



4004

ANNUAL REPORT

OF

Name: NELSON TELEPHONE COOPERATIVE

Principal Office: 318 3RD AVE W
P.O. BOX 228
DURAND, WI 54736-0228

For the Year Ended: DECEMBER 31, 2002

TELECOMMUNICATIONS UTILITY TO PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

GENERAL RULES FOR REPORTING

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

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

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

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

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

15. Name Changes:

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

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

These documents can be obtained by:

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

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

16. Changes to the Annual Report Subsequent to Filing:

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

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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: NELSON TELEPHONE COOPERATIVE
Utility Location: 318 3RD AVE W
P.O. BOX 228
DURAND, WI 54736-0228

Utility Web Site Address:

When was utility organized?: 11/01/1948

Report any change in name and the effective date:

Telephone numbers for potential customers to contact company:

Business Customers: (715) 672 - 4204 Ext:

Residential Customers: (715) 672 - 4204 Ext:

Officer in charge of correspondence concerning this report

Name: MS CHRISTY A . BERGER
Title: GENERAL MANAGER

Office Address: 318 THIRD AVE WEST
P.O. BOX 228
DURAND , WI 54736

Fax Number: (715) 672 - 4344
Telephone Number: (715) 672 - 4204
Email Address: christyb@nelson-tel.net

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

Name:
Title:

Office Address:

Fax Number:
Telephone Number:
Email Address:

Person responsible for financial information contained in report

Name: MS TRACEY L . SHAVER
Title: OFFICE MANAGER/ACCOUNTANT

Office Address: 318 THIRD AVE WEST
P.O. BOX 228
DURAND , WI 54736

Fax Number: (715) 672 - 4344
Telephone Number: (715) 672 - 4204
Email Address: tracey@nelson-tel.net

IDENTIFICATION AND OWNERSHIP

Person responsible for statistical information contained in report

Name: MS TRACEY L . SHAVER
Title: OFFICE MANAGER

Office Address: 318 THIRD AVE WEST
P.O. BOX 228
DURAND , WI 54736

Fax Number: (715) 672 - 4344
Telephone Number: (715) 672 - 420
Email Address: tracey@nelson-tel.net

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

Name: NONE
Address: NONE
PO BOX NONE
NONE , WI 00000

Number of Shares Held:
Beneficial Owner: NONE

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

Company Name: CHIPPEWA VALLEY COMMUNICATIONS
Form of Interest: OWNED
Extent Of Interest: 100%

OFFICERS AND DIRECTORS**Name, Title/Occupation
and Business Address**

Name: EDMUND J. BAUER	
Title/Occupation: PRESIDENT	
Business Address (1): 318 THIRD AVE WEST	
Business Address (2):	
Business Address (3):	
City State, Zip: DURAND, WI 54736	1

Name: GARY LINDSTROM	
Title/Occupation: SECRETARY/TREASURER	
Business Address (1): 318 THIRD AVE WEST	
Business Address (2):	
Business Address (3):	
City State, Zip: DURAND, WI 54736	2

Name: JAMES BRUNNER	
Title/Occupation: VICE PRESIDENT	
Business Address (1): 318 THIRD AVE WEST	
Business Address (2):	
Business Address (3):	
City State, Zip: DURAND, WI 54736	3

