



4004

ANNUAL REPORT

OF

Name: MT VERNON TELEPHONE COMPANY

Principal Office: 113 NORTH MAIN STREET
VERONA, WI 53593

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

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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: MT VERNON TELEPHONE COMPANY
Utility Location: 113 NORTH MAIN STREET
 VERONA, WI 53593

Utility Web Site Address:

When was utility organized?: 05/21/1901

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR GERALD A . RINGLUND
Title: ASSISTANT TREASURER

Office Address: 301 S. WESTFIELD ROAD
 P.O. BOX 5158
 MADISON , WI 53705-5158

Fax Number: (608) 845 - 4519 EXT
Telephone Number: (608) 845 - 4554

Email Address:

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

Name: MR JOE J . PRELOZNIK
Title: STAFF ACCOUNTANT
Firm: TDS TELECOM

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Person responsible for financial information contained in report

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Person responsible for statistical information contained in report

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Title: X

Office Address: 301 S. WESTFIELD ROAD
 P.O. BOX 5158
 MADISON , WI 53705-5158

Fax Number: (608) 999 - 9999
Telephone Number: (608) 999 - 9999

Email Address:

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:	TDS TELECOMMUNICATIONS CORPORATION
Address:	301 S. WESTFIELD ROAD PO BOX 5158 MADISON , WI 53705-5158
Number of Shares Held:	3,535
Beneficial Owner:	NONE

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

Company Name:
Form of Interest:
Extent Of Interest:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	4,935,839	4,551,615	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	349,815	375,473	2
Plant Nonspecific Operations Expense	1,239,832	1,112,204	3
Customer Operations Expense (6610-6620)	934,095	828,401	4
Corporate Operations Expense (6710-6790)	818,175	691,558	5
Other Operating Income and Expense (7100)	2,496	2,496	6
Operating Taxes (7200)	726,811	720,142	7
Total Operating Expenses	4,066,232	3,725,282	8
Net Operating Income	869,607	826,333	9
Other Income			
Nonoperating Income and Expense (7300)	36,202	33,515	10
Nonoperating Taxes (7400)	13,765	3,265	11
Interest and Related Items (7500)	149,793	155,843	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	24,121	3,813	14
Total Nonoperating Income	(103,235)	(121,780)	15
Net Income	766,372	704,553	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.)

TELEPHONE PLANT

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

DEPRECIATION

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

REVENUES

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

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

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

PENSION

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

INCOME TAXES

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

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

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

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

None.

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

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 1996, the company has invested \$0 funds with Telecommunications Technologies Fund, Inc., and could distribute up to \$2,350,577 to the parent or other affiliates in the form of cash dividends.

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*		0	1
Cash (1130)	104,073	289,086	2
Special Cash Deposits (1140)	290	290	3
Working Cash Advances (1150)	550	550	4
Temporary Investments (1160)	194,000	444,000	5
TOTAL CASH AND EQUIVALENTS	298,913	733,926	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	489,886	415,916	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	489,886	415,916	
Other Accounts Receivable (1190)*	791,538	438,034	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	791,538	438,034	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	5,355	11,826	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	1,286,779	865,776	
SUPPLIES			
Inventories (1220)*	93,159	70,198	13
TOTAL SUPPLIES	93,159	70,198	
PREPAYMENTS			
Total Prepayments (1280)*		0	14
Prepaid Rents (1290)	0	0	15
Prepaid Taxes (1300)	0	8,549	16
Prepaid Insurance (1310)	0	0	17
Prepaid Directory Expenses (1320)	0	4,932	18
Other Prepayments (1330)	14,512	141,893	19
TOTAL PREPAYMENTS	14,512	155,374	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	9,457	554	20
TOTAL OTHER CURRENT ASSETS	9,457	554	
TOTAL CURRENT ASSETS	1,702,820	1,825,828	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	120,365	130,796	22
Nonregulated Investments (1406)*	53,050	43,681	23
Unamortized Debt Issuance Expense (1407)*	0	115	24
Sinking Funds (1408)*	0	0	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*	0	0	26
TOTAL INVESTMENTS	173,415	174,592	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	242	240	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	0	0	29
TOTAL DEFERRED CHARGES	242	240	
TOTAL NONCURRENT ASSETS	173,657	174,832	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	14,095,078	12,828,597	30
Less: Accumulated Depreciation (3100)*	6,347,724	5,371,722	31
Less: Accumulated Amortization--Capitalized Leases (3410)*	0	0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*	0	0	33
Less: Accumulated Amortization--Intangible (3500)*	0	0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	7,747,354	7,456,875	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	26,930	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	11,521	0	38
NET NONOPERATING PLANT	15,409	0	
TPUC			
TPUC (2003)*	440,642	252,157	39
TOTAL TPUC	440,642	252,157	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	40
Less: Accumulated Amortization--Other (3600)*	0	0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	8,203,405	7,709,032	
TOTAL ASSETS AND OTHER DEBITS*	10,079,882	9,709,692	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	690,118	891,971	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	97,900	99,109	3
Customer Deposits (4040)*	0	100	4
Current Maturities--Long-Term Debt (4050)*	114,181	120,666	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	45,837	25,815	7
Other Taxes--Accrued (4080)*	31,697	(35,115)	8
Net Current Deferred Operating Income Taxes (4100)*	0	1	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	31,137	27,745	11
Other Current Liabilities (4130)*	20,231	24,739	12
TOTAL CURRENT LIABILITIES*	1,031,101	1,155,031	
LONG-TERM DEBT			
Funded Debt (4210)*	2,228,774	2,344,582	13
Premium on Long-Term Debt (4220)*	0	0	14
Discount on Long-Term Debt (4230)*	0	0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*	0	0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	0	0	19
TOTAL LONG-TERM DEBT*	2,228,774	2,344,582	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	61,062	98,047	20
Unamortized Operating ITC--Net (4320)*	16,153	31,612	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	757,951	661,973	23
Net Deferred Tax Liability Adjustments (4341)*	(8,623)	(48,784)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	0	0	26
Deferred Tax Regulatory Liability (4361)*	8,862	49,023	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	835,405	791,871	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	353,450	353,450	28
Additional Paid-in Capital (4520)*	2,113	2,113	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	5,629,035	5,062,645	32
TOTAL STOCKHOLDERS' EQUITY*	5,984,598	5,418,208	
TOTAL LIABILITIES AND OTHER CREDITS*	10,079,878	9,709,692	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	766,372	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	947,757	2
Interest during construction	(731)	3
Changes in assets and liabilities:		
Current assets (net)	(312,005)	4
Other noncurrent assets	(117)	5
Other current liabilities	(117,445)	6
Other liabilities and deferred credits	43,534	7
Other (specify):		
TOTAL ADJUSTMENTS	560,993	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	1,327,365	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(1,441,399)	8
Investments in affiliated companies	0	9
Nonoperating Investments	1,062	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(1,440,337)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(122,063)	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	0	14
Dividends paid	(199,982)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(322,045)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(435,017)	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

