



4004

ANNUAL REPORT

OF

Name: LAVALLE TELEPHONE COOPERATIVE, INC.

Principal Office: 108 W MAIN ST
P.O. BOX 28
LA VALLE, WI 53941-0028

For the Year Ended: DECEMBER 31, 2002

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2001 report is due April 1, 2002.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required.** Go to the Public Service Commission of Wisconsin's web page at <http://psc.wi.gov>, click on Telecommunications and click on Annual Report for Incumbent Local Exchange Carriers (LECs).
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-102. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
7. Numeric items are limited to digits (0-9). A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
8. Please report all dollar amounts to the nearest whole dollar.
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items, based on the Commission's confidentiality determination dated February 5, 2002.
13. It is not necessary to sign the signature page.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files;
Filing the Completed Report:**

GENERAL RULES FOR REPORTING

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

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

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

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

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

15. Name Changes:

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

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

These documents can be obtained by:

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

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

16. Changes to the Annual Report Subsequent to Filing:

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

SIGNATURE PAGE

I GREGORY ROCKWEILER of
(Person responsible for accounts)

LAVALLE TELEPHONE COOPERATIVE, 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.

GREGORY ROCKWEILER 03/31/2003
(Person responsible for accounts) (Date)

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LAVALLE TELEPHONE COOPERATIVE, INC.
Utility Location: 108 W MAIN ST
P.O. BOX 28
LA VALLE, WI 53941-0028

Utility Web Site Address: www.mwt.net/ltc

When was utility organized?: 03/26/1956

Report any change in name and the effective date:

Telephone numbers for potential customers to contact company:

Business Customers: (608) 985 - 7201 Ext:

Residential Customers: (608) 985 - 7201 Ext:

Officer in charge of correspondence concerning this report

Name: MR GREGORY J . ROCKWEILER
Title: ASSISTANT SECRETARY

Office Address: 108 WEST MAIN
P.O. BOX 28
LAVALLE , WI 53941-0028

Fax Number: (608) 985 - 8080
Telephone Number: (608) 985 - 7201
Email Address: grock@mwt.net

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

Name: MR BRUCE E . HOEHNE , CPA
Title: PARTNER
Firm: KIESLING ASSOCIATES LLP
Office Address: 8517 EXCELSIOR DRIVE, SUITE 301
MADISON , WI 53717

Fax Number: (608) 664 - 9112
Telephone Number: (608) 664 - 9110
Email Address: bhoehne@kiesling.com

Person responsible for financial information contained in report

Name: MR GREGORY J . ROCKWEILER
Title: OFFICE MANAGER
Office Address: 108 WEST MAIN
P.O. BOX 28
LAVALLE , WI 53941-0028
Fax Number: (608) 985 - 8080
Telephone Number: (608) 985 - 7201
Email Address: grock@mwt.net

IDENTIFICATION AND OWNERSHIP

Person responsible for statistical information contained in report

Name: MR GREGORY J . ROCKWEILER
Title: OFFICE MANAGER

Office Address: 108 WEST MAIN
P.O. BOX 28
LAVALLE , WI 53941-0028

Fax Number: (608) 985 - 8080
Telephone Number: (608) 985 - 7201
Email Address: grock@mwt.net

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: NONE
Address: N/A
PO BOX 0
N/A , WI 00000

Number of Shares Held:
Beneficial Owner: NONE

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

Company Name: LA VALLE LONG DISTANCE INC.
Form of Interest: OWNED
Extent Of Interest: 100%

OFFICERS AND DIRECTORS

**Name, Title/Occupation
and Business Address**

<p>Name: DON DOUGLAS Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	1
<hr/>	
<p>Name: GREGORY J ROCKWEILER Title/Occupation: ASSISTANT SECRETARY Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	2
<hr/>	
<p>Name: JIM KLANG Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	3
<hr/>	
<p>Name: LESTER WOOLEVER Title/Occupation: PRESIDENT Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	4
<hr/>	
<p>Name: PAUL BODENDEIN Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	5
<hr/>	
<p>Name: RICHARD SHEAHAN Title/Occupation: VICE PRESIDENT Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028</p>	6

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address

Name: RICHARD TREMAIN Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028	<hr/> 7
Name: ROBERT ROLOFF Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028	<hr/> 8
Name: RODNEY HENKE Title/Occupation: SECRETARY/TREASURER Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028	<hr/> 9
Name: VINCENT DUREN Title/Occupation: DIRECTOR Business Address (1): 108 WEST MAIN Business Address (2): P.O. BOX 28 Business Address (3): City State, Zip: LAVALLE, WI 53941-0028	<hr/> 10