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	2,852,113	2,928,779	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	416,493	457,949	2
Plant Nonspecific Operations Expense	1,250,237	1,057,092	3
Customer Operations Expense (6610-6620)	435,561	409,149	4
Corporate Operations Expense (6710-6790)	546,032	473,429	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	201,486	210,741	7
Total Operating Expenses	2,849,809	2,608,360	8
Net Operating Income	2,304	320,419	9
Other Income			
Nonoperating Income and Expense (7300)	212,966	255,253	10
Nonoperating Taxes (7400)	0	0	11
Interest and Related Items (7500)	509,160	432,467	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	618,161	311,545	14
Total Nonoperating Income	321,967	134,331	15
Net Income	324,271	454,750	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)*	1,713,826	2,015,399	1
Cash (1130)			2
Special Cash Deposits (1140)			3
Working Cash Advances (1150)			4
Temporary Investments (1160)			5
TOTAL CASH AND EQUIVALENTS	1,713,826	2,015,399	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	115,774	130,663	6
Accounts Receivable Allowance-Telecom (1181)*	34,055	27,921	7
Net: Telecommunications Accounts Receivable	81,719	102,742	
Other Accounts Receivable (1190)*	322,545	203,768	8
Accounts Receivable Allowance--Other (1191)*			9
Net: Other Accounts Receivable	322,545	203,768	
Notes Receivable (1200)*			10
Notes Receivable Allowance (1201)*			11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	2,892	3,503	12
TOTAL REC AND ALLOW FOR DOUBTFUL ACCOUNTS	407,156	310,013	
SUPPLIES			
Inventories (1220)*	32,476	32,496	13
TOTAL SUPPLIES	32,476	32,496	
PREPAYMENTS			
Total Prepayments (1280)*	282,250	81,737	14
Prepaid Rents (1290)			15
Prepaid Taxes (1300)			16
Prepaid Insurance (1310)			17
Prepaid Directory Expenses (1320)			18
Other Prepayments (1330)			19
TOTAL PREPAYMENTS	282,250	81,737	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	2,435,708	2,439,645	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	967,495	644,340	21
RTB Class B Stock (1402)*	143,400	105,350	22
Other Investments in Nonaffiliated Companies (1402)*	1,248,791	1,251,583	23
Nonregulated Investments (1406)*			24
Unamortized Debt Issuance Expense (1407)*	43,142	12,919	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Sinking Funds (1408)*			26
Other Noncurrent Assets (1410)*	255,147	278,033	27
TOTAL INVESTMENTS	2,657,975	2,292,225	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*			28
Deferred Maintenance and Retirements (1438)*			29
Deferred Charges (1439)*	0		30
TOTAL DEFERRED CHARGES	0	0	
TOTAL NONCURRENT ASSETS	2,657,975	2,292,225	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	17,797,950	16,882,087	31
Less: Accumulated Depreciation (3100)*	8,716,012	7,978,144	32
Less: Accumulated Amortization--Capitalized Leases (3410)*			33
Less: Accumulated Amortization--Leasehold Improvements (3420)*			34
Less: Accumulated Amortization--Intangible (3500)*			35
NET TELECOMMUNICATIONS PLANT IN SERVICE	9,081,938	8,903,943	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*			36
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*			37
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			38
Less: Accumulated Depreciation--Nonoperating (3300)*			39
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*		36,773	40
TOTAL TPUC	0	36,773	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*			41
Less: Accumulated Amortization--Other (3600)*			42
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	9,081,938	8,940,716	
TOTAL ASSETS AND OTHER DEBITS	14,175,621	13,672,586	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	239,408	187,944	1
Notes Payable (4020)*			2
Advance Billing and Payments (4030)*			3
Customer Deposits (4040)*	8,750	8,900	4
Current Maturities--Long-Term Debt (4050)*			5
Current Maturities--Capital Leases (4060)*			6
Income Taxes--Accrued (4070)*	6,817		7
Other Taxes--Accrued (4080)*	0	23	8
Net Current Deferred Operating Income Taxes (4100)*			9
Net Current Deferred Nonoperating Income Taxes (4110)*			10
Other Accrued Liabilities (4120)*	83,970	87,525	11
Other Current Liabilities (4130)*			12
TOTAL CURRENT LIABILITIES	338,945	284,392	
LONG-TERM DEBT			
Funded Debt (4210)*	9,839,012	9,484,537	13
Premium on Long-Term Debt (4220)*			14
Discount on Long-Term Debt (4230)*			15
Reacquired Debt (4240)*			16
Obligations Under Capital Leases (4250)*			17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*			19
TOTAL LONG-TERM DEBT	9,839,012	9,484,537	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*	131,556	176,553	20
Unamortized Operating ITC--Net (4320)*			21
Unamortized Nonoperating ITC--Net (4330)*			22
Net Noncurrent Deferred Operating Income Taxes (4340)*			23
Net Deferred Tax Liability Adjustments (4341)*			24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*			25
Other Deferred Credits (4360)*	13,468	16,865	26
Deferred Tax Regulatory Liability (4361)*			27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	145,024	193,418	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,460	1,460	28
Additional Paid-in Capital (4520)*			29
Treasury Stock (4530)*			30
Other Capital (4540)*			31
Retained Earnings (4550)*	3,851,180	3,708,779	32
TOTAL STOCKHOLDERS' EQUITY	3,852,640	3,710,239	
TOTAL LIABILITIES AND OTHER CREDITS	14,175,621	13,672,586	

AFFILIATE ABBREVIATIONS

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

Name of Affiliate (a)	Abbreviations (b)	
Chippewa Valley Communications	CVC	1

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	4070ATF100			
Name of Affiliate	CVC			1
Designate whether billed to or from:	TO			2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C			3
Total Dollar Activity	---CONF---			4
Percent of affiliate's business billed to all affiliated regulated utilities				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)	
Chippewa Valley Communications	1401	967,495	1

