



4004

ANNUAL REPORT

OF

Name: RHINELANDER TELEPHONE COMPANY

Principal Office: 53 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER, WI 54501-0340

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: RHINELANDER TELEPHONE COMPANY
Utility Location: 53 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER, WI 54501-0340

Utility Web Site Address:

When was utility organized?: 01/01/1911

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR LEE A . LAPPIN
Title: ASSISTANT SECRETARY & ASSISTANT TREASURER

Office Address: 53 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER , WI 54501-0340

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

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

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MR LEE A. . LAPPIN
Title: ASSISTANT SECRETARY & ASSISTANT TREASURER

Office Address: 53 NORTH STEVENS STREET
P.O. BOX 340
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Person responsible for statistical information contained in report

Name: MR LEE A . LAPPIN
Title: ASSISTANT SECRETARY & ASSISTANT TREASURER

Office Address: 53 NORTH STEVENS STREET
P.O. BOX 340
RHINELANDER , WI 54501-0340

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

IDENTIFICATION AND OWNERSHIP

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

Name:	RHINELANDER TELECOMMUNICATIONS, INC .
Address:	53 NORTH STEVENS STREET PO BOX 340 RHINELANDER , WI 54501-0340
Number of Shares Held:	1,746,240
Beneficial Owner:	NONE

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

Company Name:	HEADWATERS TELEPHONE COMPANY
Form of Interest:	STOCK
Extent Of Interest:	100% OWNED SUBSIDIARY

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	8,141,142	7,976,236	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	1,252,215	1,048,543	2
Plant Nonspecific Operations Expense	2,497,291	2,479,562	3
Customer Operations Expense (6610-6620)	1,308,571	1,245,499	4
Corporate Operations Expense (6710-6790)	822,668	708,127	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	989,054	1,135,150	7
Total Operating Expenses	6,869,799	6,616,881	8
Net Operating Income	1,271,343	1,359,355	9
Other Income			
Nonoperating Income and Expense (7300)	1,078,343	904,101	10
Nonoperating Taxes (7400)	45,274	(494)	11
Interest and Related Items (7500)	434,392	414,124	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(33,275)	(50,885)	14
Total Nonoperating Income	565,402	439,586	15
Net Income	1,836,745	1,798,941	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