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,538,129	1,540,914	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	328,268	292,003	2
Plant Nonspecific Operations Expense	367,360	391,624	3
Customer Operations Expense (6610-6620)	249,869	228,728	4
Corporate Operations Expense (6710-6790)	176,193	203,693	5
Other Operating Income and Expense (7100)	286	0	6
Operating Taxes (7200)	50,509	56,804	7
Total Operating Expenses	1,171,913	1,172,852	8
Net Operating Income	366,216	368,062	9
Other Income			
Nonoperating Income and Expense (7300)	43,024	(4,775)	10
Nonoperating Taxes (7400)	14,813	6,107	11
Interest and Related Items (7500)	117,088	123,706	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	30,013	75,638	14
Total Nonoperating Income	(58,864)	(58,950)	15
Net Income	307,352	309,112	16

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)*	353,663	509,003	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	353,663	509,003	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	72,459	78,712	6
Accounts Receivable Allowance-Telecom (1181)*			7
Net: Telecommunications Accounts Receivable	72,459	78,712	
Other Accounts Receivable (1190)*	263,102	169,245	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	263,102	169,245	
Notes Receivable (1200)*			10
Notes Receivable Allowance (1201)*			11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	1,830	5,730	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	337,391	253,687	
SUPPLIES			
Inventories (1220)*	50,249	136,587	13
TOTAL SUPPLIES	50,249	136,587	
PREPAYMENTS			
Total Prepayments (1280)*	52,233	10,065	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	52,233	10,065	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	793,536	909,342	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	245,719	102,124	21
RTB Class B Stock (1402)*	30,576	30,576	22
Other Investments in Nonaffiliated Companies (1402)*	224,003	224,003	23
Nonregulated Investments (1406)*	176,316		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)*	407,425	407,324	26
Other Noncurrent Assets (1410)*	32,149	131,937	27
TOTAL INVESTMENTS	1,116,188	895,964	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*			28
Deferred Maintenance and Retirements (1438)*	4,900	9,800	29
Deferred Charges (1439)*			30
TOTAL DEFERRED CHARGES	4,900	9,800	
TOTAL NONCURRENT ASSETS	1,121,088	905,764	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	6,266,591	6,101,588	31
Less: Accumulated Depreciation (3100)*	3,766,614	3,450,381	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	2,499,977	2,651,207	
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)*	223,375	28,418	40
TOTAL TPUC	223,375	28,418	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	2,723,352	2,679,625	
TOTAL ASSETS AND OTHER DEBITS	4,637,976	4,494,731	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	164,081	118,265	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*	1,550	1,200	4
Current Maturities--Long-Term Debt (4050)*	149,000	152,200	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*		(16,928)	7
Other Taxes--Accrued (4080)*	10	240	8
Net Current Deferred Operating Income Taxes (4100)*			9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	27,929	24,730	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	342,570	279,707	
LONG-TERM DEBT			
Funded Debt (4210)*	1,998,314	2,147,338	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	1,998,314	2,147,338	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	151,625	149,103	20
Unamortized Operating ITC--Net (4320)*			21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*			23
Net Deferred Tax Liability Adjustments (4341)*			24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	2,553	0	26
Deferred Tax Regulatory Liability (4361)*			27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	154,178	149,103	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*			28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*			31
Retained Earnings (4550)*	2,142,914	1,918,583	32
TOTAL STOCKHOLDERS' EQUITY	2,142,914	1,918,583	
TOTAL LIABILITIES AND OTHER CREDITS	4,637,976	4,494,731	

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)	
La Valle Long Distance	LLD	1
Midwest Telnet, LLP	MWT	2
Tech-Com	TC	3

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	5ATF169	3090ATF100	5TI595		
Name of Affiliate	LLD	MWT	TC		1
Designate whether billed to or from:	TO	FROM	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	P	C		3
Total Dollar Activity	13,519	115,927	223,775		4
Percent of affiliate's business billed to all affiliated regulated utilities		92.00			5
If cost based, rate of return on equity or markup incorporated in billings					6
Footnotes			F		

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)	
La Valle Long Distance	1190	2,251	1
Tech-Com	1190	139,701	2
La Valle Long Distance	1401	79,201	3
Midwest Telnet, LLP	1401	166,518	4
La Valle Long Distance	4010	24,230	5
Midwest Telnet, LLP	4010	35	6