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

None .

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

None

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

None

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

None

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

None

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

None

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

None

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

None

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Burlington, Brighton & Wheatland Telephone Company	BB&W	1
Black Earth Telephone Company	BLACK	2
Central State Telephone Company	CENTRAL	3
Central Region-Telephone System Service Division, Inc.	CR-TSSD	4
EastCoast Telecom, Inc.	EASTCOAST	5
Grantland Telecom, Inc.	GRANTLAND	6
Midway Telephone Company	MIDWAY	7
Other	OTH	8
Riverside Telecom, Inc.	RIVERSIDE	9
Suttle Press, Inc.	SUTTLE	10
TDS Computing Services, Inc.	TDS/CS	11
TDS TELECOMMUNICATIONS, INC.	TDS-TEL	12
Telephone System Service Division, Inc.	TSSD	13
Waunakee Telephone Company	WAUNAKEE	14

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	0005-TI-000124	0005-TI-000124	0005-TI-000124	None	
Name of Affiliate	BLACK	OTH	OTH	SUTTLE	1
Designate whether billed to or from:	TO	FROM	TO	FROM	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	M	3
Revenues	0	0	0	0	4
Expenses:					
Plant Specific Operations Expense	778	0	6,534	0	5
Plant Nonspecific Operations Expense	6,517	139	743	611	6
Customer Operations Expense	7,636	714	6,180	921	7
Corporate Operations Expense	8,815	185	3,927	297	8
Total Operating Expenses	23,746	1,038	17,384	1,829	9
Other:					
Plant Accounts	0	0	4,020	0	10
Accumulated Depreciation	0	0	0	0	11
Accumulated Amortization	0	0	0	0	12
Clearing	0	0	317	0	13
All Other	1,161	878	1,778	0	14
Total	24,907	1,916	23,499	1,829	15
Percent of affiliate's business billed to all affiliated regulated utilities				58.60	16
If cost based, rate of return on equity or markup incorporated in billings		0.00			17
Footnotes					

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)
Docket	0005-TI-000124	005-TI-000124		
Name of Affiliate	TDS/CS	TDS-TEL		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
Revenues	0	116		4
Expenses:				
Plant Specific Operations Expense	3,146	4,226		5
Plant Nonspecific Operations Expense	9,891	193,599		6
Customer Operations Expense	167,503	352,678		7
Corporate Operations Expense	21,658	635,950		8
Total Operating Expenses	202,198	1,186,453	0	0 9
Other:				
Plant Accounts	0	291,819		10
Accumulated Depreciation	0	0		11
Accumulated Amortization	0	0		12
Clearing	0	2,614		13
All Other	204	10,084		14
Total	202,402	1,491,086	0	0 15
Percent of affiliate's business billed to all affiliated regulated utilities				16
If cost based, rate of return on equity or markup incorporated in billings	15.10	0.00		17
Footnotes				

AFFILIATED ASSETS AND LIABILITIES

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

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
TDS TELECOMMUNICATIONS, INC.	1160	94,000	1
TDS Computing Services, Inc.	1190	420	2
TDS TELECOMMUNICATIONS, INC.	1190	160,367	3
TDS TELECOMMUNICATIONS, INC.	1210	2,261	4
TDS TELECOMMUNICATIONS, INC.	4010	100,183	5

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

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

Particulars (a)	Amount (b)	
Collection of amounts previously written off	0	1
Uncollectibles written off during the year	0	2
Net write offs during the year	0	

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

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

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
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INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	118,265	1
Other:		
RTB Class C Stock	2,000	2
Verona Park Investment	100	3
Total Investments in Nonaffiliated Companies	120,365	

NONREGULATED INVESTMENTS (ACCT. 1406)

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

Name (a)	Balance EOY (b)	
<hr/>		
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Terminal Equipment	53,050	1