NONE

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

NONE

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

NONE

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)	226,055	341,655	2
Special Cash Deposits (1140)	0	0	3
Working Cash Advances (1150)	500	300	4
Temporary Investments (1160)	23,538	159,490	5
TOTAL CASH AND EQUIVALENTS	250,093	501,445	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	225,595	192,350	6
Accounts Receivable Allowance-Telecom (1181)*	0	0	7
Net: Telecommunications Accounts Receivable	225,595	192,350	
Other Accounts Receivable (1190)*	1,481,199	1,144,033	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	1,481,199	1,144,033	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	0	0	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	1,706,794	1,336,383	
SUPPLIES			
Inventories (1220)*	288,926	245,996	13
TOTAL SUPPLIES	288,926	245,996	
PREPAYMENTS			
Total Prepayments (1280)*		0	14
Prepaid Rents (1290)	0	0	15
Prepaid Taxes (1300)	126,884	71,862	16
Prepaid Insurance (1310)	16,364	18,926	17
Prepaid Directory Expenses (1320)	0	0	18
Other Prepayments (1330)	104,957	51,542	19
TOTAL PREPAYMENTS	248,205	142,330	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	2,494,018	2,226,154	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	73,570	73,570	21
Investments in Nonaffiliated Companies (1402)*	488,575	312,014	22
Nonregulated Investments (1406)*	395,779	267,561	23
Unamortized Debt Issuance Expense (1407)*	48,020	51,939	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	26
TOTAL INVESTMENTS	1,005,944	705,084	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	459,901	346,929	29
TOTAL DEFERRED CHARGES	459,901	346,929	
TOTAL NONCURRENT ASSETS	1,465,845	1,052,013	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	26,851,813	23,459,292	30
Less: Accumulated Depreciation (3100)*	11,119,033	9,710,105	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	15,732,780	13,749,187	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*	0	0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*	0	0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	37
Less: Accumulated Depreciation--Nonoperating (3300)*	0	0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	824,678	1,527,650	39
TOTAL TPUC	824,678	1,527,650	
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	16,557,458	15,276,837	
TOTAL ASSETS AND OTHER DEBITS*	20,517,321	18,555,004	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	1,382,880	1,333,952	1
Notes Payable (4020)*	951,175	0	2
Advance Billing and Payments (4030)*	46,861	47,488	3
Customer Deposits (4040)*	950	5,485	4
Current Maturities--Long-Term Debt (4050)*	0	0	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	0	16,881	7
Other Taxes--Accrued (4080)*	274	559	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	10
Other Accrued Liabilities (4120)*	369,257	281,188	11
Other Current Liabilities (4130)*		0	12
TOTAL CURRENT LIABILITIES*	2,751,397	1,685,553	
LONG-TERM DEBT			
Funded Debt (4210)*	6,000,000	6,000,000	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*	6,000,000	6,000,000	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	1,025,285	754,266	20
Unamortized Operating ITC--Net (4320)*	171,979	195,979	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	2,210,895	2,118,786	23
Net Deferred Tax Liability Adjustments (4341)*	(112,318)	(136,869)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	90,448	116,258	26
Deferred Tax Regulatory Liability (4361)*	112,318	150,459	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	3,498,607	3,198,879	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,746,240	1,746,240	28
Additional Paid-in Capital (4520)*	1,608,903	1,608,903	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*		0	31
Retained Earnings (4550)*	4,912,174	4,315,429	32
TOTAL STOCKHOLDERS' EQUITY*	8,267,317	7,670,572	
TOTAL LIABILITIES AND OTHER CREDITS*	20,517,321	18,555,004	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	1,836,745	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	1,720,258	2
Interest during construction	(89,406)	3
Changes in assets and liabilities:		
Current assets (net)	(519,216)	4
Other noncurrent assets	(116,892)	5
Other current liabilities	114,669	6
Other liabilities and deferred credits	299,728	7
Other (specify):		
TOTAL ADJUSTMENTS	1,409,141	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	3,245,886	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(2,911,473)	8
Investments in affiliated companies	0	9
Nonoperating Investments	(304,779)	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(3,216,252)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	7,839	12
Net changes in stockholder equity other than retained earnings	0	13
Change in short term borrowing (net)	951,175	14
Dividends paid	(1,240,000)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(280,986)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	(251,352)	
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)	
CRANDON TELEPHONE COMPANY	CRANDON	1
HEADWATERS TELEPHONE COMPANY	HEADWATERS	2
RIB LAKE TELEPHONE COMPANY	RIB LAKE	3
RHINELANDER TELECOMMUNICATIONS, INC.	RTI	4

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	None	None	None	None	
Name of Affiliate	CRANDON	HEADWATERS	HEADWATERS	RIB LAKE	1
Designate whether billed to or from:	TO	FROM	TO	TO	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Revenues		81,070			4
Expenses:					
Plant Specific Operations Expense		107,378	154,352		5
Plant Nonspecific Operations Expense	42,717		278,680	13,480	6
Customer Operations Expense	9,903		86,593	2,618	7
Corporate Operations Expense	56,044	2,259	105,580	35,805	8
Total Operating Expenses	108,664	109,637	625,205	51,903	9
Other:					
Plant Accounts			85,595		10
Accumulated Depreciation			1,867		11
Accumulated Amortization					12
Clearing					13
All Other	7,254	7,375	122,667	276	14
Total	115,918	198,082	835,334	52,179	15
Percent of affiliate's business billed to all affiliated regulated utilities					16
If cost based, rate of return on equity or markup incorporated in billings		0.00			17
Footnotes					

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)		
Docket	None					
Name of Affiliate	RTI					1
Designate whether billed to or from:	TO					2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C					3
Revenues						4
Expenses:						
Plant Specific Operations Expense						5
Plant Nonspecific Operations Expense	500					6
Customer Operations Expense	39					7
Corporate Operations Expense	18,420					8
Total Operating Expenses	18,959	0	0	0	0	9
Other:						
Plant Accounts						10
Accumulated Depreciation						11
Accumulated Amortization						12
Clearing						13
All Other						14
Total	18,959	0	0	0	0	15
Percent of affiliate's business billed to all affiliated regulated utilities						16
If cost based, rate of return on equity or markup incorporated in billings						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)	
CRANDON TELEPHONE COMPANY	1190	42,541	1
HEADWATERS TELEPHONE COMPANY	1190	601,123	2
RIB LAKE TELEPHONE COMPANY	1190	28,845	3
RHINELANDER TELECOMMUNICATIONS, INC.	1190	(42,087)	4
HEADWATERS TELEPHONE COMPANY	1401	73,570	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		1
Uncollectibles written off during the year		2
Net write offs during the year	<u><u>0</u></u>	

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

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

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

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RSA #3 CELLULAR LIMITED PARTNERSHIP	312,014	1
Other:		
METRO SOUTHWSET PCS, LLP	176,561	2
Total Investments in Nonaffiliated Companies	488,575	