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	104,116		1
Motor Vehicles	2112	123,765	18,772	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	256,096	7,776	6
Buildings	2121	321,761		7
Furniture	2122	42,894		8
Office Equipment	2123	42,822	2,376	9
General Purpose Computers	2124	157,287	2,193	10
TOTAL--GENERAL SUPPORT ASSETS:		1,048,741	31,117	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,033,302	869	12 A
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	178,624	0	15
Circuit Equipment	2232	730,026	92,897	16 A
TOTAL--CENTRAL OFFICE ASSETS:		1,941,952	93,766	
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		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	12,795		22
Aerial Cable	2421	3,723	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	3,094,293	73,976	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	84		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		3,110,895	73,976	
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			104,116	1
2112			142,537	2
2113			0	3
2114			0	4
2115			0	5
2116			263,872	6
2121			321,761	7
2122			42,894	8
2123	0	0	45,198	9
2124			159,480	10
	0	0	1,079,858	
2211			0	11
2212	0	(25,892)	1,008,279	12 A
2215	0	0	0	13
2220			0	14
2231	0	0	178,624	15
2232	6,264	25,892	842,551	16 A
	6,264	0	2,029,454	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			12,795	22
2421	0	0	3,723	23
2422	0	0	0	24
2423	27,592	0	3,140,677	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			84	30
	27,592	0	3,157,279	
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	6,101,588	198,859
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	
	33,856	0	6,266,591	
2001			0	34
			6,266,591	

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	31,779	2,376	1
Company Communications Equipment	2123.2	11,043		2
Software	2212.1	0		3
Digital Switching - Central Office	2212.2	1,033,302	869	4 A
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	178,624		9
Digital Circuit Equipment	2232.1	730,026	92,897	10 A
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	3,723		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	956,341		17
Buried Cable - Metallic	2423.2	2,137,952	73,976	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			34,155	1
2123.2			11,043	2
2212.1			0	3
2212.2		(25,892)	1,008,279	4 A
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			178,624	9
2232.1	6,264	25,892	842,551	10 A
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			3,723	14
2422.1			0	15
2422.2			0	16
2423.1			956,341	17
2423.2	27,592		2,184,336	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	55,908	.0	15,688	1B
Aircraft	2113	0		0	2
Special Purpose Vehicles	2114	0		0	3
Garage Work Equipment	2115	0		0	4
Other Work Equipment	2116	166,844	.0	20,890	5
Buildings	2121	184,388	3.5	11,262	6
Furniture	2122	40,833	7.14	2,060	7
Office Equipment	2123	25,817	8.12	2,416	8
General Purpose Computers	2124	156,016	20.0	3,464	9
Total-- GENERAL SUPPORT ASSETS		629,806		55,780	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0		0	10
Digital Electronic Switching	2212	986,073	10.0	48,096	11A
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0		0	13
Radio Systems	2231	116,960	6.9	12,037	14
Circuit Equipment	2232	257,733	10.5	78,790	15A
Total-- CENTRAL OFFICE ASSETS		1,360,766		138,923	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0		0	16
Customer Premises Wiring	2321	0		0	17
Large Private Branch Exchanges	2341	0		0	18
Public Telephone Terminal Equipment	2351	0		0	19
Other Terminal Equipment	2362	0		0	20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	12,324	6.88	471	21
Aerial Cable	2421	2,074	6.11	228	22
Underground Cable	2422	0			23
Buried Cable	2423	1,445,368	5.0	151,940	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0		0	26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0		0	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					71,596	1 B
2113					0	2
2114					0	3
2115					0	4
2116					187,734	5
2121					195,650	6
2122					42,893	7
2123	0				28,233	8
2124					159,480	9
	0	0	0	0	685,586	
2211					0	10
2212	0			(25,892)	1,008,277	11 A
2215	0				0	12
2220					0	13
2231	0				128,997	14
2232	6,264			28,635	358,894	15 A
	6,264	0	0	2,743	1,496,168	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411					12,795	21
2421	0				2,302	22
2422	0				0	23
2423	27,592				1,569,716	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	43	4.0	4	29
Total-- CABLE WIRE FACILITIES ASSETS		1,459,809		152,643	0
Total Accumulated Depreciation	3100	3,450,381		347,346	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				347,346	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					47	29
	27,592	0	0	0	1,584,860	
3100	33,856	0	0	2,743	3,766,614	
3100					0	30
3100					3,766,614	

