



4004

ANNUAL REPORT

OF

Name: CITIZENS TELEPHONE COOPERATIVE, INC.

Principal Office: 143 E MAIN ST
P.O. BOX 127
NEW AUBURN, WI 54757-0127

For the Year Ended: DECEMBER 31, 1998

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

SIGNATURE PAGE

I ROXANNE GRAVUNDER of
(Person responsible for accounts)

CITIZENS TELEPHONE COOPERATIVE, INC., certify that I
(Utility Name)

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

ROXANNE GRAVUNDER 04/27/1999
(Person responsible for accounts) (Date)

BOOKKEEPER
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: CITIZENS TELEPHONE COOPERATIVE, INC.
Utility Location: 143 E MAIN ST
P.O. BOX 127
NEW AUBURN, WI 54757-0127

Utility Web Site Address:

When was utility organized?: 12/22/1952

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR DENNIS L . BACHMAN
Title: MANAGER

Office Address: 143 E MAIN ST
P.O. BOX 127
NEW AUBURN , WI 54757-0127

Fax Number: (715) 237 - 2812
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Individual or firm, if other than utility employee, preparing this report

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Person responsible for financial information contained in report

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Title: BOOKKEEPER

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Person responsible for statistical information contained in report

Name: MR MICHAEL A . KELLEN
Title: COE TECHNICIAN

Office Address: 143 E MAIN ST
P.O. BOX 127
NEW AUBURN , WI 54757-0127

Fax Number: (715) 237 - 2812
Telephone Number: (715) 237 - 2605
Email Address: cittel@win.bright.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: NONE
Address: NONE
 PO BOX NONE
 NONE , WI 54757
Number of Shares Held:
Beneficial Owner: NONE

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

Company Name: NONE
Form of Interest: NONE
Extent Of Interest: NONE

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,759,334	1,645,017	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	198,783	150,396	2
Plant Nonspecific Operations Expense	705,539	578,594	3
Customer Operations Expense (6610-6620)	143,099	175,471	4
Corporate Operations Expense (6710-6790)	272,730	243,609	5
Other Operating Income and Expense (7100)	76	429	6
Operating Taxes (7200)	123,418	149,778	7
Total Operating Expenses	1,443,493	1,297,419	8
Net Operating Income	315,841	347,598	9
Other Income			
Nonoperating Income and Expense (7300)	103,478	82,437	10
Nonoperating Taxes (7400)	0	0	11
Interest and Related Items (7500)	45,551	2,689	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	(66,207)	(30,585)	14
Total Nonoperating Income	(8,280)	49,163	15
Net Income	307,561	396,761	16