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):		
LARGE PBX, NUMEROUS PAGERS	395,779	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)
--	--------------------------------

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	77,790		1
Motor Vehicles	2112	632,246	128,072	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	428,675	66,692	6
Buildings	2121	1,565,456	165,157	7
Furniture	2122	182,249	117,493	8
Office Equipment	2123	49,280	1,200	9
General Purpose Computers	2124	456,286	92,207	10
TOTAL--GENERAL SUPPORT ASSETS:		3,391,982	570,821	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	7,045,887	1,399,416	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	22,382	0	15
Circuit Equipment	2232	2,033,839	230,216	16 A
TOTAL--CENTRAL OFFICE ASSETS:		9,102,108	1,629,632	
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	94,134		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		94,134	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	193,176	1,751	22
Aerial Cable	2421	667,217	14,620	23
Underground Cable	2422	1,313,898	281,261	24
Buried Cable	2423	7,837,407	1,002,853	25
Submarine Cable	2424	15,509	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	33,844	1,952	29
Conduit Systems	2441	810,017	163,776	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		10,871,068	1,466,213	
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			77,790	1
2112	79,623		680,695	2
2113			0	3
2114			0	4
2115			0	5
2116			495,367	6
2121			1,730,613	7
2122	558		299,184	8
2123	0	0	50,480	9
2124	30,452		518,041	10
	110,633	0	3,852,170	
2211			0	11
2212	54,093	(89,175)	8,302,035	12
2215	0	0	0	13
2220			0	14
2231	0	0	22,382	15
2232	9,273	89,175	2,343,957	16 A
	63,366	0	10,668,374	
2311			0	17
2321			0	18
2341			0	19
2351			94,134	20
2362			0	21
	0	0	94,134	
2411	12,909		182,018	22
2421	33,484	0	648,353	23
2422	8,594	0	1,586,565	24
2423	41,273	0	8,798,987	25
2424	0	0	15,509	26
2425			0	27
2426	0	0	0	28
2431	587		35,209	29
2441	3,299		970,494	30
	100,146	0	12,237,135	
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	23,459,292	3,666,666
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	
	274,145	0	26,851,813	
2001				34
			26,851,813	

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	49,280	1,200	1
Company Communications Equipment	2123.2	0		2
Software	2212.1	210,276		3
Digital Switching - Central Office	2212.2	6,835,611	1,399,416	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	22,382		8 A
Other Radio Facilities	2231.2	0		9 A
Digital Circuit Equipment	2232.1	1,788,257	230,041	10 A
Analog Circuit Equipment	2232.2	245,582	175	11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	667,217	14,620	13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	176,614	68,771	15
Underground Cable - Metallic	2422.2	1,137,284	212,490	16
Buried Cable - Nonmetallic	2423.1	536,030	3,830	17
Buried Cable - Metallic	2423.2	7,301,377	999,023	18
Submarine Cable - Nonmetallic	2424.1	15,509		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			50,480	1
2123.2			0	2
2212.1			210,276	3
2212.2	54,093	(89,175)	8,091,759	4 A
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1		(22,382)	0	8 A
2231.2		22,382	22,382	9 A
2232.1	9,273	89,175	2,098,200	10 A
2232.2			245,757	11
2232.3			0	12
2421.1	33,484		648,353	13
2421.2			0	14
2422.1			245,385	15
2422.2	8,594		1,341,180	16
2423.1			539,860	17
2423.2	41,273		8,259,127	18
2424.1			15,509	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	328,548		73,977	1M
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	379,425	10.0	46,739	5
Buildings	2121	486,743	3.33	53,073	6
Furniture	2122	53,274	10.0	18,731	7
Office Equipment	2123	44,684	20.0	5,796	8
General Purpose Computers	2124	296,201	25.0	125,623	9A
Total-- GENERAL SUPPORT ASSETS		1,588,875		323,939	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	2,585,378		594,841	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	12,758	12.0	2,686	14
Circuit Equipment	2232	1,147,544	.0	248,070	15
Total-- CENTRAL OFFICE ASSETS		3,745,680		845,597	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	94,134			19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		94,134		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	192,095	11.67	4,398	21
Aerial Cable	2421	523,647	6.25	41,034	22
Underground Cable	2422	478,956		64,451	23
Buried Cable	2423	2,824,636		416,123	24
Submarine Cable	2424	15,509	4.78		25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	33,473	25.0	3,508	28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	79,623		17,900	2,429	343,231	1 M
2113					0	2
2114					0	3
2115					0	4
2116					426,164	5
2121					539,816	6
2122	558				71,447	7
2123	0				50,480	8
2124	30,452			(7,710)	383,662	9 A
	110,633	0	17,900	(5,281)	1,814,800	
2211					0	10
2212	54,093			(6,922)	3,119,204	11
2215	0				0	12
2220					0	13
2231	0			0	15,444	14
2232	9,273			6,922	1,393,263	15
	63,366	0	0	0	4,527,911	
2311					0	16
2321					0	17
2341					0	18
2351					94,134	19
2362					0	20
	0	0	0	0	94,134	
2411	12,909	3,974	2,408		182,018	21
2421	33,484	45,190			486,007	22
2422	8,594	491			534,322	23
2423	41,273	5,627	2,165		3,196,024	24
2424	0				15,509	25
2425					0	26
2426	0				0	27
2431	587	1,198			35,196	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	213,100	3.48	28,697	29
Total-- CABLE WIRE FACILITIES ASSETS		4,281,416		558,211	0
Total Accumulated Depreciation	3100	9,710,105		1,727,747	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				1,727,747	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441	3,299	5,386			233,112	29
	100,146	61,866	4,573	0	4,682,188	
3100	274,145	61,866	22,473	(5,281)	11,119,033	
3100						30
3100					11,119,033	