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

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

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

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	59,904	0	1
Motor Vehicles	2112	234,672	38,038	2 A
Aircraft	2113	0	0	3
Special Purpose Vehicles	2114	0	0	4
Garage Work Equipment	2115	0	0	5
Other Work Equipment	2116	278,229	37,256	6
Buildings	2121	893,714	(5,309)	7 A
Furniture	2122	16,405	0	8 A
Office Equipment	2123	63,655	17,695	9
General Purpose Computers	2124	478,336	335,832	10 A
TOTAL--GENERAL SUPPORT ASSETS:		2,024,915	423,512	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0	0	11
Digital Electronic Switching	2212	2,875,203	144,473	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0	0	14
Radio Systems	2231	122,168	17,668	15
Circuit Equipment	2232	1,370,050	170,522	16
TOTAL--CENTRAL OFFICE ASSETS:		4,367,421	332,663	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0	0	17
Customer Premises Wiring	2321	0	0	18
Large Private Branch Exchanges	2341	0	0	19
Public Telephone Terminal Equipment	2351	70,745	5,818	20
Other Terminal Equipment	2362	0	0	21
TOTAL--INFORMATION ORIG/TERM ASSETS:		70,745	5,818	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	87,920	41	22
Aerial Cable	2421	449,268	19,436	23
Underground Cable	2422	114,909	0	24
Buried Cable	2423	5,448,242	474,657	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0	0	27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	52,543	1,505	29
Conduit Systems	2441	212,638	3,346	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		6,365,520	498,985	
AMORTIZABLE ASSETS				
Capital Leases	2681	0	0	31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111	0	0	59,904	1
2112	0	24,486	297,196	2 A
2113	0	0	0	3
2114	0	0	0	4
2115	0	0	0	5
2116	0	0	315,485	6
2121	0	(26,930)	861,475	7 A
2122	0	20,645	37,050	8 A
2123	0	0	81,350	9
2124	29,300	17,574	802,442	10 A
	29,300	35,775	2,454,902	
2211	0	0	0	11
2212	38	0	3,019,638	12
2215	0	0	0	13
2220		0	0	14
2231	0	0	139,836	15
2232	579	0	1,539,993	16
	617	0	4,699,467	
2311	0	0	0	17
2321	0	0	0	18
2341	0	0	0	19
2351	0	0	76,563	20
2362	0	0	0	21
	0	0	76,563	
2411	0	0	87,961	22
2421	0	0	468,704	23
2422	0	0	114,909	24
2423	359	0	5,922,540	25
2424	0	0	0	26
2425	0	0	0	27
2426	0	0	0	28
2431	0	0	54,048	29
2441	0	0	215,984	30
	359	0	6,864,146	
2681	0	0	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	0	32
Intangibles	2690	0	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0	
TOTAL TELECOM. PLANT IN SERVICE	2001	12,828,601	1,260,978	
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	0	0	32
2690	0	0	0	33
	0	0	0	
	30,276	35,775	14,095,078	
2001				34
			14,095,078	