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	1,323,358	1,508,259	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	1,323,358	1,508,259	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	56,279	74,506	6
Accounts Receivable Allowance-Telecom (1181)*	32,088	28,679	7
Net: Telecommunications Accounts Receivable	24,191	45,827	
Other Accounts Receivable (1190)*	208,182	196,778	8
Accounts Receivable Allowance--Other (1191)*	0	0	9
Net: Other Accounts Receivable	208,182	196,778	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	12,872	5,443	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	245,245	248,048	
SUPPLIES			
Inventories (1220)*	37,091	36,262	13
TOTAL SUPPLIES	37,091	36,262	
PREPAYMENTS			
Total Prepayments (1280)*	38,220	47,564	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	38,220	47,564	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	1,643,914	1,840,133	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	461,728	317,171	22
Nonregulated Investments (1406)*	0	0	23
Unamortized Debt Issuance Expense (1407)*	0	0	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)*	66,016	67,035	26
TOTAL INVESTMENTS	527,744	384,206	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	2,938	3,777	29
TOTAL DEFERRED CHARGES	2,938	3,777	
TOTAL NONCURRENT ASSETS	530,682	387,983	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	5,844,185	5,632,421	30
Less: Accumulated Depreciation (3100)*	3,688,310	3,239,556	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	2,155,875	2,392,865	
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)*	168,270	7,020	39
TOTAL TPUC	168,270	7,020	
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	2,324,145	2,399,885	
TOTAL ASSETS AND OTHER DEBITS*	4,498,741	4,628,001	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	108,836	126,300	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*	3,542	3,884	3
Customer Deposits (4040)*	4,728	3,893	4
Current Maturities--Long-Term Debt (4050)*	155,894	151,000	5
Current Maturities--Capital Leases (4060)*	0	0	6
Income Taxes--Accrued (4070)*	0	8,355	7
Other Taxes--Accrued (4080)*	1,382	(4,346)	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)*	19,183	17,386	11
Other Current Liabilities (4130)*	0	0	12
TOTAL CURRENT LIABILITIES*	293,565	306,472	
LONG-TERM DEBT			
Funded Debt (4210)*	683,924	718,452	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)*	41,894	113,713	19
TOTAL LONG-TERM DEBT*	725,818	832,165	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	0	0	20
Unamortized Operating ITC--Net (4320)*	0	0	21
Unamortized Nonoperating ITC--Net (4330)*	0	0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	0	0	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	0	0	25
Other Deferred Credits (4360)*	11,001	4,221	26
Deferred Tax Regulatory Liability (4361)*	0	0	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	11,001	4,221	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	40	21,400	28
Additional Paid-in Capital (4520)*	0	0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	0	0	31
Retained Earnings (4550)*	3,468,317	3,463,743	32
TOTAL STOCKHOLDERS' EQUITY*	3,468,357	3,485,143	
TOTAL LIABILITIES AND OTHER CREDITS*	4,498,741	4,628,001	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	73,050	8,068	1
Motor Vehicles	2112	97,303	49,313	2 o
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	139,846	4,061	6
Buildings	2121	217,815	18,592	7
Furniture	2122	7,207	8,547	8
Office Equipment	2123	28,486	2,355	9
General Purpose Computers	2124	278,525	28,926	10
TOTAL--GENERAL SUPPORT ASSETS:		842,232	119,862	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,057,031	17,275	12 M
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	1,022,291	(1,259)	16 c