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	44,684	20.0	5,796		1
Company Communications Equipment	2123.2	0				2
Software	2212.1	111,297	25.0	52,569		3
Digital Switching - Central Office	2212.2	2,474,081	7.85	542,272		4
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	12,758				8 A
Other Radio Facilities	2231.2	0	12.0	2,686		9 A
Digital Circuit Equipment	2232.1	906,163	12.0	243,694		10 A
Analog Circuit Equipment	2232.2	241,381	21.0	4,376		11
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	523,647	6.25	41,034		13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	5,879	4.07	7,307		15
Underground Cable - Metallic	2422.2	473,077	5.0	57,144		16
Buried Cable - Nonmetallic	2423.1	47,361	4.57	24,504		17
Buried Cable - Metallic	2423.2	2,777,275	5.25	391,619		18
Submarine Cable - Nonmetallic	2424.1	15,509	4.78			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					50,480	1
2123.2					0	2
2212.1					163,866	3
2212.2	54,093			(6,922)	2,955,338	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1				(12,758)	0	8 A
2231.2				12,758	15,444	9 A
2232.1	9,273			6,922	1,147,506	10 A
2232.2					245,757	11
2232.3					0	12
2421.1	33,484	45,190			486,007	13
2421.2					0	14
2422.1					13,186	15
2422.2	8,594	491			521,136	16
2423.1					71,865	17
2423.2	41,273	5,627	2,165		3,124,159	18
2424.1					15,509	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

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

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

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	(2,121,120)	5
Net Deferred Tax Liability Adjustments (4341)	136,869	6
Deferred Tax Regulatory Liability (4361)	(150,459)	7
Net Property Related Deferred Operating Income Taxes	(2,134,710)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(2,134,710)	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	2,334	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	2,334	

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	1
7250	0			0	2
	0			0	3
7250	0			0	4
7250	(167,699)			(2,288,819)	5
	(24,551)			112,318	6
	38,141			(112,318)	7
	(154,109)	0	0	(2,288,819)	8
				0	
	(154,109)	0	0	(2,288,819)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250	75,590			77,924	13
				0	14
				0	15
	75,590	0	0	77,924	

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)	
Other:					
M&I BANK	08/30/1996	03/31/1997	8.2500	951,175	1
Total Other				951,175	
Total Notes Payable				951,175	

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):				
FIRST MORTGAGE BOND	05/24/1994	03/01/2009	6.7600	1
Total Funded Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
6.7600			6,000,000		6,000,000	1
	0	0	6,000,000	0	6,000,000	

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:			
	2,000,000	1.00	1
TOTAL COMMON STOCK	2,000,000		
TOTAL	<u>2,000,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
	1,746,240	1,746,240			1
	1,746,240	1,746,240	0	0	
TOTAL	<u>1,746,240</u>	<u>1,746,240</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	4,315,429	3,716,488	1
Changes:			
Balance Transferred from Income	1,836,745	1,798,941	2
Dividends Declared:			
Common	1,240,000	1,200,000	3
Preferred	0	0	4
Total Dividends Declared	1,240,000	1,200,000	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>4,912,174</u>	<u>4,315,429</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)	474,093	87,591	414,554	1
Nonoperating Taxes (Accts. 7410 - 7450)		10,697	34,577	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		(4,576)	(17,112)	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>474,093</u></u>	<u><u>93,712</u></u>	<u><u>432,019</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)	
12,432			384		989,054	1
					45,274	2
					0	3
					(21,688)	4
					0	5
					0	6
				190,535	190,535	7
				8,376	8,376	8
				4,595	4,595	9
12,432	0	0	384	203,506	1,216,146	