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	14,817	7.14	2,374		1
Company Communications Equipment	2123.2	11,000	11.0	42		2
Software	2212.1	0				3
Digital Switching - Central Office	2212.2	986,073	10.0	48,096		4 A
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	116,960	6.67	12,037		9
Digital Circuit Equipment	2232.1	257,733	7.14	78,790		10 A
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	2,074	6.11	228		14
Underground Cable - Nonmetallic	2422.1	0				15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	163,489	5.0	47,817		17
Buried Cable - Metallic	2423.2	1,281,879	5.0	104,123		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					17,191	1
2123.2					11,042	2
2212.1					0	3
2212.2				(25,892)	1,008,277	4 A
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					128,997	9
2232.1	6,264			28,635	358,894	10 A
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					2,302	14
2422.1					0	15
2422.2					0	16
2423.1					211,306	17
2423.2	27,592				1,358,410	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	1,918,583	1,623,490	1
Changes:			
Balance Transferred from Income	307,352	309,112	2
Dividends Declared:			
Common	83,021	14,019	3
Preferred		0	4
Total Dividends Declared	83,021	14,019	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>2,142,914</u>	<u>1,918,583</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)*	496,794	510,319	1 C
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)	496,794	510,319	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	147,851	89,877	11 E
Switched Access Revenue (5082)*	521,043	527,610	12
Special Access Revenue (5083)*			13
TOTAL INTERSTATE ACCESS REVENUES (5080)	668,894	617,487	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	219,158	277,257	15 D
Special Access Revenue (5084.3)*	67,241	49,652	16 K
TOTAL INTRASTATE ACCESS REVENUES (5084)	286,399	326,909	
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)*	9,117	9,036	30
Rent Revenue (5240)*	18,121	28,848	31 I
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	5,615	1,498	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)	5,615	1,498	
Interstate Billing and Collection Revenue*	12,442	14,869	39
Intrastate Billing and Collection Revenue*	44,698	38,409	40
Total Carrier Billing and Collection Revenue (5270)*	57,140	53,278	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	89,993	92,660	
GROSS OPERATING REVENUES	1,542,080	1,547,375	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	3,951	6,461	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	3,951	6,461	
TOTAL OPERATING REVENUES	<u>1,538,129</u>	<u>1,540,914</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)		0	1
Less: Nonregulated		0	2
Net Regulated	0	0	3
Total General Support Expense (6120)	53,161	56,545	4
Less: Nonregulated		0	5
Net Regulated	53,161	56,545	6
Total Central Office Switching Expense (6210)	135,397	131,699	7
Less: Nonregulated		0	8
Net Regulated	135,397	131,699	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	4,206	3,461	13
Less: Nonregulated		0	14
Net Regulated	4,206	3,461	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)	135,504	100,298	19
Less: Nonregulated		0	20 G
Net Regulated	135,504	100,298	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	328,268	292,003	
Less: Nonregulated	0	0	
Net Regulated	328,268	292,003	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)	1,712	1,631	22
Less: Nonregulated		0	23
Net Regulated	1,712	1,631	24
Total Network Operations Expense (6530)	15,607	15,043	25
Less: Nonregulated		0	26
Net Regulated	15,607	15,043	27
Access Expense (6540)	8,664	7,092	28
Less: Nonregulated		0	29
Net Regulated	8,664	7,092	30
Total Depreciation and Amortization Expense (6560)	341,377	367,858	31
Less: Nonregulated		0	32
Net Regulated	341,377	367,858	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	367,360	391,624	
Less: Nonregulated	0	0	
Net Regulated	367,360	391,624	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)		0	34
Less: Nonregulated		0	35
Net Regulated	0	0	36
<hr/>			
Total Services (6620)	249,869	228,728	37
Less: Nonregulated		0	38
Net Regulated	249,869	228,728	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	249,869	228,728	
Less: Nonregulated	0	0	
Net Regulated	249,869	228,728	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	38,540	39,831	40
Less: Nonregulated		0	41
Net Regulated	38,540	39,831	42
<hr/>			
Total General and Administrative (6720)	137,653	163,862	43
Less: Nonregulated		0	44
Net Regulated	137,653	163,862	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	176,193	203,693	
Less: Nonregulated	0	0	
Net Regulated	176,193	203,693	
<hr/>			
TOTAL EXPENSES	1,121,690	1,116,048	
Less: Nonregulated	0	0	
Net Regulated	1,121,690	1,116,048	