TOTAL--CENTRAL OFFICE ASSETS:		2,079,322	16,016	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	0		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		0	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	2,710,867	97,308	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		2,710,867	97,308	
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	1,422		79,696	1
2112	14,176	600	133,040	2 o
2113			0	3
2114			0	4
2115			0	5
2116			143,907	6
2121	3,832		232,575	7
2122			15,754	8
2123	0	0	30,841	9
2124			307,451	10
	19,430	600	943,264	
2211			0	11
2212	0	(112,033)	962,273	12 M
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	112,033	1,133,065	16 c
	0	0	2,095,338	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	0	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	2,592	0	2,805,583	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	2,592	0	2,805,583	
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	5,632,421	233,186
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	
	22,022	600	5,844,185	
2001			0	34
			5,844,185	

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	19,210	1,583	1
Company Communications Equipment	2123.2	9,276	772	2
Software	2212.1	257,934		3 A
Digital Switching - Central Office	2212.2	799,097	17,275	4 B
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	1,022,291	(1,259)	10 C
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	651,996		17
Buried Cable - Metallic	2423.2	2,058,871	97,308	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			20,793	1
2123.2			10,048	2
2212.1		(171)	257,763	3 A
2212.2		(111,862)	704,510	4 B
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1		112,033	1,133,065	10 C
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1			651,996	17
2423.2	2,592		2,153,587	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	60,088	13.71	12,039	(1,500)	1
Aircraft	2113	0				2
Special Purpose Vehicles	2114	0				3
Garage Work Equipment	2115	0				4
Other Work Equipment	2116	89,715	10.78	8,554		5
Buildings	2121	95,343	3.7	8,436		6
Furniture	2122	5,016	20.0	509		7
Office Equipment	2123	15,669	20.0	5,893		8
General Purpose Computers	2124	102,206	24.44	75,485		9
Total-- GENERAL SUPPORT ASSETS		368,037		110,916	(1,500)	
CENTRAL OFFICE ASSETS						
Analog Electronic Switching	2211	0				10
Digital Electronic Switching	2212	815,508	21.58	131,205		11
Electro-Mechanical Switching	2215	0				12
Operator Systems	2220	0				13
Radio Systems	2231	0				14
Circuit Equipment	2232	619,356	30.93	102,793		15
Total-- CENTRAL OFFICE ASSETS		1,434,864		233,998	0	
INFORMATION ORIG/TERM ASSETS						
Station Apparatus	2311	0				16
Customer Premises Wiring	2321	0				17
Large Private Branch Exchanges	2341	0				18
Public Telephone Terminal Equipment	2351	0				19
Other Terminal Equipment	2362	0				20
Total-- INFORMATION ORIG/TERM ASSETS		0		0	0	
CABLE WIRE FACILITIES ASSETS						
Poles	2411	0				21
Aerial Cable	2421	0				22
Underground Cable	2422	0				23
Buried Cable	2423	1,436,655	4.79	119,731		24
Submarine Cable	2424	0				25
Deep Sea Cable	2425	0				26
Intrabuilding Network Cable	2426	0				27
Aerial Wire	2431	0				28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112	14,176		2,100		58,551	1
2113					0	2
2114					0	3
2115					0	4
2116					98,269	5
2121	3,832		3,832		103,779	6
2122					5,525	7
2123	0				21,562	8
2124					177,691	9
	18,008	0	5,932	0	465,377	
2211					0	10
2212	0				946,713	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				722,149	15
	0	0	0	0	1,668,862	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	0	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	2,592		277		1,554,071	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		1,436,655		119,731	0
Total Accumulated Depreciation	3100	3,239,556		464,645	(1,500)
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				464,645	(1,500)

