



4004

# ANNUAL REPORT

OF

Name: SIREN TELEPHONE COMPANY, INC.

Principal Office: 7723 WEST MAIN  
P.O. BOX 506  
SIREN, WI 54872-0506

For the Year Ended: DECEMBER 31, 2001

## TELECOMMUNICATIONS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

## GENERAL RULES FOR REPORTING

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

## GENERAL RULES FOR REPORTING

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

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

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

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

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

### 15. Name Changes:

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

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

*These documents can be obtained by:*

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

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

### 16. Changes to the Annual Report Subsequent to Filing:

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

**SIGNATURE PAGE**

I SID SHERSTAD of  
(Person responsible for accounts)

SIREN TELEPHONE COMPANY, 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.

SID SHERSTAD 03/31/2002  
(Person responsible for accounts) (Date)

VICE-PRESIDENT & GENERAL MANAGER  
(Title)

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## ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

<b>Access Line</b>	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.
<b>Analog Signal</b>	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.
<b>Cellular System</b>	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.
<b>Central Office</b>	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.
<b>Centrex</b>	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).
<b>Channel</b>	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.
<b>Customer</b>	A person who uses a telephone as a subscriber.
<b>Digital Signal</b>	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.
<b>Equal Access</b>	The ability of the subscriber to use any long distance service by dialing the same number of digits.
<b>Exchange</b>	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.
<b>Extended Area Service (EAS)</b>	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
<b>Extended Community Calling (ECC)</b>	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.
<b>Feature Group A</b>	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

<b>Feature Group B</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.
<b>Feature Group C</b>	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.
<b>Feature Group D</b>	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.
<b>FX-IN</b>	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.
<b>FX-OUT</b>	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.
<b>Host Switching System</b>	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.
<b>Local Access Transport Area (LATA)</b>	A geographic area within which an operating company may offer its telecommunications services.
<b>Mobile Telephone</b>	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
<b>Paging</b>	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
<b>Pair</b>	Two wires of a single circuit.
<b>Pay Station</b>	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
<b>Private Line Service</b>	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
<b>Private Branch Exchange (PBX)</b>	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.
<b>Radio Common Carrier (RCC)</b>	A company which furnishes public telecommunications service using one or more radio channels.
<b>Remote Switching Unit (RSU)</b>	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

<b>Route Miles</b>	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"><li>1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.</li><li>2. One mile of a cross country route with any combination of outside plant facilities.</li><li>3. One mile of point-to-point microwave or radio link.</li><li>4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.</li><li>5. One mile of joint use line where the utility either owns the facility or leases space.</li></ol>
<b>Stand Alone Switch</b>	A central office switch which has no remote switching units (RSUs) subtending it.
<b>Trunk</b>	A communications path connecting two switching systems in the establishment of an end-to-end connection.
<b>Wide Area Telephone Service (WATS)</b>	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.
<b>Wire Center</b>	The location of one or more local switching systems. A point at which customers' loops converge.

## ABBREVIATIONS USED IN ANNUAL REPORTS

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

## IDENTIFICATION AND OWNERSHIP

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**Exact Utility Name:** SIREN TELEPHONE COMPANY, INC.  
**Utility Location:** 7723 WEST MAIN  
P.O. BOX 506  
SIREN, WI 54872-0506

**Utility Web Site Address:** www.sirentel.com

**When was utility organized?:** 08/27/1957

**Report any change in name and the effective date:**

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### Officer in charge of correspondence concerning this report

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**Name:** SID SHERSTAD  
**Title:** VICE-PRESIDENT & GENERAL MANAGER

**Office Address:** 7723 W. MAIN  
P.O. BOX 506  
SIREN , WI 54872

**Fax Number:** (715) 349 - 2576  
**Telephone Number:** (715) 349 - 2224  
**Email Address:** sirentel@sirentel.net

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

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**Name:** MR ROBERT D . WORTINGER , CPA  
**Title:** PARTNER  
**Firm:** KIESLING ASSOCIATES LLP  
**Office Address:** 6401 ODANA ROAD  
MADISON , WI 53719

**Fax Number:** (608) 273 - 2383  
**Telephone Number:** (608) 273 - 2315  
**Email Address:** rwortinger@kiesling.com

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### Person responsible for financial information contained in report

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**Name:** MR SID SHERSTAD  
**Title:** VICE-PRESIDENT & GENERAL MANAGER

**Office Address:** 7723 W. MAIN  
P.O. BOX 506  
SIREN , WI 54872

**Fax Number:** (715) 349 - 2576  
**Telephone Number:** (715) 349 - 2224  
**Email Address:** sirentel@sirentel.net

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### Person responsible for statistical information contained in report

---

**Name:** MR SID SHERSTAD  
**Title:** VICE-PRESIDENT & GENERAL MANAGER

**Office Address:** 7723 W. MAIN  
P.O. BOX 506  
SIREN , WI 54872

**Fax Number:** (715) 349 - 2576  
**Telephone Number:** (715) 349 - 2224  
**Email Address:** sirentel@sirentel.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:** ANDREW B. QUAM  
**Address:** PO BOX 317  
SHELL LAKE , WI 54871

**Number of Shares Held:** 3,656  
**Beneficial Owner:** NONE

**Name:** JOHN B. QUAM  
**Address:** PO BOX 317  
SHELL LAKE , WI 54871

**Number of Shares Held:** 1,808  
**Beneficial Owner:** NONE

**Name:** NORMA A. CARLSTROM  
**Address:** 313 N. RUSSELL  
GRANTSBURG , WI 54840

**Number of Shares Held:** 1,710  
**Beneficial Owner:** NONE

**Name:** PETER S. QUAM  
**Address:** PO BOX 372  
SHELL LAKE , WI 54871

**Number of Shares Held:** 1,710  
**Beneficial Owner:** NONE

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

**Company Name:** SIREN COMMUNICATIONS  
**Form of Interest:** OWNED  
**Extent Of Interest:** 100%

## OFFICERS AND DIRECTORS

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

---

<b>Name:</b> ANDREW B. QUAM <b>Title/Occupation:</b> DIRECTOR <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>1</b>
<hr/>	
<b>Name:</b> JOHN B. QUAM <b>Title/Occupation:</b> DIRECTOR <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>2</b>
<hr/>	
<b>Name:</b> KAREN C. SHERSTAD <b>Title/Occupation:</b> TREASURER <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>3</b>
<hr/>	
<b>Name:</b> KAREN LEE QUAM <b>Title/Occupation:</b> DIRECTOR <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>4</b>
<hr/>	
<b>Name:</b> LEONARD A CARLSTROM <b>Title/Occupation:</b> VICE-PRESIDENT <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>5</b>
<hr/>	
<b>Name:</b> NORMA D. CARLSTROM <b>Title/Occupation:</b> SECRETARY <b>Business Address (1):</b> 7723 W. MAIN <b>Business Address (2):</b> P.O. BOX 506 <b>Business Address (3):</b> <b>City State, Zip:</b> SIREN, WI 54872	<b>6</b>