EXPENSES - CLASS A & B (DETAIL)

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. (6511)		1,631	1
Provisioning Expense (6512)	1,712	0	2
Total: Reported in Account 6510	1,712	1,631	
Depreciat. Exp.--Tele. Plant in Service (6561)	341,377	367,858	3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	341,377	367,858	

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	1,542,080	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	3,951	3
Plus: Total Other Operating Income and (Expense) (7100)	286	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	1,538,415	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	496,794	1
Plus: Total Intrastate Access Revenues (5084)	286,399	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	783,193	

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	1,542,080	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	3,951	3
Plus: Total Other Operating Income and (Expense) (7100)	286	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,538,415</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	496,794	1
Plus: Total Intrastate Access Revenues (5084)	286,399	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>783,193</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)	286		1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)			2
Operating Federal Income Taxes (7220)	(239)	6,563	3
Operating State and Local Income Taxes (7230)			4
Operating Other Taxes (7240)	50,748	50,241	5
Provision for Deferred Operating Income Taxes--Net (7250)			6
TOTAL OPERATING TAXES (7200)	50,509	56,804	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	6,050	6,606	7
Interest Income (7320)	23,780	33,921	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)			10
Gains or (Losses) from the Disposition of Certain Property (7350)		0	11
Other Nonoperating Income (7360)	13,595	(45,302)	12
Special Charges (7370)	401		13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	43,024	(4,775)	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)	14,813	6,107	14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	117,088	123,706	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)			16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	30,013	75,638	17

EMPLOYEE DATA - END OF YEAR

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

Particulars (a)	Employees (b)	
Plant Operations		
Supervisory & Management	1	1
Central Office	1	2
Outside Plant	2	3
Building & Service	0	4
Other	0	5
Customer Operations		
Supervisory & Management	0	6
Operators	0	7
Business Office	4	8
Other	0	9
Corporate Operations		
Executive & General Management		10
Accounting & Finance	1	11
External Relations		12
Human Resources		13
Information Management		14
Legal		15
Procurement		16
Research & Development		17
Other	1	18
Other		
All Other Employees, Not Listed Above	1	19
Total Employees	11	
Part-Time Employees	1	20
Full-Time Employees	10	21
Total Part-Time and Full-Time Employees	11	

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 J
Extended Area Service	0	0	2 J
Extended Community Calling	21	95	3
Other Local-Undefined	0	0	4 J
Total Local	21	95	
TOLL			
Toll	57	691	5
Total Toll	57	691	
Total Local & Toll	78	786	

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.	0	0	0	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	1,210	2,101	83	0	7
Feature Group D -- Term.	3,045	1,676	183	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	55	1
Strand miles of plant - fiber optics	1,314	2
Route miles of plant - microwave	18	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	55	1
Strand miles of plant - fiber optics	1,314	2
Route miles of plant - microwave	18	3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	0	1 H
56 kbps	2	1	2
64 kbps (DS0)	0	0	3 H
1.54 Mbps (DS-1)	5	2	4
45 Mbps (DS-3)	0	0	5 H
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	184	185	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks			6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks			9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)	22	20	11
FX-Out (Switched)	3	3	12
Pay Telephone	0	0	13
Coin-Operated Pay Telephone	8	8	14
Independent Pay Telephone Provider	0	0	15
Other			16
Total Business Lines	217	216	17
Residential (Incl. Emp. Concess.)			
1 Party	1,921	1,921	18
2 Party			19
4 Party			20
FX-Out (Switched)			21
Other			22
Total Residential Lines	1,921	1,921	23
Total Bus & Res Lines	2,138	2,137	24
Company Used Lines	23	23	25
Total Lines Used	2,161	2,160	26
			27

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS			3
WATS Lines - 800 Service			4
FX-In-intraLATA			5
Special Access-intraLATA			6
(expressed in equiv. access lines)	49	49	7
Special Access-interLATA			8
(expressed in equiv. access lines)	122	122	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	168	168	13
TSPS - Trunks	10	10	14
EAS - Trunks	376	376	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Lifeline Customers	31	32	20
Linkup Customers	0	0	21
Other			
Total Company Square Miles	124	124	23
Total Company Route Miles	430	434	24
Footnotes			25