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	2,592	0	277	0	1,554,071	
3100	20,600	0	6,209	0	3,688,310	
3100					0	30
3100					3,688,310	

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	9,454	20.0	3,885		1
Company Communications Equipment	2123.2	6,215	20.0	2,008		2
Software	2212.1	217,486	20.0	40,277		3
Digital Switching - Central Office	2212.2	598,022	13.0	90,928		4
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	619,356	12.67	102,793		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	0				15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	49,759	5.0	32,599		17
Buried Cable - Metallic	2423.2	1,386,896	4.57	87,132		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

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

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					13,339	1
2123.2					8,223	2
2212.1					257,763	3
2212.2					688,950	4
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					722,149	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1					82,358	17
2423.2	2,592		277		1,471,713	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	3,463,743	3,371,549	1
Changes:			
Balance Transferred from Income	307,561	396,761	2
Dividends Declared:			
Common	302,988	305,770	3
Preferred	0	0	4
Total Dividends Declared	302,988	305,770	
Miscellaneous Debits to Retained Earnings	0	0	5
Miscellaneous Credits to Retained Earnings	1	1,203	6
Balance--End of Year	<u>3,468,317</u>	<u>3,463,743</u>	

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

Particulars (a)	This Year (b)	Last Year (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	318,837	278,312	1
Basic Area Revenue (5001)			2
Optional Extended Area Revenue (5002)			3
Cellular Mobile Revenue (5003)			4
Other Mobile Services Revenue (5004)			5
Public Telephone Revenue (5010)			6
Local Private Line Revenue (5040)			7
Customer Premises Revenue (5050)			8
Other Local Exchange Revenue (5060)			9
Other Local Exchange Revenue Settlements (5069)			10
TOTAL BASIC LOCAL SERVICE REVENUE (5000)	318,837	278,312	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	92,440	86,508	11
Switched Access Revenue (5082)*	625,000	639,549	12
Special Access Revenue (5083)*	15,997	18,038	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	733,437	744,095	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	0	0	14
Switched Access Revenue (5084.2)*	358,335	364,347	15
Special Access Revenue (5084.3)*	8,238	19,983	16 D
TOTAL INTRASTATE ACCESS REVENUES (5084)	366,573	384,330	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	215,188	100,097	17 E
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	215,188	100,097	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	31,321	37,447	30
Rent Revenue (5240)*	1,051	1,051	31
Corporate Operations Revenue (5250)*	0	0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	13,117	8,417	33
Special Billing Arrangements Revenue (5261)			34
Customer Operations Revenue (5262)			35
Plant Operations Revenue (5263)			36
Other Incidental Regulated Revenue (5264)			37
Other Revenue Settlements (5269)			38
Total Miscellaneous Revenue (5260)	13,117	8,417	
Interstate Billing and Collection Revenue*	22,861	32,328	39 F
Intrastate Billing and Collection Revenue*	58,149	60,140	40
Total Carrier Billing and Collection Revenue (5270)*	81,010	92,468	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	126,499	139,383	
GROSS OPERATING REVENUES	1,760,534	1,646,217	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1,200	1,200	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,200	1,200	
TOTAL OPERATING REVENUES	<u>1,759,334</u>	<u>1,645,017</u>	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	1,242	1,205		1
Less: Nonregulated	0	0		2
Net Regulated	1,242	1,205		3
Total General Support Expense (6120)	15,577	43,611		4
Less: Nonregulated	0	0		5 G
Net Regulated	15,577	43,611		6
Total Central Office Switching Expense (6210)	59,552	57,420		7
Less: Nonregulated	0	0		8
Net Regulated	59,552	57,420		9
Total Operator Systems Expense (6220)	0	0		10
Less: Nonregulated	0	0		11
Net Regulated	0	0		12
Total Central Office Transmission Expenses (6230)	8,637	9,622		13
Less: Nonregulated	0	0		14
Net Regulated	8,637	9,622		15
Total Information Orig. / Term. Expense (6310)	563	0		16
Less: Nonregulated	0	0		17
Net Regulated	563	0		18
Total Cable and Wire Fac. Expense (6410)	64,825	86,925		19
Less: Nonregulated	0	0		20 H
Net Regulated	64,825	86,925		21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	150,396	198,783		
Less: Nonregulated	0	0		
Net Regulated	150,396	198,783		
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	2,447	4,036		22
Less: Nonregulated	0	0		23
Net Regulated	2,447	4,036		24
Total Network Operations Expense (6530)	37,997	50,812		25
Less: Nonregulated	0	0		26 I
Net Regulated	37,997	50,812		27
Access Expense (6540)	94,142	186,704		28
Less: Nonregulated	0	0		29 J
Net Regulated	94,142	186,704		30
Total Depreciation and Amortization Expense (6560)	444,008	463,987		31
Less: Nonregulated	0	0		32
Net Regulated	444,008	463,987		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	578,594	705,539		
Less: Nonregulated	0	0		
Net Regulated	578,594	705,539		

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110					1
					2
					3
6120					4
					5 G
					6
6210					7
					8
					9
6220					10
					11
					12
6230					13
					14
					15
6310					16
					17
					18
6410					19
					20 H
					21
6510					22
					23
					24
6530					25
					26 I
					27
6540					28
					29 J
					30
6560					31
					32
					33

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	16,439	18,705	34
Less: Nonregulated	0	0	35
Net Regulated	16,439	18,705	36
Total Services (6620)	159,032	124,394	37
Less: Nonregulated	0	0	38 K
Net Regulated	159,032	124,394	39
TOTAL CUSTOMER OPERATIONS EXPENSE	175,471	143,099	
Less: Nonregulated	0	0	
Net Regulated	175,471	143,099	
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	95,868	121,715	40
Less: Nonregulated	0	0	41 L
Net Regulated	95,868	121,715	42
Total General and Administrative (6720)	147,741	151,015	43
Less: Nonregulated	0	0	44
Net Regulated	147,741	151,015	45
Provision for Uncollectible Notes Receiv. (6790)	0	0	46
Less: Nonregulated	0	0	47
Net Regulated	0	0	48
TOTAL CORPORATE OPERATIONS EXPENSE	243,609	272,730	
Less: Nonregulated	0	0	
Net Regulated	243,609	272,730	
TOTAL EXPENSES	1,148,070	1,320,151	
Less: Nonregulated	0	0	
Net Regulated	1,148,070	1,320,151	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610					34
					35
					36
6620					37
					38 K
					39
6710					40
					41 L
					42
6720					43
					44
					45
6790					46
					47
					48

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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)	2,447	4,036		2
Total: Reported in Account 6510	2,447	4,036		
Depreciat. Exp.--Tele. Plant in Service (6561)	443,588	463,148		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0		4
Amortization Expense--Tangible (6563)	420	839		5
Amortization Expense--Intangible (6564)	0	0		6
Amortization Expense--Other (6565)	0	0		7
Total: Reported in Account 6560	444,008	463,987		