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	30,994	5,657	1
Company Communications Equipment	2123.2	32,661	12,038	2
Software	2212.1	178,262	11,039	3
Digital Switching - Central Office	2212.2	1,825,171	170,204	4
Digital Switching - Remote	2212.3	871,770	(36,770)	5
Step by Step Switching	2215.1	0	0	6
Crossbar Switching	2215.2	0	0	7
Satellite and Earth Station Facilities	2231.1	0	17,668	8 A
Other Radio Facilities	2231.2	122,168	0	9 A
Digital Circuit Equipment	2232.1	823,187	109,249	10
Analog Circuit Equipment	2232.2	0	0	11
Light Wave Circuit Equipment	2232.3	546,863	61,273	12
Aerial Cable - Nonmetallic	2421.1	0	0	13
Aerial Cable - Metallic	2421.2	449,268	19,436	14
Underground Cable - Nonmetallic	2422.1	0	0	15
Underground Cable - Metallic	2422.2	114,909	0	16
Buried Cable - Nonmetallic	2423.1	733,085	8,658	17
Buried Cable - Metallic	2423.2	4,715,157	465,999	18
Submarine Cable - Nonmetallic	2424.1	0	0	19
Submarine Cable - Metallic	2424.2	0	0	20
Intrabuilding Cable - Nonmetallic	2426.1	0	0	21
Intrabuilding Cable - Metallic	2426.2	0	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	0	0	36,651	1
2123.2	0	0	44,699	2
2212.1	0	0	189,301	3
2212.2	38	0	1,995,337	4
2212.3	0	0	835,000	5
2215.1	0	0	0	6
2215.2	0	0	0	7
2231.1	0	122,168	139,836	8 A
2231.2	0	(122,168)	0	9 A
2232.1	579	0	931,857	10
2232.2	0	0	0	11
2232.3	0	0	608,136	12
2421.1	0	0	0	13
2421.2	0	0	468,704	14
2422.1	0	0	0	15
2422.2	0	0	114,909	16
2423.1	0	0	741,743	17
2423.2	359	0	5,180,797	18
2424.1	0	0	0	19
2424.2	0	0	0	20
2426.1	0	0	0	21
2426.2	0	0	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	136,031	18.0	22,995	0 1A
Aircraft	2113	0	.0	0	0 2
Special Purpose Vehicles	2114	0	.0	0	0 3
Garage Work Equipment	2115	0	.0	0	0 4
Other Work Equipment	2116	197,973	10.0	28,853	0 5
Buildings	2121	249,333	3.4	29,383	0 6A
Furniture	2122	967	10.0	1,096	0 7A
Office Equipment	2123	57,828	19.54	6,636	0 8
General Purpose Computers	2124	260,812	20.0	113,323	0 9A
Total-- GENERAL SUPPORT ASSETS		902,944		202,286	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0	.0	0	0 10
Digital Electronic Switching	2212	1,562,805	9.8599	304,057	0 11A
Electro-Mechanical Switching	2215	0	.0	0	0 12
Operator Systems	2220	0	.0	0	0 13
Radio Systems	2231	128,168	.33	427	0 14A
Circuit Equipment	2232	671,962	9.7200	131,095	0 15A
Total-- CENTRAL OFFICE ASSETS		2,362,935		435,579	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0	.0	0	0 16
Customer Premises Wiring	2321	0	.0	0	0 17
Large Private Branch Exchanges	2341	0	.0	0	0 18
Public Telephone Terminal Equipment	2351	31,677	13.6	9,822	0 19
Other Terminal Equipment	2362	0	.0	0	0 20
Total-- INFORMATION ORIG/TERM ASSETS		31,677		9,822	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	71,178	10.0	8,796	0 21
Aerial Cable	2421	241,992	6.0	27,203	0 22A
Underground Cable	2422	47,233	4.4	5,052	0 23
Buried Cable	2423	1,569,589	4.98	276,677	0 24A
Submarine Cable	2424	0	.0	0	0 25
Deep Sea Cable	2425	0	.0	0	0 26
Intrabuilding Network Cable	2426	0		0	0 27
Aerial Wire	2431	71,564	19.0	(18,758)	0 28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	0	0	6,250	24,486	189,762	1 A
2113	0	0	0	0	0	2
2114	0	0	0	0	0	3
2115	0	0	0	0	0	4
2116	0	0	0	0	226,826	5
2121	0	0	0	(10,606)	268,110	6 A
2122	0	0	51	19,735	21,849	7 A
2123	0	0	0	0	64,464	8
2124	29,300	0	0	14,754	359,589	9 A
	29,300	0	6,301	48,369	1,130,600	
2211	0	0	0	0	0	10
2212	38	0	3,038	(15,929)	1,853,933	11 A
2215	0	0	0	0	0	12
2220		0	0	0	0	13
2231	0	0	0	0	128,595	14 A
2232	579	0	0	17,017	819,495	15 A
	617	0	3,038	1,088	2,802,023	
2311	0	0	0	0	0	16
2321	0	0	0	0	0	17
2341	0	0	0	0	0	18
2351	0	0	0	0	41,499	19
2362	0	0	0	0	0	20
	0	0	0	0	41,499	
2411	0	1,355	0	0	78,619	21
2421	0	3,356	0	(332)	265,507	22 A
2422	0	0	0	0	52,285	23
2423	359	408	(108)	333	1,845,724	24 A
2424	0	0	0	0	0	25
2425	0	0	0	0	0	26
2426	0	0	0	0	0	27
2431	0	420	0	0	52,386	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	72,608	3.03	6,473	0 29
Total-- CABLE WIRE FACILITIES ASSETS		2,074,164		305,443	0
Total Accumulated Depreciation	3100	5,371,720		953,130	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				953,130	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441	0	0	0	0	79,081	29
	359	5,539	(108)	1	2,373,602	
3100	30,276	5,539	9,231	49,458	6,347,724	
3100						30
3100					6,347,724	

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	24,907	19.0	6,248	0	1
Company Communications Equipment	2123.2	32,921	20.0	388	0	2
Software	2212.1	1,562,805	33.33	59,719	0	3 A
Digital Switching - Central Office	2212.2	0	8.0	177,001	0	4 A
Digital Switching - Remote	2212.3	0	7.85	67,337	0	5 A
Step by Step Switching	2215.1	0	.0	0	0	6
Crossbar Switching	2215.2	0	.0	0	0	7
Satellite and Earth Station Facilities	2231.1	0	.33	427	0	8 A
Other Radio Facilities	2231.2	128,168	.0		0	9 A
Digital Circuit Equipment	2232.1	382,380	9.8900	77,034	0	10 A
Analog Circuit Equipment	2232.2	0	.0	0	0	11
Light Wave Circuit Equipment	2232.3	289,582	9.5	54,061	0	12
Aerial Cable - Nonmetallic	2421.1	0	4.8	0	0	13
Aerial Cable - Metallic	2421.2	241,992	6.0	27,203	0	14 A
Underground Cable - Nonmetallic	2422.1	0	4.1	0	0	15
Underground Cable - Metallic	2422.2	47,233	4.4	5,052	0	16
Buried Cable - Nonmetallic	2423.1	1,569,589	4.8	35,324	0	17 A
Buried Cable - Metallic	2423.2	0	5.0	241,353	0	18 A
Submarine Cable - Nonmetallic	2424.1	0	.0	0	0	19
Submarine Cable - Metallic	2424.2	0	.0	0	0	20
Intrabuilding Cable - Nonmetallic	2426.1	0	.0	0	0	21
Intrabuilding Cable - Metallic	2426.2	0	.0	0	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	0	0	0	0	31,155	1
2123.2	0	0	0	0	33,309	2
2212.1	0	0	0	(1,465,438)	157,086	3 A
2212.2	38	0	3,038	1,212,969	1,392,970	4 A
2212.3	0	0	0	236,540	303,877	5 A
2215.1	0	0	0	0	0	6
2215.2	0	0	0	0	0	7
2231.1	0	0	0	128,168	128,595	8 A
2231.2	0	0	0	(128,168)	0	9 A
2232.1	579	0	0	17,017	475,852	10 A
2232.2	0	0	0	0	0	11
2232.3	0	0	0	0	343,643	12
2421.1	0	0	0	0	0	13
2421.2	0	3,356	0	(332)	265,507	14 A
2422.1	0	0	0	0	0	15
2422.2	0	0	0	0	52,285	16
2423.1	0	408	(108)	(1,386,394)	218,003	17 A
2423.2	359	0	0	1,386,727	1,627,721	18 A
2424.1	0	0	0	0	0	19
2424.2	0	0	0	0	0	20
2426.1	0	0	0	0	0	21
2426.2	0	0	0	0	0	22