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## OFFICERS AND DIRECTORS

### Name, Title/Occupation and Business Address

---

**Name:** PETER S. QUAM

**Title/Occupation:** PRESIDENT

**Business Address (1):** 7723 W. MAIN

**Business Address (2):** P.O. BOX 506

**Business Address (3):**

**City State, Zip:** SIREN, WI 54872

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**7**

**Name:** SID M. SHERSTAD

**Title/Occupation:** VICE-PRESIDENT & GENERAL MANAGER

**Business Address (1):** 7723 W. MAIN

**Business Address (2):** P.O. BOX 506

**Business Address (3):**

**City State, Zip:** SIREN, WI 54872

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**8**

**INCOME STATEMENT - TOTAL COMPANY**

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,841,828	1,774,031	1
<b>Operating Expenses</b>			
Plant Specific Operations Expense (6110-6410)	209,054	190,656	2
Plant Nonspecific Operations Expense	515,101	504,099	3
Customer Operations Expense (6610-6620)	259,909	244,718	4
Corporate Operations Expense (6710-6790)	274,981	249,466	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	243,510	246,171	7
<b>Total Operating Expenses</b>	<b>1,502,555</b>	<b>1,435,110</b>	<b>8</b>
<b>Net Operating Income</b>	<b>339,273</b>	<b>338,921</b>	<b>9</b>
<b>Other Income</b>			
Nonoperating Income and Expense (7300)	(1,580)	62,602	10
Nonoperating Taxes (7400)	20,774	19,446	11
Interest and Related Items (7500)	36,344	37,492	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	5,352	29,889	14
<b>Total Nonoperating Income</b>	<b>(53,346)</b>	<b>35,553</b>	<b>15</b>
<b>Net Income</b>	<b>285,927</b>	<b>374,474</b>	<b>16</b>

## 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.)

The accounting policies of the Company and its subsidiary conform to generally accepted accounting principles in the United States of America. Management uses estimates and assumptions in preparing its consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues, and expenses, and the disclosure of contingent revenues and expenses. Telephone operations reflect practices appropriate to the telephone industry. The accounting records of the telephone company are maintained in accordance with the Uniform System of Accounts for Class A and B Telephone Companies prescribed by the Federal Communications Commission (FCC) as modified by the Public Service Commission of Wisconsin (PSCW).

### A. Property and Equipment

Telephone plant is capitalized at original cost including the capitalized cost of salaries and wages, materials, certain payroll taxes, employee benefits, and interest incurred during the construction period.

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates based on the estimated service lives of the various classes of depreciable property as approved by management. These estimates are subject to change in the near term.

Renewals and betterments of units of property are charged to telephone plant in service. When telephone plant is retired, its cost is removed from the asset account and charged against accumulated depreciation together with removal cost less any salvage realized. No gains or losses are recognized in connection with routine retirements of depreciable property. Repairs and renewals of minor items of property are included in plant specific operations expense.

B. Income taxes are accounted for using a liability method and provide for the tax effects of transactions reported in the consolidated financial statements including both taxes currently due and deferred. Deferred taxes are adjusted to reflect deferred tax consequences at current enacted tax rates. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities include property and equipment. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible, when the assets and liabilities are recovered or settled.

### C. Revenue Recognition

The Company recognizes revenues when earned regardless of the period in which they are billed. The Company is required to provide service to

## 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:

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subscribers within its defined service territory.

Local network service and internet revenues are recognized over the period a subscriber is connected to the network. Telephone calls within an extended community calling area are recognized when made based on a rate per minute of usage as approved by the state regulatory authority.

Network access and long distance revenues are derived from charges for access to the Company's local exchange network. The interstate portion of access revenues is based, in part, on an average schedule settlement formula administered by the National Exchange Carrier Association (NECA) which is regulated by the FCC. The intrastate portion of access revenues is billed on an individual company tariff access charge structure based on expense and plant investment of the Company as approved by the state regulatory authority. The tariffs developed from these formulas are used to charge the connecting carrier and recognize revenues in the period the traffic is transported based on the minutes of traffic carried. Long distance revenues are recognized at the time a call is placed based on the minutes of traffic processed at tariffed and contracted rates.

### D. Cash Equivalents

All highly liquid investments with a maturity of three months or less at the time of purchase are considered cash equivalents.

### E. Investments

Debt and marketable equity securities bought and held principally for selling in the near future are classified as trading securities and carried at fair value. Unrealized holding gains and losses on trading securities are reported in earnings. Debt and marketable equity securities classified as available-for-sale are carried at fair value with unrealized holding gains and losses recorded as a separate component of stockholders' equity. Debt securities for which the Company has both the positive intent and ability to hold to maturity are classified as held-to-maturity and are carried at amortized cost. The Company uses the average cost method of computing realized gains and losses.

Nonmarketable equity investments are stated at cost.

- 
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

## 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:

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

The mortgage to the United States of America, underlying the RUS and RTB notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of captial stock, or investment in affiliated companies.