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	195,193	0	1
Motor Vehicles	2112	316,212	104,874	2
Aircraft	2113	0	0	3
Special Purpose Vehicles	2114	0	0	4
Garage Work Equipment	2115	85,317	0	5
Other Work Equipment	2116	182,919	0	6
Buildings	2121	1,210,372	9,008	7 1,0
Furniture	2122	153,714	786	8
Office Equipment	2123	63,949	222	9
General Purpose Computers	2124	154,970	1,547	10
TOTAL--GENERAL SUPPORT ASSETS:		2,362,646	116,437	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0	0	11
Digital Electronic Switching	2212	1,965,993	113,138	12 9
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0	0	14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	2,289,067	531,356	16 9
TOTAL--CENTRAL OFFICE ASSETS:		4,255,060	644,494	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	12,368	0	17
Customer Premises Wiring	2321	0	0	18
Large Private Branch Exchanges	2341	0	0	19
Public Telephone Terminal Equipment	2351	0	0	20
Other Terminal Equipment	2362	0	0	21
TOTAL--INFORMATION ORIG/TERM ASSETS:		12,368	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	2,411	0	22
Aerial Cable	2421	11,791	0	23
Underground Cable	2422	206,654	0	24
Buried Cable	2423	9,367,004	572,606	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0	0	27
Intrabuilding Network Cable	2426	382,459	0	28
Aerial Wire	2431	0	0	29
Conduit Systems	2441	281,694	45,054	30
TOTAL--CABLE WIRE FACILITIES ASSETS:		10,252,013	617,660	
AMORTIZABLE ASSETS				
Capital Leases	2681	0	0	31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			195,193	1
2112	63,232		357,854	2
2113			0	3
2114			0	4
2115			85,317	5
2116			182,919	6
2121		(13,957)	1,205,423	7 1,0
2122			154,500	8
2123	0	0	64,171	9
2124			156,517	10
	63,232	(13,957)	2,401,894	
2211			0	11
2212	163,852	(11,614)	1,903,665	12 9
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	194,013	11,614	2,638,024	16 9
	357,865	0	4,541,689	
2311			12,368	17
2321			0	18
2341			0	19
2351			0	20
2362			0	21
	0	0	12,368	
2411			2,411	22
2421	0	0	11,791	23
2422	0	0	206,654	24
2423	27,674	0	9,911,936	25
2424	0	0	0	26
2425			0	27
2426	0	0	382,459	28
2431			0	29
2441			326,748	30
	27,674	0	10,841,999	
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	0	32
Intangibles	2690	0	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0	
TOTAL TELECOM. PLANT IN SERVICE	2001	16,882,087	1,378,591	
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	
	448,771	(13,957)	17,797,950	
2001			17,797,950	34
			0	

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	34,150		1
Company Communications Equipment	2123.2	29,799	222	2
Software	2212.1	110,345		3
Digital Switching - Central Office	2212.2	1,855,648	113,138	4 9
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	2,289,067	531,356	10 9
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	11,791		14
Underground Cable - Nonmetallic	2422.1	48,094		15
Underground Cable - Metallic	2422.2	158,560		16
Buried Cable - Nonmetallic	2423.1	3,318,029	205,659	17
Buried Cable - Metallic	2423.2	6,048,975	366,947	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	382,459		22