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

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

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	242	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(672,816)	5
Net Deferred Tax Liability Adjustments (4341)	48,784	6
Deferred Tax Regulatory Liability (4361)	(49,023)	7
Net Property Related Deferred Operating Income Taxes	(672,813)	
Less: Allocation to Nonregulated Activity	0	8
Net Regulated Total Property Related Deferred Operating Income Taxes	(672,813)	
NONPROPERTY RELATED		
Other Current Assets (1350)	552	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	10,843	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	11,395	

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

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250	0	0	0	0	1
7250	0	0	0	0	2
	0	0	0	242	3
7250	0	0	0	0	4
7250	(93,374)	0	8,239	(757,951)	5
	(40,161)	0	0	8,623	6
	40,161	0	0	(8,862)	7
	(93,374)	0	8,239	(757,948)	
	0	0	0	0	8
	(93,374)	0	8,239	(757,948)	
7250	0	0	8,905	9,457	9
7250	0	0	0	0	10
	0	0	0	0	11
7250	0	0	0	0	12
7250	(1,409)	0	(9,434)	0	13
	0	0	0	0	14
	0	0	0	0	15
	(1,409)	0	(529)	9,457	

NOTES PAYABLE (ACCT. 4020)

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

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

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

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
REA/RTB	10/11/1965-10/13/1979	10/11/1997-10/13/2011	2.0000	1
REA/RTB	10/02/1978-02/13/1995	10/02/1987-02/13/2010	6.3500-7.5000	2
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
2.0000	0	0	247,725	54,966	302,691	1
7.0031	0	0	1,981,049	59,215	2,040,264	2
	0	0	2,228,774	114,181	2,342,955	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

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

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common Stock	3,600	100.00	1
TOTAL COMMON STOCK	3,600		
TOTAL	<u>3,600</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
Common Stock	3,543	353,450	0	0	1
	3,543	353,450	0	0	
TOTAL	<u>3,543</u>	<u>353,450</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	5,062,645	4,538,916	1
Changes:			
Balance Transferred from Income	766,372	704,554	2
Dividends Declared:			
Common	199,982	180,825	3
Preferred		0	4
Total Dividends Declared	199,982	180,825	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>5,629,035</u>	<u>5,062,645</u>	

DISTRIBUTION OF TAXES

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

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	265,336	99,527	343,677	1
Nonoperating Taxes (Accts. 7410 - 7450)		2,656	11,109	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		2,552	10,106	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u><u>265,336</u></u>	<u><u>104,735</u></u>	<u><u>364,892</u></u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
16,300			1,972		726,812	1
					13,765	2
					0	3
					12,658	4
					0	5
					0	6
					0	7
					0	8
					0	9
16,300	0	0	1,972	0	753,235	