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT ASSETS</b>			
<b>CASH AND EQUIVALENTS</b>			
Cash and Equivalents (1120)*	1,487,812	1,216,223	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
<b>TOTAL CASH AND EQUIVALENTS</b>	<b>1,487,812</b>	<b>1,216,223</b>	
<b>RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS</b>			
Telecommunications Accounts Receivable (1180)*	31,321	72,938	6
Accounts Receivable Allowance-Telecom (1181)*			7
<b>Net: Telecommunications Accounts Receivable</b>	<b>31,321</b>	<b>72,938</b>	
Other Accounts Receivable (1190)*	163,752	147,183	8
Accounts Receivable Allowance--Other (1191)*			9
<b>Net: Other Accounts Receivable</b>	<b>163,752</b>	<b>147,183</b>	
Notes Receivable (1200)*			10
Notes Receivable Allowance (1201)*			11
<b>Net: Notes Receivable</b>	<b>0</b>	<b>0</b>	
Interest and Dividends Receivable (1210)*			12
<b>TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS</b>	<b>195,073</b>	<b>220,121</b>	
<b>SUPPLIES</b>			
Inventories (1220)*	97,721	107,701	13
<b>TOTAL SUPPLIES</b>	<b>97,721</b>	<b>107,701</b>	
<b>PREPAYMENTS</b>			
Total Prepayments (1280)*	2,754	2,453	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
<b>TOTAL PREPAYMENTS</b>	<b>2,754</b>	<b>2,453</b>	
<b>OTHER CURRENT ASSETS</b>			
Other Current Assets (1350)*	16,071	14,769	20
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>16,071</b>	<b>14,769</b>	
<b>TOTAL CURRENT ASSETS</b>	<b>1,799,431</b>	<b>1,561,267</b>	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Investment in Affiliated Companies (1401)*	339,055	354,544	21
RTB Class B Stock (1402)*	115,700	115,700	22
Other Investments in Nonaffiliated Companies (1402)*	17,300	17,300	23
Nonregulated Investments (1406)*	64,633	15,375	24
Unamortized Debt Issuance Expense (1407)*	3,575	3,768	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>NONCURRENT ASSETS</b>			
<b>INVESTMENTS</b>			
Sinking Funds (1408)*			26
Other Noncurrent Assets (1410)*			27
<b>TOTAL INVESTMENTS</b>	<b>540,263</b>	<b>506,687</b>	
<b>DEFERRED CHARGES</b>			
Deferred Tax Regulatory Asset (1437)*			28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*			30
<b>TOTAL DEFERRED CHARGES</b>	<b>0</b>	<b>0</b>	
<b>TOTAL NONCURRENT ASSETS</b>	<b>540,263</b>	<b>506,687</b>	
<b>PLANT</b>			
<b>TELECOMMUNICATIONS PLANT IN SERVICE</b>			
Telecommunications Plant in Service (2001)*	5,301,805	5,110,462	31
Less: Accumulated Depreciation (3100 )*	3,503,126	3,146,841	32
Less: Accumulated Amortization--Capitalized Leases (3410 )*			33
Less: Accumulated Amortization--Leasehold Improvements (3420 )*			34
Less: Accumulated Amortization--Intangible (3500 )*			35
<b>NET TELECOMMUNICATIONS PLANT IN SERVICE</b>	<b>1,798,679</b>	<b>1,963,621</b>	
<b>PROPERTY HELD FOR FUTURE USE</b>			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200 )*			37
<b>NET PROPERTY HELD FOR FUTURE USE</b>	<b>0</b>	<b>0</b>	
<b>NONOPERATING PLANT</b>			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300 )*			39
<b>NET NONOPERATING PLANT</b>	<b>0</b>	<b>0</b>	
<b>TPUC</b>			
TPUC (2003)*	15,438	13,158	40
<b>TOTAL TPUC</b>	<b>15,438</b>	<b>13,158</b>	
<b>TELECOMMUNICATIONS PLANT ADJUSTMENT</b>			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600 )*			42
<b>NET TELECOMMUNICATIONS PLANT ADJUSTMENT</b>	<b>0</b>	<b>0</b>	
<b>TOTAL PLANT</b>	<b>1,814,117</b>	<b>1,976,779</b>	
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>4,153,811</b>	<b>4,044,733</b>	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
<b>CURRENT LIABILITIES</b>			
Accounts Payable (4010)*	193,612	161,953	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*	5,446		3
Customer Deposits (4040)*			4
Current Maturities--Long-Term Debt (4050)*	31,200	30,000	5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	(14,339)	37,737	7
Other Taxes--Accrued (4080)*			8
Net Current Deferred Operating Income Taxes (4100)*			9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	40,830	38,763	11
Other Current Liabilities (4130)*			12
<b>TOTAL CURRENT LIABILITIES</b>	<b>256,749</b>	<b>268,453</b>	
<b>LONG-TERM DEBT</b>			
Funded Debt (4210)*	391,538	422,727	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*			19
<b>TOTAL LONG-TERM DEBT</b>	<b>391,538</b>	<b>422,727</b>	
<b>OTHER LIABILITIES AND DEFERRED CREDITS</b>			
Other Long-Term Liabilities (4310)*			20
Unamortized Operating ITC--Net (4320)*			21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*	128,971	150,909	23
Net Deferred Tax Liability Adjustments (4341)*			24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	5,968	1,857	25
Other Deferred Credits (4360)*	125,047	175,066	26
Deferred Tax Regulatory Liability (4361)*			27
<b>TOTAL OTHER LIABILITIES AND DEFERRED CREDITS</b>	<b>259,986</b>	<b>327,832</b>	
<b>STOCKHOLDERS' EQUITY</b>			
Capital Stock (4510)*	127,000	127,000	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*	(1,931)	679	31
Retained Earnings (4550)*	3,120,469	2,898,042	32
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>3,245,538</b>	<b>3,025,721</b>	
<b>TOTAL LIABILITIES AND OTHER CREDITS</b>	<b>4,153,811</b>	<b>4,044,733</b>	

### IMPORTANT CHANGES DURING THE YEAR

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

**None**

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2. 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.