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)	2,801,322	2,445,999	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)	26,541	34,332	6 G
Local Private Line Revenue (5040)	65,672	40,201	7 H
Customer Premises Revenue (5050)	0	0	8
Other Local Exchange Revenue (5060)	188,520	182,824	9
Other Local Exchange Revenue Settlements (5069)		0	10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	3,082,055	2,703,356	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	626,049	598,118	11
Switched Access Revenue (5082)*	1,527,947	1,746,784	12
Special Access Revenue (5083)*	193,925	176,777	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	2,347,921	2,521,679	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	1,509,011	1,566,922	15
Special Access Revenue (5084.3)*	43,882	40,295	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	1,552,893	1,607,217	
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)*	630,411	778,066	30
Rent Revenue (5240)*	180,414	87,040	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)	20,609	18,389	37
Other Revenue Settlements (5269)		0	38
Total Miscellaneous Revenue (5260)	20,609	18,389	
Interstate Billing and Collection Revenue*	99,483	114,809	39 J
Intrastate Billing and Collection Revenue*	242,955	154,394	40 K
Total Carrier Billing and Collection Revenue (5270)*	342,438	269,203	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	1,173,872	1,152,698	
GROSS OPERATING REVENUES	8,156,741	7,984,950	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*			42
Uncollectible Revenue--Telecommunications (5301)	15,599	8,714	43 L
Uncollectible Revenue--Other (5302)	0	0	44
TOTAL UNCOLLECTIBLE REVENUE (5300)	15,599	8,714	
TOTAL OPERATING REVENUES	8,141,142	7,976,236	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	2,753	(191)	(2,007)	1
Less: Nonregulated		0		2
Net Regulated	2,753	(191)	(2,007)	3
Total General Support Expense (6120)	287,922	329,580	47,902	4
Less: Nonregulated		0		5
Net Regulated	287,922	329,580	47,902	6
Total Central Office Switching Expense (6210)	288,049	386,887	166,244	7
Less: Nonregulated		0		8 B
Net Regulated	288,049	386,887	166,244	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11 B
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	63,495	164,593	15,853	13
Less: Nonregulated		0		14 B
Net Regulated	63,495	164,593	15,853	15
Total Information Orig. / Term. Expense (6310)	12,045	12,281	3,011	16
Less: Nonregulated		0		17
Net Regulated	12,045	12,281	3,011	18
Total Cable and Wire Fac. Expense (6410)	394,279	359,065	168,215	19
Less: Nonregulated		0		20
Net Regulated	394,279	359,065	168,215	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	1,048,543	1,252,215	399,218	
Less: Nonregulated	0	0	0	
Net Regulated	1,048,543	1,252,215	399,218	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	863,115	777,033	503,254	25
Less: Nonregulated		0		26
Net Regulated	863,115	777,033	503,254	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	1,616,447	1,720,258		31
Less: Nonregulated		0		32
Net Regulated	1,616,447	1,720,258		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	2,479,562	2,497,291	503,254	
Less: Nonregulated	0	0	0	
Net Regulated	2,479,562	2,497,291	503,254	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110	(865)		2,681		1
	(865)	0	2,681	0	2
6120	18,445	103,178	160,055		3
	18,445	103,178	160,055	0	4
6210	70,902		149,741		5
	70,902	0	149,741	0	6
6220					7
	0	0	0	0	8 B
6230	6,273	4,200	138,267		9
	6,273	4,200	138,267	0	10
6310	1,240		8,030		11 B
	1,240	0	8,030	0	12
6410	67,406	1,153	122,291		13
	67,406	1,153	122,291	0	14 B
	163,401	108,531	581,065	0	15
	0	0	0	0	16
	163,401	108,531	581,065	0	17
6510	0	0	0	0	18
	0	0	0	0	19
6530	202,139		71,640		20
	202,139	0	71,640	0	21
6540					22
	0	0	0	0	23
6560			1,720,258		24
			1,720,258		25
	202,139	0	1,791,898	0	26
	0	0	0	0	27
	202,139	0	1,791,898	0	28