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

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

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

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

Description (a)	This Year (b)	
Gross Operating Revenues	1,760,534	1
Plus: Collection of amounts previously written off	7,705	2
Less: Uncollectibles written off during the year	5,496	3
Plus: Total Other Operating Income and (Expense) (7100)	76	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder, Department of Justice, and Telephone Relay Assessment Purposes	1,762,819	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	318,837	1
Plus: Total Intrastate Access Revenues (5084)	366,573	2
Plus: Total Long Distance Network Services Revenue	215,188	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes	900,598	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

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

Description (a)	This Year (b)	
Gross Operating Revenues	1,760,534	1
Plus: Collection of amounts previously written off	7,705	2
Less: Uncollectibles written off during the year	5,496	3
Plus: Total Other Operating Income and (Expense) (7100)	76	4
Less: Nonregulated Operating Revenue (included Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>1,762,819</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	318,837	1
Plus: Total Intrastate Access Revenues (5084)	366,573	2
Plus: Total Long Distance Network Services Revenue	215,188	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus (or Less) Other (please specify):		5
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>900,598</u>	

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

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*	76	429	1
Return from Nonregulated Use of Regulated Facilities (7130)*	0	0	2
Gains and (Losses) from Foreign Exchange (7140)			3
Gains or (Losses) from the Disposition of Land and Artworks (7150)			4
Other Operating Gains and (Losses) (7160)*	0	0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	76	429	
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	0	0	6
Operating Federal Income Taxes (7220)*	30,000	50,537	7
Operating State and Local Income Taxes (7230)*	0	8,355	8
Operating Other Taxes (7240)*	93,418	90,886	9
Provision for Deferred Operating Income Taxes--Net (7250)*	0	0	10
TOTAL OPERATING TAXES (7200)*	123,418	149,778	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*	0	0	11
Interest Income (7320)*	100,235	96,553	12
Income from Sinking and Other Funds (7330)*	0	0	13
Allowance for Funds Used During Construction (7340)*	0	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*	0	0	15
Other Nonoperating Income (7360)*	0	0	16
Special Charges (7370)*	(3,243)	14,116	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	103,478	82,437	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*	0	0	18
Nonoperating Federal Income Taxes (7420)*	0	0	19
Nonoperating State and Local Income Taxes (7430)*	0	0	20
Nonoperating Other Taxes (7440)*	0	0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	0	0	22
TOTAL NONOPERATING TAXES (7400)*	0	0	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	45,420	2,632	23
Interest Expense--Capital Leases (7520)*	0	0	24
Amortization of Debt Issuance Expense (7530)*	0	0	25
Other Interest Deductions (7540)*	131	57	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	45,551	2,689	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*	0	0	27
Extraordinary Income Credits (7610)			28
Extraordinary Income Charges (7620)			29
Current Income Tax Effect of Extraordinary Items--Net (7630)			30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)			31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	(66,207)	(30,585)	32

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	76	240	1
Extended Area Service	94	412	2
Extended Community Calling	12	94	3
Other Local-Undefined	0	0	4
Total Local	182	746	
TOLL			
Operator Handled: State--intraLATA	0	7	5
Operator Handled: State--interLATA	0	5	6
Operator Handled: Interstate	1	11	7
Customer Dialed: State--intraLATA	29	232	8
Customer Dialed: State--interLATA	13	164	9
Customer Dialed: Interstate	28	376	10
WATS	0	0	11
Other Toll-Undefined	0	0	12
Total Toll	71	795	
Total Local & Toll	253	1,541	