<b>Name of Affiliate (a)</b>	<b>Abbreviations (b)</b>	
Computer Systems, LLC	CSLLC	<b>1</b>
Siren Communications, Inc.	SCI	<b>2</b>

### AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)
Docket		5490ATF101		
Name of Affiliate	CSLLC	SCI		1
Designate whether billed to or from:	FROM	TO		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	M	C		3
Total Dollar Activity	98,929	38,345		4
Percent of affiliate's business billed to all affiliated regulated utilities	41.90			5
If cost based, rate of return on equity or markup incorporated in billings				6
Footnotes				

### AFFILIATED ASSETS AND LIABILITIES

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

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Computer Systems, LLC	1401	199,274	1
Siren Communications, Inc.	1401	139,781	2

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
<b>GENERAL SUPPORT ASSETS</b>				
Land	2111	40,927	200	1
Motor Vehicles	2112	99,216	18,018	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	332,343	9,856	6
Buildings	2121	269,885	985	7
Furniture	2122	13,792		8
Office Equipment	2123	14,226	110	9
General Purpose Computers	2124	40,758	276	10
<b>TOTAL--GENERAL SUPPORT ASSETS:</b>		<b>811,147</b>	<b>29,445</b>	
<b>CENTRAL OFFICE ASSETS</b>				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,495,023	159,805	12 c
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	632,794	2,705	16
<b>TOTAL--CENTRAL OFFICE ASSETS:</b>		<b>2,127,817</b>	<b>162,510</b>	
<b>INFORMATION ORIGATION/TERMINATION ASSETS</b>				
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
<b>TOTAL--INFORMATION ORIG/TERM ASSETS:</b>		<b>0</b>	<b>0</b>	
<b>CABLE WIRE FACILITIES ASSETS</b>				
Poles	2411	12,561		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	2,158,937	144,398	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
<b>TOTAL--CABLE WIRE FACILITIES ASSETS:</b>		<b>2,171,498</b>	<b>144,398</b>	
<b>AMORTIZABLE ASSETS</b>				
Capital Leases	2681	0		31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			41,127	1
2112	9,178		108,056	2
2113			0	3
2114			0	4
2115			0	5
2116			342,199	6
2121	7,120		263,750	7
2122			13,792	8
2123	411	0	13,925	9
2124			41,034	10
	<b>16,709</b>	<b>0</b>	<b>823,883</b>	
2211			0	11
2212	5,845	(96,003)	1,552,980	12 c
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	16,861	0	618,638	16
	<b>22,706</b>	<b>(96,003)</b>	<b>2,171,618</b>	
2311			0	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	<b>0</b>	<b>0</b>	<b>0</b>	
2411			12,561	22
2421	0	0	0	23
2422	0	0	0	24
2423	9,592	0	2,293,743	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	<b>9,592</b>	<b>0</b>	<b>2,306,304</b>	
2681			0	31

**TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B**

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
<b>AMORTIZABLE ASSETS</b>			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
<b>TOTAL--AMORTIZABLE ASSETS:</b>		<b>0</b>	<b>0</b>
<b>TOTAL TELECOM. PLANT IN SERVICE</b>	<b>2001</b>	<b>5,110,462</b>	<b>336,353</b>
Less: Allocation to Nonregulated Activity - EOY	2001		34
<b>NET REG. TOTAL TELE. PLANT IN SERV. - EOY</b>	<b>2001</b>		

Explain all amounts shown in column (g).

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

<b>Account (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2682			0	<b>32</b>
2690			0	<b>33</b>
	<b>0</b>	<b>0</b>	<b>0</b>	
	<b>49,007</b>	<b>(96,003)</b>	<b>5,301,805</b>	
2001			0	<b>34</b>
			<b>5,301,805</b>	

**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	7,719		<b>1</b>
Company Communications Equipment	2123.2	6,507	110	<b>2</b>
Software	2212.1	131,361	79,484	<b>3 c</b>
Digital Switching - Central Office	2212.2	1,363,662	80,321	<b>4</b>
Digital Switching - Remote	2212.3	0		<b>5</b>
Step by Step Switching	2215.1	0		<b>6</b>
Crossbar Switching	2215.2	0		<b>7</b>
Satellite and Earth Station Facilities	2231.1	0		<b>8</b>
Other Radio Facilities	2231.2	0		<b>9</b>
Digital Circuit Equipment	2232.1	632,794	2,705	<b>10</b>
Analog Circuit Equipment	2232.2	0		<b>11</b>
Light Wave Circuit Equipment	2232.3	0		<b>12</b>
Aerial Cable - Nonmetallic	2421.1	0		<b>13</b>
Aerial Cable - Metallic	2421.2	0		<b>14</b>
Underground Cable - Nonmetallic	2422.1	0		<b>15</b>
Underground Cable - Metallic	2422.2	0		<b>16</b>
Buried Cable - Nonmetallic	2423.1	0		<b>17</b>
Buried Cable - Metallic	2423.2	2,158,937	144,398	<b>18</b>
Submarine Cable - Nonmetallic	2424.1	0		<b>19</b>
Submarine Cable - Metallic	2424.2	0		<b>20</b>
Intrabuilding Cable - Nonmetallic	2426.1	0		<b>21</b>
Intrabuilding Cable - Metallic	2426.2	0		<b>22</b>

Explain all amounts shown in column (g).