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)	1,530,041	1,424,034	2
Optional Extended Area Revenue (5002)	0	0	3
Cellular Mobile Revenue (5003)	0	0	4
Other Mobile Services Revenue (5004)	0	0	5
Public Telephone Revenue (5010)	13,368	14,182	6
Local Private Line Revenue (5040)	9,258	7,620	7
Customer Premises Revenue (5050)	45	(27)	8
Other Local Exchange Revenue (5060)	257,138	216,054	9
Other Local Exchange Revenue Settlements (5069)	0	0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	1,809,850	1,661,863	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	380,376	352,235	11
Switched Access Revenue (5082)*	1,056,829	1,004,741	12
Special Access Revenue (5083)*	26,074	27,044	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,463,279	1,384,020	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	733,477	602,914	15 H
Special Access Revenue (5084.3)*	427,726	395,036	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,161,203	997,950	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	17
Long Distance Inward-Only Revenue (5111)	0	0	18
Long Distance Outward-Only Revenue (5112)	0	0	19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)	0	0	20
Voice Grade Revenue (5122)	0	0	21
Audio Program Grade Revenue (5123)	0	0	22
Video Program Grade Revenue (5124)	0	0	23
Digital Transmission Revenue (5125)	0	0	24
Switching Revenue (5126)	0	0	25
Other Revenue (5128)	0	0	26
Other Revenue Settlements (5129)	0	0	27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)	0	0	28
Other Long Distance Revenue Settlements (5169)	0	0	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)*	202,315	185,550	30
Rent Revenue (5240)*	3,544	18,257	31 I
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*			33
Special Billing Arrangements Revenue (5261)	0	0	34
Customer Operations Revenue (5262)	0	0	35
Plant Operations Revenue (5263)	0	0	36
Other Incidental Regulated Revenue (5264)	15,374	9,155	37 J
Other Revenue Settlements (5269)	1,810	4,024	38
Total Miscellaneous Revenue (5260)	17,184	13,179	
Interstate Billing and Collection Revenue*	157,145	64,173	39 K
Intrastate Billing and Collection Revenue*	127,664	240,120	40 L
Total Carrier Billing and Collection Revenue (5270)*	284,809	304,293	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	507,852	521,279	
GROSS OPERATING REVENUES	4,942,184	4,565,112	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	6,345	5,097	43
Uncollectible Revenue--Other (5302)	0	8,400	44 M
TOTAL UNCOLLECTIBLE REVENUE (5300)	6,345	13,497	
TOTAL OPERATING REVENUES	4,935,839	4,551,615	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	13,105	15,470	6,361	1
Less: Nonregulated		0	0	2
Net Regulated	13,105	15,470	6,361	3
Total General Support Expense (6120)	81,709	81,190	14,077	4
Less: Nonregulated		0	0	5
Net Regulated	81,709	81,190	14,077	6
Total Central Office Switching Expense (6210)	98,203	66,427	12,064	7
Less: Nonregulated		0	0	8 B
Net Regulated	98,203	66,427	12,064	9
Total Operator Systems Expense (6220)		117	0	10
Less: Nonregulated		0	0	11
Net Regulated	0	117	0	12
Total Central Office Transmission Expenses (6230)	22,115	22,480	7,005	13
Less: Nonregulated		0	0	14
Net Regulated	22,115	22,480	7,005	15
Total Information Orig. / Term. Expense (6310)	15,014	8,563	3,689	16
Less: Nonregulated		0	0	17 C
Net Regulated	15,014	8,563	3,689	18
Total Cable and Wire Fac. Expense (6410)	145,327	155,568	84,792	19
Less: Nonregulated		0	0	20
Net Regulated	145,327	155,568	84,792	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	375,473	349,815	127,988	
Less: Nonregulated	0	0	0	
Net Regulated	375,473	349,815	127,988	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	1	6,456	3,825	22
Less: Nonregulated		0	0	23 D
Net Regulated	1	6,456	3,825	24
Total Network Operations Expense (6530)	211,019	285,619	73,301	25
Less: Nonregulated		0	0	26 E
Net Regulated	211,019	285,619	73,301	27
Access Expense (6540)		0	0	28
Less: Nonregulated		0	0	29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	901,184	947,757		31
Less: Nonregulated		0		32
Net Regulated	901,184	947,757		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,112,204	1,239,832	77,126	
Less: Nonregulated	0	0	0	
Net Regulated	1,112,204	1,239,832	77,126	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	3,222	(264)	75,168	(69,017)	1
	0	0	0	0	2
	3,222	(264)	75,168	(69,017)	3
6120	8,696	137	58,280	0	4
	0	0	0	0	5
	8,696	137	58,280	0	6
6210	11,307	0	43,056	0	7
	0	0	0	0	8 B
	11,307	0	43,056	0	9
6220	0	0	117	0	10
	0	0	0	0	11
	0	0	117	0	12
6230	6,380	0	9,095	0	13
	0	0	0	0	14
	6,380	0	9,095	0	15
6310	2,949	0	1,925	0	16
	0	0	0	0	17 C
	2,949	0	1,925	0	18
6410	56,436	18,217	(3,877)	0	19
	0	0	0	0	20
	56,436	18,217	(3,877)	0	21
	88,990	18,090	183,764	(69,017)	
	0	0	0	0	
	88,990	18,090	183,764	(69,017)	
6510	1,949	0	1,049	(367)	22
	0		0	0	23 D
	1,949		1,049	(367)	24
6530	41,905	0	247,726	(77,313)	25
	0	0	0	0	26 E
	41,905	0	247,726	(77,313)	27
6540	0	0	0	0	28
	0	0	0	0	29
	0	0	0	0	30
6560			947,757		31
			0		32
			947,757		33
	43,854	0	1,196,532	(77,680)	
	0	0	0	0	
	43,854	0	1,196,532	(77,680)	

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	126,126	211,991	23,263	34
Less: Nonregulated		0	0	35 F
Net Regulated	126,126	211,991	23,263	36
Total Services (6620)	702,275	722,104	114,146	37
Less: Nonregulated		0	0	38
Net Regulated	702,275	722,104	114,146	39
TOTAL CUSTOMER OPERATIONS EXPENSE	828,401	934,095	137,409	
Less: Nonregulated	0	0	0	
Net Regulated	828,401	934,095	137,409	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	212,045	171,301	45,194	40
Less: Nonregulated		0	0	41
Net Regulated	212,045	171,301	45,194	42
Total General and Administrative (6720)	479,513	646,874	34,061	43
Less: Nonregulated		0	0	44 G
Net Regulated	479,513	646,874	34,061	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	691,558	818,175	79,255	
Less: Nonregulated	0	0	0	
Net Regulated	691,558	818,175	79,255	
TOTAL EXPENSES	3,007,636	3,341,917	421,778	
Less: Nonregulated	0	0	0	
Net Regulated	3,007,636	3,341,917	421,778	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	3,720	450	184,558	0	34
	0	0	0	0	35 F
	3,720	450	184,558	0	36
6620	48,309		559,649	0	37
	0		0	0	38
	48,309		559,649	0	39
	52,029	450	744,207	0	
	0	0	0	0	
	52,029	450	744,207	0	
6710	18,732		107,375	0	40
	0		0	0	41
	18,732		107,375	0	42
6720	16,870		595,943	0	43
	0		0	0	44 G
	16,870		595,943	0	45
6790					46
					47
			0		48
	35,602	0	703,318	0	
	0	0	0	0	
	35,602	0	703,318	0	
	220,475	18,540	2,827,821	(146,697)	
	0	0	0	0	
	220,475	18,540	2,827,821	(146,697)	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0	0	1
Provisioning Expense (6512)	1	6,456	3,825	2
Total: Reported in Account 6510	1	6,456	3,825	
Depreciat. Exp.--Tele. Plant in Service (6561)	901,184	946,842		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		915		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	901,184	947,757		