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	32,520	48,892	12,791	34
Less: Nonregulated		0		35 c
Net Regulated	32,520	48,892	12,791	36
<hr/>				
Total Services (6620)	1,212,979	1,259,679	396,555	37
Less: Nonregulated		0		38
Net Regulated	1,212,979	1,259,679	396,555	39
<hr/>				
TOTAL CUSTOMER OPERATIONS EXPENSE	1,245,499	1,308,571	409,346	
Less: Nonregulated	0	0	0	
Net Regulated	1,245,499	1,308,571	409,346	
<hr/>				
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	52,128	58,058	31,980	40
Less: Nonregulated		0		41
Net Regulated	52,128	58,058	31,980	42
<hr/>				
Total General and Administrative (6720)	655,999	764,610	162,484	43
Less: Nonregulated		0		44 D
Net Regulated	655,999	764,610	162,484	45
<hr/>				
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
<hr/>				
TOTAL CORPORATE OPERATIONS EXPENSE	708,127	822,668	194,464	
Less: Nonregulated	0	0	0	
Net Regulated	708,127	822,668	194,464	
<hr/>				
TOTAL EXPENSES	5,481,731	5,880,745	1,506,282	
Less: Nonregulated	0	0	0	
Net Regulated	5,481,731	5,880,745	1,506,282	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610	5,543		30,558		34
	5,543	0	30,558	0	35 C
6620	147,341		715,783		36
	147,341		715,783	0	37
	152,884	0	746,341	0	38
	0	0	0	0	39
	152,884	0	746,341	0	
6710	12,645		13,433		40
	12,645		13,433	0	41
6720	65,947		536,179		42
	65,947		536,179	0	43
6790					44 D
			0		45
	78,592	0	549,612	0	46
	0	0	0	0	47
	78,592	0	549,612	0	48
	597,016	108,531	3,668,916	0	
	0	0	0	0	
	597,016	108,531	3,668,916	0	

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		1
Provisioning Expense (6512)		0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,616,447	1,720,258		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	1,616,447	1,720,258		

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

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			1,720,258		3
6562					4
6563					5
6564					6
6565					7
			1,720,258		

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	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only	2
Plus: current year collection of out-of-state utility customer accounts previously written off	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)*	0	0	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)*	0	0	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(24,000)	(27,365)	6
Operating Federal Income Taxes (7220)*	415,168	560,882	7
Operating State and Local Income Taxes (7230)*	87,591	132,904	8
Operating Other Taxes (7240)*	486,909	468,729	9
Provision for Deferred Operating Income Taxes--Net (7250)*	23,386	0	10
TOTAL OPERATING TAXES (7200)*	989,054	1,135,150	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	950,000	850,000	11
Interest Income (7320)*	9,283	9,908	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	89,406	60,565	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	12,728	0	15
Other Nonoperating Income (7360)*	24,061	0	16
Special Charges (7370)*	7,135	16,372	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	1,078,343	904,101	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*			0 18
Nonoperating Federal Income Taxes (7420)*	94,218	46,952	19
Nonoperating State and Local Income Taxes (7430)*	26,646	12,005	20
Nonoperating Other Taxes (7440)*			0 21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	(75,590)	(59,451)	22
TOTAL NONOPERATING TAXES (7400)*	45,274	(494)	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	428,982	409,429	23
Interest Expense--Capital Leases (7520)*			0 24
Amortization of Debt Issuance Expense (7530)*	3,920	3,920	25
Other Interest Deductions (7540)*	1,490	775	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	434,392	414,124	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*			0 27
Extraordinary Income Credits (7610)			0 28
Extraordinary Income Charges (7620)			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)*	(33,275)	(50,885)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	471,513	1
Less: Cost of Goods Sold	147,414	2
Net Sales	324,099	3
Expenses (Acct. 7990.2)	357,374	4
Nonregulated Net Income	<u><u>(33,275)</u></u>	5

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

SALE OF CUSTOMER PREMISE EQUIPMENT(CPE), MAINTENANCE OF CPE AND INSIDE WIRING, LEASE OF CPE AND CELLULAR ACTIVITIES.