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

<b>Subaccount (e)</b>	<b>Retirements (f)</b>	<b>Transfers / Adjustments (g)</b>	<b>Balance EOY (h)</b>	
2123.1			7,719	1
2123.2	411		6,206	2
2212.1		(96,003)	114,842	3 C
2212.2	5,845		1,438,138	4
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	16,861		618,638	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			0	17
2423.2	9,592		2,293,743	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)
<b>GENERAL SUPPORT ASSETS</b>					
Motor Vehicles	2112	52,996	13.0	13,136	1E,F
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	165,389	7.34	24,677	5E,F
Buildings	2121	112,182	3.4	9,233	6
Furniture	2122	10,086	10.0	1,379	7
Office Equipment	2123	9,129	14.6	2,063	8E
General Purpose Computers	2124	34,292	20.0	6,742	9
<b>Total-- GENERAL SUPPORT ASSETS</b>		<b>384,074</b>		<b>57,230</b>	<b>0</b>
<b>CENTRAL OFFICE ASSETS</b>					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,184,138	12.12	178,910	11D
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	283,529	12.0	56,756	15
<b>Total-- CENTRAL OFFICE ASSETS</b>		<b>1,467,667</b>		<b>235,666</b>	<b>0</b>
<b>INFORMATION ORIG/TERM ASSETS</b>					
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
<b>Total-- INFORMATION ORIG/TERM ASSETS</b>		<b>0</b>		<b>0</b>	<b>0</b>
<b>CABLE WIRE FACILITIES ASSETS</b>					
Poles	2411	1,884	5.0	628	21
Aerial Cable	2421	0			22
Underground Cable	2422	0			23
Buried Cable	2423	1,293,216	6.2	136,416	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.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2112	9,178				56,954	1 E,F
2113					0	2
2114					0	3
2115					0	4
2116					190,066	5 E,F
2121	7,120				114,295	6
2122					11,465	7
2123	411				10,781	8 E
2124					41,034	9
	<b>16,709</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>424,595</b>	
2211					0	10
2212	5,845			(24,648)	1,332,555	11 D
2215	0				0	12
2220					0	13
2231	0				0	14
2232	16,861				323,424	15
	<b>22,706</b>	<b>0</b>	<b>0</b>	<b>(24,648)</b>	<b>1,655,979</b>	
2311					0	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
2411					2,512	21
2421	0				0	22
2422	0				0	23
2423	9,592				1,420,040	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)
<b>CABLE WIRE FACILITIES ASSETS</b>					
Conduit Systems	2441	0			29
<b>Total-- CABLE WIRE FACILITIES ASSETS</b>		<b>1,295,100</b>		<b>137,044</b>	<b>0</b>
<b>Total Accumulated Depreciation</b>	<b>3100</b>	<b>3,146,841</b>		<b>429,940</b>	<b>0</b>
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
<b>Net Regulated Total Accum Depreciation - 3100 Columns e, f and I</b>				<b>429,940</b>	<b>0</b>

**ACCUMULATED DEPRECIATION CLASS A & B (cont.)**

<b>Acct (g)</b>	<b>Retired (h)</b>	<b>Cost of Removal (i)</b>	<b>Salvage (j)</b>	<b>Other (k)</b>	<b>Balance EOY (l)</b>	
2441					0	29
	9,592	0	0	0	1,422,552	
<b>3100</b>	<b>49,007</b>	<b>0</b>	<b>0</b>	<b>(24,648)</b>	<b>3,503,126</b>	
3100					0	30
<b>3100</b>					<b>3,503,126</b>	

**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.

<b>Plant Subaccount (a)</b>	<b>Subacct (b)</b>	<b>Balance FOY (c)</b>	<b>Depr Rate (d)</b>	<b>Annual Accrual (e)</b>	<b>Additional Accrual (f)</b>	
Office Support Equipment	2123.1	4,663	12.5	965		1
Company Communications Equipment	2123.2	4,466	16.67	1,098		2
Software	2212.1	130,839	40.0	4,785		3 D
Digital Switching - Central Office	2212.2	1,053,299	12.7	174,125		4 E
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	283,529	12.0	56,756		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	0				17
Buried Cable - Metallic	2423.2	1,293,216	6.2	136,416		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					5,628	1
2123.2	411				5,153	2
2212.1				(24,648)	110,976	3 D
2212.2	5,845				1,221,579	4 E
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	16,861				323,424	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					0	17
2423.2	9,592				1,420,040	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	2,898,042	2,587,068	1
<b>Changes:</b>			
Balance Transferred from Income	285,927	374,474	2
<b>Dividends Declared:</b>			
Common	63,500	63,500	3
Preferred	0	0	4
<b>Total Dividends Declared</b>	<b>63,500</b>	<b>63,500</b>	
Miscellaneous Debits to Retained Earnings	0	0	5
Miscellaneous Credits to Retained Earnings	0	0	6
<b>Balance--End of Year</b>	<b><u>3,120,469</u></b>	<b><u>2,898,042</u></b>	

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

Particulars (a)	This Year (b)	Last Year (c)	
<b>LOCAL NETWORK SERVICES REVENUES</b>			
Basic Local Service Revenue (5000 )*	503,314	478,612	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
<b>TOTAL BASIC LOCAL SERVICE REVENUE (5000)</b>	<b>503,314</b>	<b>478,612</b>	
<b>NETWORK INTERSTATE ACCESS SERVICES REV.</b>			
End User Revenue (5081 )*	140,544	135,718	11
Switched Access Revenue (5082 )*	530,110	492,494	12
Special Access Revenue (5083 )*	40,925	36,837	13
<b>TOTAL INTERSTATE ACCESS REVENUES (5080)</b>	<b>711,579</b>	<b>665,049</b>	
<b>NETWORK INTRASTATE ACCESS SERVICES REV.</b>			
End User Revenue (5084.1)*			14
Switched Access Revenue (5084.2)*	324,963	320,227	15
Special Access Revenue (5084.3)*	48,836	49,466	16
<b>TOTAL INTRASTATE ACCESS REVENUES (5084)</b>	<b>373,799</b>	<b>369,693</b>	
<b>LONG DISTANCE NETWORK SERVICES MESSAGE REV.</b>			
Long Distance Message Revenue (5100 )*	50,019	50,129	17
Long Distance Inward-Only Revenue (5111 )			18
Long Distance Outward-Only Revenue (5112 )			19
<b>Unidirectional Long Distance Revenue (5110)</b>	<b>0</b>	<b>0</b>	
<b>Long Distance Private Network Revenues</b>			
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
<b>Total Long Distance Private Network Revenue</b>	<b>0</b>	<b>0</b>	
Other Long Distance Revenue (5160 )			28
Other Long Distance Revenue Settlements (5169 )			29
<b>TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.</b>	<b>50,019</b>	<b>50,129</b>	

