1 Party	755				3
2 Party					4
4 Party					5
PBX Trunks/System Trunks	31				6
Centrex Trunks					7
Centrex Lines	11				8
Key System Trunks	338				9
Mobile (utility provided service)					10
Paging (utility provided service)	57				11
FX-Out (Switched)					12
Pay Telephone	29				13
Coin-Operated Pay Telephone	12				14
Independent Pay Telephone Provider	9				15
Pay Stations - Public					16
- Semi-Public					17
- Cust. Owned					18
Other					19
Total Business Lines	1,242	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	2,864				22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	2,864	0	0	0	27
Total Bus & Res Lines	4,106	0	0	0	28
Company Used Lines	89				29
Total Lines Used	4,195	0	0	0	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	5530				1
Miscellaneous					2
WATS Lines - OutWATS	5				3
WATS Lines - 800 Service	4				4
FX-In-intraLATA	2				5
Special Access-intraLATA					6
(equiv. access lines)	523				7
Special Access-interLATA					8
(equiv. access lines)	3,875				9
Feature Group A Lines	2				10
Feature Group B Trunks	24				11
Feature Group C Trunks	72				12
Feature Group D Trunks	888				13
TSPS - Trunks	72				14
EAS - Trunks	238				15
Cellular Trunks (Pub. Sw. Net.)	24				16
Video Distance Learning					17
- discounted (special tariff)	2				18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	6,331,029				27
Exchange Square Miles	69				28
Exchange Route Miles	299				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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Electronic--Digital	D	3
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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	VIROQUA				1
PSCW Exchange ID	5530				2
Central Office Name	VIROQUA				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1991				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.	412.20				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	4,307				14
- Equipped	4,792				15
- Wired	5,054				16
Trunks - In Use	1,858				17
- Equipped	1,930				18
- Wired	1,930				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)					21
- In Use (PRI)					22
Switched 56 Service?	No				23
Switched 56 lines in use					24
Digital Transmission Facilities: DS-1 - In Use	179				25
DS-3 - In Use	8				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	Yes				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹					32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	48				33
No. of fiber strands working (LIT) in C.O.	24				34
No. of fiber strands for interoffice use	0				35
Miles of fiber sheath in wire center	23				36
Access Tandem Serving this C.O.:					
- C.O. Name	VIROQUA				37
- PSCW C.O. ID	5530-01				38
Does this C.O. do access tandem switching?	Yes				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	Yes				41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

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

Schedule Line Footnotes

- A) Revenue decrease.
- B) Expense increase.
- C) Expense decrease.
- D) Have none.