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	1,506,282	1
Nonregulated Expense	138,051	2
Plant Accounts	87,779	3
Accumulated Depreciation Accounts	19,366	4
All Other Accounts	813,720	5
Total Salaries and Wages	<u>2,565,198</u>	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				1
Supervision and Other Management	9.00	13.00	681,838	2
Other Employees	70.00	60.00	1,883,360	3
Total	<u>79.00</u>	<u>73.00</u>	<u>2,565,198</u>	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	1,506,282	1
Nonregulated Expense	138,051	2
Plant Accounts	87,779	3
Accumulated Depreciation Accounts	19,366	4
All Other Accounts	813,720	5
Total Salaries and Wages	<u>2,565,198</u>	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				1
Supervision and Other Management	9.00	13.00	681,838	2
Other Employees	70.00	60.00	1,883,360	3
Total	<u>79.00</u>	<u>73.00</u>	<u>2,565,198</u>	

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			1
Extended Area Service			2
Extended Community Calling	46	183	3
Other Local-Undefined			4
Total Local	46	183	
TOLL			
Operator Handled: State--intraLATA	11	37	5
Operator Handled: State--interLATA	5	21	6
Operator Handled: Interstate	8	37	7
Customer Dialed: State--intraLATA	200	1,242	8
Customer Dialed: State--interLATA	199	1,219	9
Customer Dialed: Interstate	320	2,432	10
WATS	3	10	11
Other Toll-Undefined			12
Total Toll	746	4,998	
Total Local & Toll	792	5,181	

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.	542	0	0	0	1
Feature Group A -- Term.	1	0	67	0	2
Feature Group B -- Orig.	11	0	0	0	3
Feature Group B -- Term.	14	0	0	0	4
Feature Group C -- Orig.	0	0	6,624	0	5
Feature Group C -- Term.	0	0	6,399	0	6
Feature Group D -- Orig.	13,828	8,639	2,339	0	7
Feature Group D -- Term.	15,580	6,272	0	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	435	1
Sheath miles of plant - buried	2,363	2
Sheath miles of plant - fiber optics	46	3
Strand miles of plant - fiber optics	729	4
Route miles of plant - microwave	955	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	123	1
56 kbps	0	75	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	41	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

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	435	1
Sheath miles of plant - buried	2,363	2
Sheath miles of plant - fiber optics	46	3
Strand miles of plant - fiber optics	729	4
Route miles of plant - microwave	955	5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	123	1
56 kbps	0	75	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	0	41	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

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	1,518	1,574	3
2 Party	9	9	4
4 Party	0	0	5
PBX Trunks/System Trunks	198	200	6
Centrex Trunks	0	24	7
Centrex Lines	1,655	1,990	8
Key System Trunks	664	606	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	237	0	11
FX-Out (Switched)	0	0	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	51	51	16
- Semi-Public	31	32	17
- Cust. Owned	29	36	18
Other	0		19
Total Business Lines	4,392	4,522	20
Residential (Incl. Emp. Concess.)			
1 Party	8,219	8,475	22
2 Party	474	392	23
4 Party	0	0	24
FX-Out (Switched)	0	0	25
Other	0		26
Total Residential Lines	8,693	8,867	27
Total Bus & Res Lines	13,085	13,389	28
Company Used Lines	225	269	29
Total Lines Used	13,310	13,658	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	18	19	3
WATS Lines - 800 Service	22	22	4
FX-In-intraLATA	17	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	0	1,182	7
Special Access-interLATA			8
(expressed in equiv. access lines)	111	0	9
Feature Group A Lines	15	15	10
Feature Group B Trunks	22	49	11
Feature Group C Trunks	48	48	12
Feature Group D Trunks	664	0	13
TSPS - Trunks	0	0	14
EAS - Trunks	0	0	15
Cellular Trunks (Pub. Sw. Net.)	60	102	16
Video Distance Learning			17
- discounted (special tariff)	0	0	18
Customers			
Business - 2 Party Customers	9	9	20
Business - 4 Party Customers	0	0	21
Residential - 2 Party Customers	517	392	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
	20,067,310	22,999,643	27
Total Company Square Miles	314	314	28
Total Company Route Miles	937	955	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	1300	4550			1
Business					2
1 Party	117	1,457			3
2 Party	3	6			4
4 Party	0	0			5
PBX Trunks/System Trunks	0	200			6
Centrex Trunks	0	24			7
Centrex Lines	3	1,987			8
Key System Trunks	3	603			9
Mobile (utility provided service)	0	0			10
Paging (utility provided service)	0	0			11
FX-Out (Switched)	0	0			12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	2	49			16
- Semi-Public	0	32			17
- Cust. Owned	1	35			18
Other					19
Total Business Lines	129	4,393	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,597	6,878			22
2 Party	93	299			23
4 Party	0	0			24
FX-Out (Switched)	0	0			25
Other					26
Total Residential Lines	1,690	7,177	0	0	27
Total Bus & Res Lines	1,819	11,570	0	0	28
Company Used Lines	28	241			29
Total Lines Used	1,847	11,811	0	0	30