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

Particulars (a)	This Year (b)	Last Year (c)	
<b>MISCELLANEOUS REVENUES</b>			
Directory Revenue (5230 )*	93,857	94,718	<b>30</b>
Rent Revenue (5240 )*	3,245	2,019	<b>31</b>
Corporate Operations Revenue (5250 )*	1,716	1,716	<b>32</b>
<b>Miscellaneous:</b>			
Miscellaneous Revenue (5260 )*	53,068	58,709	<b>33</b>
Special Billing Arrangements Revenue (5261 )			<b>34</b>
Customer Operations Revenue (5262 )			<b>35</b>
Plant Operations Revenue (5263 )			<b>36</b>
Other Incidental Regulated Revenue (5264 )			<b>37</b>
Other Revenue Settlements (5269 )			<b>38</b>
<b>Total Miscellaneous Revenue (5260)</b>	<b>53,068</b>	<b>58,709</b>	
Interstate Billing and Collection Revenue*	34,518	31,601	<b>39</b>
Intrastate Billing and Collection Revenue*	22,548	23,898	<b>40</b>
<b>Total Carrier Billing and Collection Revenue (5270)*</b>	<b>57,066</b>	<b>55,499</b>	
Nonregulated Operating Revenue (5280 )**			<b>41</b>
<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>208,952</b>	<b>212,661</b>	
<b>GROSS OPERATING REVENUES</b>	<b>1,847,663</b>	<b>1,776,144</b>	
<b>UNCOLLECTIBLE REVENUES</b>			
Uncollectible Revenue (5300 )*	5,835	2,113	<b>42</b>
Uncollectible Revenue--Telecommunications (5301 )			<b>43</b>
Uncollectible Revenue--Other (5302 )			<b>44</b>
<b>TOTAL UNCOLLECTIBLE REVENUE (5300)</b>	<b>5,835</b>	<b>2,113</b>	
<b>TOTAL OPERATING REVENUES</b>	<b>1,841,828</b>	<b>1,774,031</b>	

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

**EXPENSES - CLASS A & B**

Particulars (a)	Total This Year (b)	Total Last Year (c)	
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>			
Total Network Support Expense ( 6110 )	319	84	1
Less: Nonregulated		0	2
<b>Net Regulated</b>	<b>319</b>	<b>84</b>	<b>3</b>
Total General Support Expense ( 6120 )	22,397	21,252	4
Less: Nonregulated		0	5
<b>Net Regulated</b>	<b>22,397</b>	<b>21,252</b>	<b>6</b>
Total Central Office Switching Expense ( 6210 )	75,595	61,346	7
Less: Nonregulated		0	8 c
<b>Net Regulated</b>	<b>75,595</b>	<b>61,346</b>	<b>9</b>
Total Operator Systems Expense ( 6220 )	0	0	10
Less: Nonregulated		0	11
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>12</b>
Total Central Office Transmission Expenses ( 6230 )	7,945	13,847	13
Less: Nonregulated		0	14
<b>Net Regulated</b>	<b>7,945</b>	<b>13,847</b>	<b>15</b>
Total Information Orig. / Term. Expense ( 6310 )	562	316	16
Less: Nonregulated		0	17
<b>Net Regulated</b>	<b>562</b>	<b>316</b>	<b>18</b>
Total Cable and Wire Fac. Expense ( 6410 )	102,236	93,811	19
Less: Nonregulated		0	20
<b>Net Regulated</b>	<b>102,236</b>	<b>93,811</b>	<b>21</b>
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>209,054</b>	<b>190,656</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>209,054</b>	<b>190,656</b>	
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
Total Other Property, Plant and Equip. Exp. ( 6510 )		0	22
Less: Nonregulated		0	23
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>24</b>
Total Network Operations Expense ( 6530 )	78,479	69,545	25
Less: Nonregulated		0	26
<b>Net Regulated</b>	<b>78,479</b>	<b>69,545</b>	<b>27</b>
Access Expense ( 6540 )	8,505	6,967	28
Less: Nonregulated		0	29
<b>Net Regulated</b>	<b>8,505</b>	<b>6,967</b>	<b>30</b>
Total Depreciation and Amortization Expense ( 6560 )	428,117	427,587	31
Less: Nonregulated		0	32
<b>Net Regulated</b>	<b>428,117</b>	<b>427,587</b>	<b>33</b>
<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXP.</b>	<b>515,101</b>	<b>504,099</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>515,101</b>	<b>504,099</b>	

**EXPENSES - CLASS A & B**

Particulars (a)	Total This Year (b)	Total Last Year (c)	
<b>CUSTOMER OPERATIONS EXPENSE</b>			
Total Marketing ( 6610 )	4,489	2,308	<b>34</b>
Less: Nonregulated		0	<b>35</b>
<b>Net Regulated</b>	<b>4,489</b>	<b>2,308</b>	<b>36</b>
<hr/>			
Total Services ( 6620 )	255,420	242,410	<b>37</b>
Less: Nonregulated		0	<b>38</b>
<b>Net Regulated</b>	<b>255,420</b>	<b>242,410</b>	<b>39</b>
<hr/>			
<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>259,909</b>	<b>244,718</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>259,909</b>	<b>244,718</b>	
<hr/>			
<b>CORPORATE OPERATIONS EXPENSE</b>			
Total Exec. and Planning ( 6710 )	63,865	59,873	<b>40</b>
Less: Nonregulated		0	<b>41</b>
<b>Net Regulated</b>	<b>63,865</b>	<b>59,873</b>	<b>42</b>
<hr/>			
Total General and Administrative ( 6720 )	211,116	189,593	<b>43</b>
Less: Nonregulated		0	<b>44</b>
<b>Net Regulated</b>	<b>211,116</b>	<b>189,593</b>	<b>45</b>
<hr/>			
Provision for Uncollectible Notes Receiv. ( 6790 )	0	0	<b>46</b>
Less: Nonregulated		0	<b>47</b>
<b>Net Regulated</b>	<b>0</b>	<b>0</b>	<b>48</b>
<hr/>			
<b>TOTAL CORPORATE OPERATIONS EXPENSE</b>	<b>274,981</b>	<b>249,466</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>274,981</b>	<b>249,466</b>	
<hr/>			
<b>TOTAL EXPENSES</b>	<b>1,259,045</b>	<b>1,188,939</b>	
<b>Less: Nonregulated</b>	<b>0</b>	<b>0</b>	
<b>Net Regulated</b>	<b>1,259,045</b>	<b>1,188,939</b>	

**EXPENSES - CLASS A & B (DETAIL)**

Particulars (a)	Total This Year (b)	Total Last Year (c)	
Property Held for Future Tele. Use Exp. ( 6511 )		0	1
Provisioning Expense ( 6512 )		0	2
<b>Total: Reported in Account 6510</b>	<b>0</b>	<b>0</b>	
Depreciat. Exp.--Tele. Plant in Service ( 6561 )	428,117	427,587	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
<b>Total: Reported in Account 6560</b>	<b>428,117</b>	<b>427,587</b>	