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

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511	0		0	0	1
6512	1,949		1,049	(367)	2
	1,949		1,049	(367)	
6561			946,842		3
6562			915		4
6563					5
6564					6
6565					7
			947,757		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)	
Out-of-state operating revenues	0	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only	0	2
Plus: current year collection of out-of-state utility customer accounts previously written off	0	3
Net out-of-state operating revenues	0	

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

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	0	0	1
Return from Nonregulated Use of Regulated Facilities (7130)*	2,496	2,496	2
Gains and (Losses) from Foreign Exchange (7140)	0	0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)	0	0	4
Other Operating Gains and (Losses) (7160)*	0	0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	2,496	2,496	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(15,459)	(15,459)	6
Operating Federal Income Taxes (7220)*	253,668	376,146	7
Operating State and Local Income Taxes (7230)*	109,019	96,381	8
Operating Other Taxes (7240)*	283,607	267,412	9
Provision for Deferred Operating Income Taxes--Net (7250)*	95,976	(4,338)	10
TOTAL OPERATING TAXES (7200)*	726,811	720,142	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	214	150	11
Interest Income (7320)*	39,462	40,703	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	731	11,483	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	345	(184)	16
Special Charges (7370)*	4,550	18,637	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	36,202	33,515	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	11,109	2,622	19
Nonoperating State and Local Income Taxes (7430)*	2,656	643	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	0	0	22
TOTAL NONOPERATING TAXES (7400)*	13,765	3,265	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	149,672	154,903	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	115	181	25
Other Interest Deductions (7540)*	6	759	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	149,793	155,843	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)	0	0	28
Extraordinary Income Charges (7620)	0	0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)	0	0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)	0	0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	24,121	3,813	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	327,866	1
Less: Cost of Goods Sold	104,274	2
Net Sales	223,592	3
Expenses (Acct. 7990.2)	199,471	4
Nonregulated Net Income	<u><u>24,121</u></u>	5

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

Nonregulated activities include the sale, leasing, installation and maintenance of 1 & 2 line phones, key systems, PBXs and data modems. In addition, nonregulated activities include sales and leasing of mobile and pager equipment where the tariff allows.

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

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	421,778	1
Nonregulated Expense	53,712	2
Plant Accounts	169,883	3
Accumulated Depreciation Accounts	0	4
All Other Accounts	157,120	5
Total Salaries and Wages	802,493	6

EMPLOYEE DATA

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

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	.00	.00	0	1
Supervision and Other Management	2.00	1.00	84,300	2
Other Employees	25.00	21.00	714,822	3
Total	27.00	22.00	799,122	

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TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	0	0	1
Extended Area Service	0	0	2
Extended Community Calling	0	0	3
Other Local-Undefined	1,265	7,141	4
Total Local	1,265	7,141	
TOLL			
Operator Handled: State--intraLATA			5
Operator Handled: State--interLATA			6
Operator Handled: Interstate			7
Customer Dialed: State--intraLATA		903	8
Customer Dialed: State--interLATA		778	9
Customer Dialed: Interstate		1,654	10
WATS			11
Other Toll-Undefined			12
Total Toll	0	3,335	
Total Local & Toll	1,265	10,476	

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.	14	2	1	0	3
Feature Group B -- Term.	172	52	2	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	9,487	5,174	2,400	10	7
Feature Group D -- Term.	8,863	3,505	4,733	8	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	28	1
Sheath miles of plant - buried	522	2
Sheath miles of plant - fiber optics	48	3
Strand miles of plant - fiber optics	614	4
Route miles of plant - microwave	0	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

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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	927	1,022	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	80	85	6
Centrex Trunks	0	125	7
Centrex Lines	62	0	8
Key System Trunks	346	371	9
Mobile (Utility Provided Service)	2	2	10
Paging (Utility Provided Service)	2	2	11
FX-Out (Switched)	38	44	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	31	36	16
- Semi-Public	16	15	17
- Cust. Owned	11	10	18
Other	0	0	19
Total Business Lines	1,515	1,712	20
Residential (Incl. Emp. Concess.)			
1 Party	6,372	6,802	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	14	14	25
Other	1	3	26
Total Residential Lines	6,387	6,819	27
Total Bus & Res Lines	7,902	8,531	28
Company Used Lines	76	102	29
Total Lines Used	7,978	8,633	30