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1300	4550			1
Miscellaneous					2
WATS Lines - OutWATS	0	19			3
WATS Lines - 800 Service	0	22			4
FX-In-intraLATA	0	0			5
Special Access-intraLATA					6
(equiv. access lines)	0	1,182			7
Special Access-interLATA					8
(equiv. access lines)	0				9
Feature Group A Lines	0	15			10
Feature Group B Trunks	0	49			11
Feature Group C Trunks	0	48			12
Feature Group D Trunks	0	0			13
TSPS - Trunks	0	0			14
EAS - Trunks	0	0			15
Cellular Trunks (Pub. Sw. Net.)	0	102			16
Video Distance Learning					17
- discounted (special tariff)	0	0			18
Customers					19
Business - 2 Party Customers	3	6			20
Business - 4 Party Customers	0	0			21
Residential - 2 Party Customers	93	299			22
Residential - 4 Party Customers	0	0			23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	5,277,824	17,721,820			27
Exchange Square Miles	97	217			28
Exchange Route Miles	43	912			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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Electronic--Digital	D	3
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CENTRAL OFFICE DATA - END OF YEAR

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

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	CRESCENT LAKE		RHINELANDER		1
PSCW Exchange ID	1300	4550			2
Central Office Name	CRESCENT LAKE		RHINELANDER		3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	NTI	NTI			5
Year COE Installed	1992	1993			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	R	H			8
Remote Host PSCW Exchange ID	4550				9
Remote Host PSCW Central Office ID	1	0			10
COE Generic Software Release No.	LLT0B005	LLT0B005			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	1,847	11,811			14
- Equipped	2,156	14,526			15
- Wired	4,480	23,040			16
Trunks - In Use	0	2,588			17
- Equipped	0	2,710			18
- Wired	0	3,192			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	Yes	Yes			23
Switched 56 lines in use	0	20			24
Digital Transmission Facilities: DS-1 - In Use	9	424			25
DS-3 - In Use	0	28			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	Yes	Yes			31
- In Use (# lines) ¹	0	3			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	28	228			33
No. of fiber strands working (LIT) in C.O.	16	66			34
No. of fiber strands for interoffice use	12	58			35
Miles of fiber sheath in wire center	16	30			36
Access Tandem Serving this C.O.:					
- C.O. Name	RHINELANDER	RHINELANDER			37
- PSCW C.O. ID	4550-01	4550-01			38
Does this C.O. do access tandem switching?	No	Yes			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	Yes	Yes			41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A) RECLASSIFICATIONS TO THE PROPER USOA PART 32 ACCOUNTS**
- B) CENTRAL OFFICE CALL-OUT AND OVERTIME. SUMMER HELP LAND & BUILDINGS
ZEROED LIABILITY FOR PAST ACCRUAL POLE LINES
COE REPAIR ALLEID COMM., HARRIS CORP., AND COURTNEY CO.
REMODELING EXPENSES**
- C) SEVEN NEW HIRES WITH 56 MONTHS OF WAGES, AGGREGATE
DECREASE IN BILLING SERVICE COMPANY BILLING - \$6,500
DECREASED DISBURESMENTS TO DIRECTORY COMPANY**
- D) HOSPITAL: COMMUNICATIONS INFRASTRUCTURE GRANT OF \$20,000
PENSION ADMINISTRATION & HEALTH INS (FAS 106) ADJUSTMENTS \$21,300
INCREASED PHONE EXPENSE: CO. \$9,100, EMPLOYEE CONCESSION \$16,775
WISCONSIN UNIVERSAL SERVICE FUND \$16,838
INCREASED LEGAL EXPENSE \$9,200. MOVING ALLOWANCES \$5,000**
- F) FOOTNOTE F HAS BEEN DELETED**
- G) FEWER COMPANY OWNED PAYSTATIONS IN 1996**
- H) IN 1995 \$11,648 RETROACTIVE ADJUSTMENT TO STATE OF WISCONSIN, NO
SIGNIFICANT ADJUSTMENTS IN 1996.**
- I) HOST SERVICE AGREEMENT 76,640 NEW IN 1996 AND VIDEO NETWORK LEASE FOR
21,386 ALSO NEW IN 1996**
- J) INTERSTATE BILLING & COLLECTION TAKE BACK BY AT&T COMBINED WITH LOWER
RATES.**
- K) INTRASTATE BILLING & COLLECTION HIGHER RATES**
- L) WRITTEN-OFF AMOUNTS ARE ACTUAL AS OPPOSED TO ACCRUAL**
- M) ADDITIONAL SALVAGE ON TRADED-IN VEHICLE**