**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	1,847,663	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	5,835	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b>1,841,828</b>	

**CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES**

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	503,314	1
Plus: Total Intrastate Access Revenues (5084)	373,799	2
Plus: Total Long Distance Network Services Revenue	50,019	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b>927,132</b>	

### 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	1,847,663	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	5,835	3
Plus: Total Other Operating Income and (Expense) (7100)	0	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): NONE	0	8
<b>Assessable Revenues for Remainder and Telephone Relay Assessment Purposes</b>	<b><u>1,841,828</u></b>	

### CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	503,314	1
Plus: Total Intrastate Access Revenues (5084)	373,799	2
Plus: Total Long Distance Network Services Revenue	50,019	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
<b>Assessable Revenues for Universal Service Fund Assessment Purposes</b>	<b><u>927,132</u></b>	

**OTHER INCOME ACCOUNTS**

Particulars (a)	This Year (b)	Last Year (c)	
<b>OTHER OPERATING INCOME AND EXPENSE</b>			
Total Other Oper. Income and (Expense) (7100 )			<b>1</b>
<b>OPERATING TAXES</b>			
Operating Investment Tax Credits--Net (7210 )	0	(2,042)	<b>2</b>
Operating Federal Income Taxes (7220 )	173,917	174,668	<b>3</b>
Operating State and Local Income Taxes (7230 )	43,901	44,324	<b>4</b>
Operating Other Taxes (7240 )	47,249	48,732	<b>5</b>
Provision for Deferred Operating Income Taxes--Net (7250 )	(21,557)	(19,511)	<b>6</b>
<b>TOTAL OPERATING TAXES (7200)</b>	<b>243,510</b>	<b>246,171</b>	
<b>NONOPERATING INCOME AND EXPENSE</b>			
Dividend Income (7310 )	1,769	540	<b>7</b>
Interest Income (7320 )	45,809	53,349	<b>8</b>
Income from Sinking and Other Funds (7330 )			<b>9</b>
Allowance for Funds Used During Construction (7340 )			<b>10</b>
Gains or (Losses) from the Disposition of Certain Property (7350 )			<b>11</b>
Other Nonoperating Income (7360 )	(48,490)	10,184	<b>12</b>
Special Charges (7370 )	668	1,471	<b>13</b>
<b>TOTAL NONOPERATING INCOME AND EXPENSE (7300)</b>	<b>(1,580)</b>	<b>62,602</b>	
<b>NONOPERATING TAXES</b>			
Total Nonoperating Taxes (7400 )	20,774	19,446	<b>14</b>
<b>INTEREST AND RELATED ITEMS</b>			
Total Interest and Related Items (7500 )	36,344	37,492	<b>15</b>
<b>EXTRAORDINARY ITEMS</b>			
Extraordinary Items (7600 )			<b>16</b>
<b>NONREGULATED NET INCOME</b>			
Nonregulated Net Income (7990 )	5,352	29,889	<b>17</b>

## NONREGULATED ACTIVITIES

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

<b>Nonregulated Activity</b>	
<b>(a)</b>	
Internet Equipment	<b>1</b>
Leases/Sales of Telephone Equipment	<b>2</b>

## EMPLOYEE DATA - END OF YEAR

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

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

### 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)	
<b>LOCAL</b>			
Intra-Exchange	0	0	1 A
Extended Area Service	0	0	2 A
Extended Community Calling	0	0	3 A
Other Local-Undefined	0	0	4 A
<b>Total Local</b>	<b>0</b>	<b>0</b>	
<b>TOLL</b>			
Toll	103	1,031	5
<b>Total Toll</b>	<b>103</b>	<b>1,031</b>	
<b>Total Local &amp; Toll</b>	<b>103</b>	<b>1,031</b>	

### ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A -- Orig.					1
Feature Group A -- Term.	16	1			2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.					5
Feature Group C -- Term.					6
Feature Group D -- Orig.	2,728	576	1,428	2	7
Feature Group D -- Term.	5,044	2,332	244		8

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	31	<b>1</b>
Strand miles of plant - fiber optics	746	<b>2</b>
Route miles of plant - microwave	0	<b>3</b>

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

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

**OUTSIDE PLANT STATISTICS AT END OF YEAR**

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	31	<b>1</b>
Strand miles of plant - fiber optics	746	<b>2</b>
Route miles of plant - microwave	0	<b>3</b>

**SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR**

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

### 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)	
<b>Business</b>			
1 Party	601	632	<b>3</b>
2 Party	0	0	<b>4</b>
4 Party	0	0	<b>5</b>
PBX Trunks/System Trunks	105	103	<b>6</b>
Centrex Trunks	0	0	<b>7</b>
Centrex Lines	0	0	<b>8</b>
Key System Trunks	113	115	<b>9</b>
Mobile (Utility Provided Service)	0	0	<b>10</b>
Paging (Utility Provided Service)	0	0	<b>11</b>
FX-Out (Switched)	2	2	<b>12</b>
Pay Telephone	0	0	<b>13</b>
Coin-Operated Pay Telephone	16	35	<b>14</b>
Independent Pay Telephone Provider	21	5	<b>15</b>
Other	0	0	<b>16</b>
<b>Total Business Lines</b>	<b>858</b>	<b>892</b>	<b>17</b>
<b>Residential (Incl. Emp. Concess.)</b>			
1 Party	1,957	1,935	<b>18</b>
2 Party	0	0	<b>19</b>
4 Party	0	0	<b>20</b>
FX-Out (Switched)	1	1	<b>21</b>
Other	6	6	<b>22</b>
<b>Total Residential Lines</b>	<b>1,964</b>	<b>1,942</b>	<b>23</b>
<b>Total Bus &amp; Res Lines</b>	<b>2,822</b>	<b>2,834</b>	<b>24</b>
Company Used Lines	41	41	<b>25</b>
<b>Total Lines Used</b>	<b>2,863</b>	<b>2,875</b>	<b>26</b>
			<b>27</b>