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0	0	3
WATS Lines - 800 Service	0	0	4
FX-In-intraLATA	0	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	0	145	7
Special Access-interLATA			8
(expressed in equiv. access lines)	1	1	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	0	0	11
Feature Group C Trunks	69	0	12
Feature Group D Trunks	395	384	13
TSPS - Trunks	21	21	14
EAS - Trunks	501	613	15
Cellular Trunks (Pub. Sw. Net.)	0	0	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	0	0	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	0	0	22
Residential - 4 Party Customers	0	0	23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	10,803,686	11,640,170	27
Total Company Square Miles	160	160	28
Total Company Route Miles	365	365	29
Footnotes			30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	3580	3760	5500		1
Business					2
1 Party	34	230	758		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	10	75		6
Centrex Trunks	5	70	50		7
Centrex Lines	0	0	0		8
Key System Trunks	0	54	317		9
Mobile (utility provided service)	0	0	2		10
Paging (utility provided service)	0	0	2		11
FX-Out (Switched)	0	2	42		12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	1	10	25		16
- Semi-Public	1	7	7		17
- Cust. Owned	0	1	9		18
Other	0	0	0		19
Total Business Lines	41	384	1,287	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	438	1,344	5,020		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	4	0	10		25
Other	0	3	0		26
Total Residential Lines	442	1,347	5,030	0	27
Total Bus & Res Lines	483	1,731	6,317	0	28
Company Used Lines	5	24	73		29
Total Lines Used	488	1,755	6,390	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	3580	3760	5500		1
Miscellaneous					2
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	0				5
Special Access-intraLATA					6
(equiv. access lines)	136	9			7
Special Access-interLATA					8
(equiv. access lines)	1	0			9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	0	0	0		11
Feature Group C Trunks	0	0	0		12
Feature Group D Trunks	0	96	288		13
TSPS - Trunks	0	10	11		14
EAS - Trunks	0	120	493		15
Cellular Trunks (Pub. Sw. Net.)	0	0	0		16
Video Distance Learning					17
- discounted (special tariff)	0	0	0		18
Customers					19
Business - 2 Party Customers	0	0	0		20
Business - 4 Party Customers	0	0	0		21
Residential - 2 Party Customers	0	0	0		22
Residential - 4 Party Customers	0	0	0		23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	1,496,659	2,359,359	7,784,152		27
Exchange Square Miles	38	67	55		28
Exchange Route Miles	83	120	162		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
Nippon Electric	NEC	5
Northern Telecom	NTI	6
Siemens	SI	7
Stromberg-Carlson	SC	8
VIDAR	VI	9

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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CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	MOUNT VERNON	NEW GLARUS	VERONA		1
PSCW Exchange ID	3580	3760	5500		2
Central Office Name	MOUNT VERNON	NEW GLARUS	VERONA		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	NEC	SC	SC		5
Year COE Installed	1991	1991	1991		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	R	R	H		8
Remote Host PSCW Exchange ID	5500	5500			9
Remote Host PSCW Central Office ID	1	1	0		10
COE Generic Software Release No.	RMT	RMT	19		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	488	1,755	6,390		14
- Equipped	519	1,875	7,612		15
- Wired	622	1,875	7,612		16
Trunks - In Use	0	216	781		17
- Equipped	0	394	1,392		18
- Wired	0	394	1,512		19
ISDN Available?	No	Yes	No		20
ISDN Lines - In Use (BRI)	0	3	0		21
- In Use (PRI)	0	0	0		22
Switched 56 Service?	No	Yes	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	4	41	49		25
DS-3 - In Use	1	3	19		26
Advanced Data Service Available:					
Packet Switching?	No	No	No		27
SMDS?	No	No	No		28
Frame Relay?	No	No	No		29
ATM (Asynchronous Trans. Mode)?	No	No	No		30
Video Information - Service Available?	No	No	No		31
- In Use (# lines) ¹	0	0	0		32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	44	16	116		33
No. of fiber strands working (LIT) in C.O.	16	16	36		34
No. of fiber strands for interoffice use	8	0	43		35
Miles of fiber sheath in wire center	14	8	26		36
Access Tandem Serving this C.O.:					
- C.O. Name	MADISON	MADISON	MADISON		37
- PSCW C.O. ID	3080-01	3080-01	3080-01		38
Does this C.O. do access tandem switching?	No	No	No		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	No	No	No		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Identification and Ownership Footnote. Page 7

Data missing from load, entered by Cliff, corrected by RL July 24,1997

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

This schedule has been completed to the best of our ability. The information requested by number of telephone calls in column (b) is not available due to a change in our companies method of tracking call traffic. We no longer track by the number of calls. Numbers in column (c), lines 8 through 10, contain both customer dialed and operator handled minutes of use. Further breakdown is not available.

Schedule Line Footnotes

- A) Amounts listed in columns (g) and (k) are reclasses between accounts, transfers wih affiliates, or adjustments to the beginning balances pulled incorrectly from last years report.
- B) Circuit expenses decreased in 1996 due to fewer labor and equipment costs.
- C) Decrease in Information Orig./Term. in 1996 is due to a decrease in activity and maintenance for equipment.
- D) Increase in Other Property, Plant and Equipment Expense is due to various projects updating and maintaining outside plant in 1996.
- E) Increase in Network Operations Expense is due to various projects updating and maintaining outside plant in 1996.
- F) Marketing expenses for 1996 have increased due to a intensified effort to promote regulated product lines.
- G) General and Administrative expense is up in 1996 due to a shift of affiliated management expenses to Executive and Planning.
- H) Switched Access Revenues (Intrastate) increased due to an increase in minutes of use for both Intrastate Interlata and Intrastate Intralata.
- I) Rent Revenues decreased due to rent revenue for office space and towers was discontinued in 1995.
- J) Revenues increased due to a prior period adjustment which was recorded in 1996 to correct account 4030000.
- K) Revenues increased due to AT&T program development revenues received in 1996.
- L) Revenues decreased due to a rate change from Ameritech that resulted in a straight line rate for all WI companies.
- M) Uncollectible revenue decreased due to write off of old carrier balance in arrears and no entries were posted to account 5302000 in 1996.
- X) Contact Gerald Ringlund at (608) 845-4554 with questions on page 47, page 48, page 49 Special Access Circuits only, page 50 lines 1-31, and page 52 lines 1-35. Contact Dave Esser at (608) 845-4530 with questions on page 49 Outside Plant only, page 52 lines 36-44, page 53 and page 55.