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.	52	0	0	0	2
Feature Group B -- Orig.	0	0	0	0	3
Feature Group B -- Term.	0	0	0	0	4
Feature Group C -- Orig.	0	0	0	0	5
Feature Group C -- Term.	0	0	0	0	6
Feature Group D -- Orig.	1,645	686	2,004	0	7
Feature Group D -- Term.	2,949	1,351	873	0	8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial	0	1
Sheath miles of plant - buried	624	2
Sheath miles of plant - fiber optics	44	3
Strand miles of plant - fiber optics	1,299	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	1	1
56 kbps	2	1	2
64 kbps (DS0)	0	0	3
1.54 Mbps (DS-1)	2	0	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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Sheath miles of plant - buried	624	2
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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	219	239	3
2 Party	0	0	4
4 Party	0	0	5
PBX Trunks/System Trunks	0	0	6
Centrex Trunks	0	0	7
Centrex Lines	0	0	8
Key System Trunks	5	3	9
Mobile (Utility Provided Service)	0	0	10
Paging (Utility Provided Service)	0	0	11
FX-Out (Switched)	0	0	12
Pay Telephone	0	0	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Pay Stations - Public	20	21	16
- Semi-Public	0	0	17
- Cust. Owned	3	3	18
Other	0	0	19
Total Business Lines	247	266	20
Residential (Incl. Emp. Concess.)			
1 Party	1,877	1,999	22
2 Party	0	0	23
4 Party	0	0	24
FX-Out (Switched)	3	3	25
Other	0	0	26
Total Residential Lines	1,880	2,002	27
Total Bus & Res Lines	2,127	2,268	28
Company Used Lines	48	42	29
Total Lines Used	2,175	2,310	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)	1	2	7
Special Access-interLATA			8
(expressed in equiv. access lines)	74	51	9
Feature Group A Lines	0	0	10
Feature Group B Trunks	2	0	11
Feature Group C Trunks	47	47	12
Feature Group D Trunks	432	452	13
TSPS - Trunks	23	23	14
EAS - Trunks	144	144	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)	4,790,189	4,900,921	27
Total Company Square Miles	191	191	28
Total Company Route Miles	520	525	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	0920	3030	3730		1
Business					2
1 Party	70	68	101		3
2 Party	0	0	0		4
4 Party	0	0	0		5
PBX Trunks/System Trunks	0	0	0		6
Centrex Trunks	0	0	0		7
Centrex Lines	0	0	0		8
Key System Trunks	0	0	3		9
Mobile (utility provided service)	0	0	0		10
Paging (utility provided service)	0	0	0		11
FX-Out (Switched)	0	0	0		12
Pay Telephone	0	0	0		13
Coin-Operated Pay Telephone	0	0	0		14
Independent Pay Telephone Provider	0	0	0		15
Pay Stations - Public	5	10	6		16
- Semi-Public	0	0	0		17
- Cust. Owned	0	0	3		18
Other	0	0	0		19
Total Business Lines	75	78	113	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	630	717	652		22
2 Party	0	0	0		23
4 Party	0	0	0		24
FX-Out (Switched)	0	3	0		25
Other	0	0	0		26
Total Residential Lines	630	720	652	0	27
Total Bus & Res Lines	705	798	765	0	28
Company Used Lines	6	4	32		29
Total Lines Used	711	802	797	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	0920	3030	3730		1
Miscellaneous					2
WATS Lines - OutWATS	0	0	0		3
WATS Lines - 800 Service	0	0	0		4
FX-In-intraLATA	0	0	0		5
Special Access-intraLATA					6
(equiv. access lines)	1	0	1		7
Special Access-interLATA					8
(equiv. access lines)	1	0	50		9
Feature Group A Lines	0	0	0		10
Feature Group B Trunks	0	0	0		11
Feature Group C Trunks	0	0	47		12
Feature Group D Trunks	56	0	396		13
TSPS - Trunks	5	0	18		14
EAS - Trunks	72	0	72		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)	1,843,901	937,742	2,119,278		27
Exchange Square Miles	56	59	76		28
Exchange Route Miles	153	160	212		29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