**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)	
<b>Miscellaneous</b>			
WATS Lines - OutWATS	0	0	<b>3</b>
WATS Lines - 800 Service	0	0	<b>4</b>
FX-In-intraLATA	2	2	<b>5</b>
Special Access-intraLATA			<b>6</b>
(expressed in equiv. access lines)	77	77	<b>7</b>
Special Access-interLATA			<b>8</b>
(expressed in equiv. access lines)	108	179	<b>9</b>
Feature Group A Lines	0	0	<b>10</b>
Feature Group B Trunks	0	0	<b>11</b>
Feature Group C Trunks	0	0	<b>12</b>
Feature Group D Trunks	96	96	<b>13</b>
TSPS - Trunks	9	9	<b>14</b>
EAS - Trunks	20	20	<b>15</b>
Cellular Trunks (Pub. Sw. Net.)	0	0	<b>16</b>
Video Distance Learning	0	0	<b>17</b>
- discounted (special tariff)			<b>18</b>
<b>Customers</b>			
Lifeline Customers	28	45	<b>20</b>
Linkup Customers	0	45	<b>21</b>
<b>Other</b>			
Total Company Square Miles	89	89	<b>23</b>
Total Company Route Miles	306	306	<b>24</b>
Footnotes			<b>25</b>

### 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	4920				1
<b>Business</b>					
1 Party	632				2
2 Party	0				3
4 Party	0				4
PBX Trunks/System Trunks	103				5
Centrex Trunks	0				6
Centrex Lines	0				7
Key System Trunks	115				8
Mobile (utility provided service)	0				9
Paging (utility provided service)	0				10
FX-Out (Switched)	2				11
Pay Telephone	0				12
Coin-Operated Pay Telephone	35				13
Independent Pay Telephone Provider	5				14
Other	0				15
<b>Total Business Lines</b>	<b>892</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
<b>Residential (Incl. Emp. Concess.)</b>					
1 Party	1,935				17
2 Party	0				18
4 Party	0				19
FX-Out (Switched)	1				20
Other	6				21
<b>Total Residential Lines</b>	<b>1,942</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>22</b>
<b>Total Bus &amp; Res Lines</b>	<b>2,834</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>23</b>
Company Used Lines	41				24
<b>Total Lines Used</b>	<b>2,875</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>

**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	4920				1
<b>Miscellaneous</b>					<b>2</b>
WATS Lines - OutWATS	0				3
WATS Lines - 800 Service	0				4
FX-In-intraLATA	2				5
Special Access-intraLATA					6
(equiv. access lines)	77				7
Special Access-interLATA					8
(equiv. access lines)	179				9
Feature Group A Lines	0				10
Feature Group B Trunks	0				11
Feature Group C Trunks	0				12
Feature Group D Trunks	96				13
TSPS - Trunks	9				14
EAS - Trunks	20				15
Cellular Trunks (Pub. Sw. Net.)	0				16
Video Distance Learning					17
- discounted (special tariff)	0				18
<b>Other</b>					<b>19</b>
Exchange Square Miles	89				20
Exchange Route Miles	306				21
Footnotes					22

### MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

### EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

### MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
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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

**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	SIREN	SIREN			1
PSCW Exchange ID	4920	4920			2
Central Office Name	SIREN	VIOLA LAKE			3
PSCW Central Office ID	1	2			4
Central Office CLLI Code	SIRNWIXA	?			5
Manufacturer of COE (Page 54)	NTI	NTI			6
Year COE Installed	1987	1984			7
Type of Equipment (Page 54)	D	D			8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	H	R			9
Remote Host PSCW Exchange ID		4920			10
Remote Host PSCW Central Office ID		1			11
COE Generic Software Release No.	501.03	501.03			12
SS7?	Yes	Yes			13
9-1-1?	Yes	Yes			14
Access Lines - In Use	1,722	505			15
- Equipped	2,436	616			16
- Wired	2,560	640			17
Trunks - In Use	282	0			18
- Equipped	336	0			19
- Wired	432	0			20
ISDN Available?	No	No			21
ISDN Lines - In Use (BRI)	0	0			22
- In Use (PRI)	0	0			23
XDSL Available?	Yes	Yes			24
- In Use (# lines)	13	4			25
Switched 56 Service?	Yes	Yes			26
Switched 56 lines in use	0	0			27
Digital Transmission Facilities: DS-1 - In Use	24	4			28
DS-3 - In Use	3	0			29
Advanced Data Service Available:					
Packet Switching?	No	No			30
SMDS?	No	No			31
Frame Relay?	No	No			32
ATM (Asynchronous Trans. Mode)?	No	No			33
Video Information - Service Available?	No	No			34
- In Use (# lines) <sup>1</sup>	0	0			35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	106	24			36
No. of fiber strands working (LIT) in C.O.	48	4			37
No. of fiber strands for interoffice use	14	0			38
Miles of fiber sheath in wire center	31	0			39
Access Tandem Serving this C.O.:					
- C.O. Name	FREDERIC	FREDERIC			40
- PSCW C.O. ID	1960-01	1960-01			41
Does this C.O. do access tandem switching?	No	No			42
Footnotes					43

<sup>1</sup> Teleco provided end-to-end facility.

## GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

### General Footnote

#### Accountants Compilation Report

To the Board of Directors  
Siren Telephone Company, Inc.  
Siren, Wisconsin

We have compiled the balance sheets of Siren Telephone Company, Inc. as of December 31, 2001 and 2000, and the related statements of income and retained earnings for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 46 through 55.

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

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

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

Kiesling Associates LLP  
Madison, Wisconsin  
March 31, 2002

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### Schedule Footnotes

General, Schedule Level and Schedule Line Footnotes Footnote. Page 56

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### Schedule Line Footnotes

- ) None
- A) The Company is a flat rate company and the cost incurred for the necessary software and record keeping for usage sensitive recording would not be practical for information that will not be used elsewhere.
- B) Reported amount of -0- for these special access circuits is correct.
- C) General repairs and additions.
- D) Internet plant transferred to Deregulated equipment.
- E) Composite depreciation rate is used.
- F) Amount is depreciated on a per unit basis.