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0980	2900			1
Business					2
1 Party	50	135			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks					9
Mobile (utility provided service)					10
Paging (utility provided service)		20			11
FX-Out (Switched)	3				12
Pay Telephone	0				13
Coin-Operated Pay Telephone	2	6			14
Independent Pay Telephone Provider	0	0			15
Other					16
Total Business Lines	55	161	0	0	17
Residential (Incl. Emp. Concess.)					18
1 Party	424	1,497			19
2 Party					20
4 Party					21
FX-Out (Switched)					22
Other					23
Total Residential Lines	424	1,497	0	0	24
Total Bus & Res Lines	479	1,658	0	0	25
Company Used Lines	5	18			26
Total Lines Used	484	1,676	0	0	27

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0980	2900			1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)		49			7
Special Access-interLATA					8
(equiv. access lines)	24	98			9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	72	96			13
TSPS - Trunks	4	6			14
EAS - Trunks	58	318			15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Other					19
Exchange Square Miles	51	73			20
Exchange Route Miles	122	312			21
Footnotes					22

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
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ATTC	ATT	2
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Siemens	SI	8
Stromberg-Carlson	SC	9
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EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	CAZENOVIA	LAVALLE			1
PSCW Exchange ID	0980	2900			2
Central Office Name	CAZENOVIA	LAVALLE			3
PSCW Central Office ID	1	1			4
Central Office CLLI Code	CZNVWIXADSO	LAVAWIXADSO			5
Manufacturer of COE (Page 54)	SC	SC			6
Year COE Installed	1987	1987			7
Type of Equipment (Page 54)	D	D			8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	H	H			9
Remote Host PSCW Exchange ID					10
Remote Host PSCW Central Office ID					11
COE Generic Software Release No.	20	20			12
SS7?	Yes	Yes			13
9-1-1?	Yes	Yes			14
Access Lines - In Use	484	1,676			15
- Equipped	618	1,840			16
- Wired	720	1,890			17
Trunks - In Use	214	723			18
- Equipped	218	768			19
- Wired	2,029	2,069			20
ISDN Available?	No	No			21
ISDN Lines - In Use (BRI)	0	0			22
- In Use (PRI)	0	0			23
XDSL Available?	Yes	Yes			24
- In Use (# lines)	3	30			25
Switched 56 Service?	No	No			26
Switched 56 lines in use	0	0			27
Digital Transmission Facilities: DS-1 - In Use	18	38			28
DS-3 - In Use	0	4			29
Advanced Data Service Available:					
Packet Switching?	No	No			30
SMDS?	No	No			31
Frame Relay?	No	No			32
ATM (Asynchronous Trans. Mode)?	No	No			33
Video Information - Service Available?	No	No			34
- In Use (# lines) ¹	0	0			35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	42	120			36
No. of fiber strands working (LIT) in C.O.	4	42			37
No. of fiber strands for interoffice use	0	0			38
Miles of fiber sheath in wire center	14	41			39
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON			40
- PSCW C.O. ID	3080-01	3080-01			41
Does this C.O. do access tandem switching?	No	No			42
Footnotes					43

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Accountants Compilation Report

To the Board of Directors
La Valle Telephone Cooperative, Inc.
La Valle, Wisconsin

We have compiled the balance sheets of the La Valle Telephone Cooperative, Inc. as of December 31, 2002 and 2001, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 46 through 55.

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

These financial statements (including related disclosures) and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

The supplementary information contained on pages 46 through 55 of the accompanying prescribed form has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

Kiesling Associates LLP
Madison, Wisconsin
March 31, 2003

Schedule Footnotes

Schedule Line Footnotes

- A) Continuing property record adjustment.
- B) Account is depreciated on a per unit basis.
- C) Decrease in access lines.
- D) Decrease in Intrastate minutes of use.
- E) FCC rate changed for end users during the year.
- F) Filed with PSC, docket number not yet received.
- G) Increased staking, locating and charges related to the updating of outside plant mapping.
- H) Reported amount of zero for these special access circuits is correct.
- I) Decrease due to fewer lines being rented.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- J)** Local and toll telephone calls as well as minutes of use data are not available for lines 1, 2, and 4 of page 47. La Valle is a flat rate company and the cost incurred for the necessary software and record keeping for usage sensitive recording would not be practical for information that is not used elsewhere. However, page 47 line 3 should be correct.
- K)** Increase in special access usage.