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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	CANTON	LONG LAKE	NEW AUBURN		1
PSCW Exchange ID	0920	3030	3730		2
Central Office Name	CANTON	LONG LAKE	NEW AUBURN		3
PSCW Central Office ID	1	1	1		4
Manufacturer of COE (Page 54)	NTI	NTI	NTI		5
Year COE Installed	1988	1989	1988		6
Type of Equipment (Page 54)	D	D	D		7
(S)tandalone, (H)ost, (R)emote	S	R	H		8
Remote Host PSCW Exchange ID		3730			9
Remote Host PSCW Central Office ID	0	1	0		10
COE Generic Software Release No.	408.11	408.11	408.11		11
SS7?	Yes	Yes	Yes		12
9-1-1?	Yes	Yes	Yes		13
Access Lines - In Use	668	738	769		14
- Equipped	832	960	960		15
- Wired	1,472	1,216	1,472		16
Trunks - In Use	172	0	629		17
- Equipped	192	0	720		18
- Wired	288	0	720		19
ISDN Available?	No	No	No		20
ISDN Lines - In Use (BRI)	0	0	0		21
- In Use (PRI)	0	0	0		22
Switched 56 Service?	No	No	No		23
Switched 56 lines in use	0	0	0		24
Digital Transmission Facilities: DS-1 - In Use	16	11	50		25
DS-3 - In Use	2	0	2		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.	64	0	44		33
No. of fiber strands working (LIT) in C.O.	24	0	20		34
No. of fiber strands for interoffice use	4	0	4		35
Miles of fiber sheath in wire center	23	0	21		36
Access Tandem Serving this C.O.:					
- C.O. Name	NEW AUBURN	NEW AUBURN	NEW AUBURN		37
- PSCW C.O. ID	3730-01	3730-01	3730-01		38
Does this C.O. do access tandem switching?	No	No	Yes		39
Equal Access: InterLATA (1+)?	Yes	Yes	Yes		40
Equal Access: IntraLATA (1+)?	Yes	Yes	Yes		41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

October 20, 1999

Mr. Dennis L. Bachman, Manager
Citizens Telephone Cooperative, Inc.
143 East Main Street
P.O. Box 127
New Auburn, WI 54757-0127

Re:1998 Analytical ReviewDWCCA-1130-ELE

Dear Mr. Bachman:

The Public Service Commission (PSC) is in the process of completing an analytical review of your utility's 1998 annual report. The purposes of an analytical review are to detect possible reporting or accounting related errors and to identify significant fluctuations from established trends in reported data not sufficiently explained in the annual report. It is our hope that our review will supply information that will enable us to better provide guidance to your utility regarding proper utility accounting and the preparation of future annual reports. You did a nice job completing your 1998 annual report and we have only one item to bring to your attention:

In the future, please provide the page numbers of the confidential annual report filing, or the text "as agreed to with the PSC" in the box entitled "Description and subject matter of documents" on the Confidentiality Request form.

These recommendations are intended to provide accounting and filing assistance and should not be construed as criticisms of utility personnel. If you have any questions, please feel free to contact me at (608) 266-3768. You may consider the 1998 analytical review closed.

Sincerely,

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

ELE:tlk:w:\compl\telco letters\1130 rev letter

Schedule Footnotes

Central Office Lookup Table Footnote. Page 0

Schedule Line Footnotes

- A) TO RECLASSIFY EQUIPMENT FROM DIGITAL COE SOFTWARE TO CIRCUIT EQUIPMENT.
- B) TO RECLASSIFY DIGITAL SWITCHING EQUIPMENT TO CIRCUIT EQUIPMENT.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- C)** TO RECLASSIFY CIRCUIT EQUIPMENT FROM DIGITAL SWITCHING EQUIPMENT AND DIGITAL COE SOFTWARE.
- D)** DISCONNECTED SOME SPECIAL ACCESS CIRCUITS.
- E)** IN JULY ESTABLISHED LONG DISTANCE COMPANY IN COOPERATIVE.
- F)** SETTLEMENTS FOR BILLING AND COLLECTION HAVE BEEN SCHEDULED TO DECREASE.
- G)** INCREASED ACTIVITY IN BUILDING REMODELING AND FURNISHINGS, MODIFICATIONS DUE TO CHANGES IN THE OFFICE STAFF.
- H)** INCREASED ACTIVITY AND LABOR ON REPAIR OF BURIED CABLE.
 - I)** ADDITIONAL OUTSIDE EMPLOYEES.
- J)** ESTABLISHMENT OF LONG DISTANCE COMPANY IN COOPERATIVE DURING JULY.
- K)** COMPLETE TRAINING COSTS PLUS COST SHIFTING WHICH WAS SIGNIFICANT DURING 1997.
- L)** ADDITIONAL EXECUTIVE MEETINGS AND PLANNING COSTS.
- M)** TO RECLASSIFY DIGITAL SWITCHING EQUIPMENT AND DIGITAL COE SOFTWARE TO CIRCUIT EQUIPMENT.
- N)** PREPARED FROM AUDITED FINANCIAL STATEMENTS.
- O)** PRIOR YEAR ADJUSTMENT FOR CREDIT ON SALE OF 1989 FORD BOX.