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1			34,150	1
2123.2			30,021	2
2212.1			110,345	3
2212.2	163,852	(11,614)	1,793,320	4 9
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1	194,013	11,614	2,638,024	10 9
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			11,791	14
2422.1			48,094	15
2422.2			158,560	16
2423.1			3,523,688	17
2423.2	27,674		6,388,248	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			382,459	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	190,868	20.0	53,637	11
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	85,317	9.09		4
Other Work Equipment	2116	153,777	15.0	9,605	5
Buildings	2121	342,679	2.63	37,844	6
Furniture	2122	88,802	20.0	24,520	7
Office Equipment	2123	63,050	20.0	1,121	0 8
General Purpose Computers	2124	143,576	20.0	12,940	9
Total-- GENERAL SUPPORT ASSETS		1,068,069		139,667	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	1,229,125	8.8900	209,827	111,2
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	1,504,998	9.17	361,357	151
Total-- CENTRAL OFFICE ASSETS		2,734,123		571,184	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	12,368	20.0		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		12,368		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	2,411	10.0		21
Aerial Cable	2421	11,791	5.56		22
Underground Cable	2422	146,149	4.5	7,946	23
Buried Cable	2423	3,508,625	5.0	446,392	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	382,459	5.0		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	63,232		17,732		199,005	1 1
2113					0	2
2114					0	3
2115					85,317	4
2116					163,382	5
2121					380,523	6
2122					113,322	7
2123	0				64,171	8
2124					156,516	9
	63,232	0	17,732	0	1,162,236	
2211					0	10
2212	163,852	4,405		(11,614)	1,259,081	11 1,2
2215	0				0	12
2220					0	13
2231	0				0	14
2232	194,013			11,614	1,683,956	15 1
	357,865	4,405	0	0	2,943,037	
2311					12,368	16
2321					0	17
2341					0	18
2351					0	19
2362					0	20
	0	0	0	0	12,368	
2411					2,411	21
2421	0				11,791	22
2422	0				154,095	23
2423	27,674	640			3,926,703	24
2424	0				0	25
2425					0	26
2426	0				382,459	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	112,149	3.03	8,763	29
Total-- CABLE WIRE FACILITIES ASSETS		4,163,584		463,101	0
Total Accumulated Depreciation	3100	7,978,144		1,173,952	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				1,173,952	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					120,912	29
	27,674	640	0	0	4,598,371	
3100	448,771	5,045	17,732	0	8,716,012	
3100					0	30
3100					8,716,012	

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	34,150	20.0	0	0	1
Company Communications Equipment	2123.2	28,900	20.0	1,121		2
Software	2212.1	110,345	33.33			3
Digital Switching - Central Office	2212.2	1,118,780	8.8900	209,827		4 1,1
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	1,504,998	9.17	361,357		10 1,1
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	11,791	5.56			14
Underground Cable - Nonmetallic	2422.1	16,761	4.0	1,604		15
Underground Cable - Metallic	2422.2	129,388	5.0	6,342		16
Buried Cable - Nonmetallic	2423.1	586,609	4.7	165,915		17
Buried Cable - Metallic	2423.2	2,922,016	5.56	280,477		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	382,459	5.0			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					34,150	1
2123.2					30,021	2
2212.1					110,345	3
2212.2	163,852	4,405		(11,614)	1,148,736	4 1,1
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1	194,013			11,614	1,683,956	10 1,1
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					11,791	14
2422.1					18,365	15
2422.2					135,730	16
2423.1					752,524	17
2423.2	27,674	640			3,174,179	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					382,459	22

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	3,708,779	3,473,752	1
Changes:			
Balance Transferred from Income	324,271	454,750	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings	181,870	219,723	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>3,851,180</u>	<u>3,708,779</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)*	614,848	611,699	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)	614,848	611,699	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	336,750	209,301	11 3
Switched Access Revenue (5082)*	890,893	1,013,146	12
Special Access Revenue (5083)*	98,829	102,339	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	1,326,472	1,324,786	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*	49,859	49,672	14
Switched Access Revenue (5084.2)*	648,479	704,239	15
Special Access Revenue (5084.3)*			16
TOTAL INTRASTATE ACCESS REVENUES (5084)	698,338	753,911	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			17
Long Distance Inward-Only Revenue (5111)			18
Long Distance Outward-Only Revenue (5112)			19
Unidirectional Long Distance Revenue (5110)	0	0	
Long Distance Private Network Revenues			
Subvoice Grade Revenue (5121)			20
Voice Grade Revenue (5122)			21
Audio Program Grade Revenue (5123)			22
Video Program Grade Revenue (5124)			23
Digital Transmission Revenue (5125)			24
Switching Revenue (5126)			25
Other Revenue (5128)			26
Other Revenue Settlements (5129)			27
Total Long Distance Private Network Revenue	0	0	
Other Long Distance Revenue (5160)			28
Other Long Distance Revenue Settlements (5169)			29
TOTAL LONG DISTANCE NET. SERVICES MESSAGE REV.	0	0	

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

Particulars (a)	This Year (b)	Last Year (c)	
MISCELLANEOUS REVENUES			
Directory Revenue (5230)*	119,952	115,769	30
Rent Revenue (5240)*	18,831		31 4
Corporate Operations Revenue (5250)*			32
Miscellaneous:			
Miscellaneous Revenue (5260)*	17,765	16,314	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)	17,765	16,314	
Interstate Billing and Collection Revenue*	43,286	47,369	39
Intrastate Billing and Collection Revenue*	63,741	67,931	40
Total Carrier Billing and Collection Revenue (5270)*	107,027	115,300	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	263,575	247,383	
GROSS OPERATING REVENUES	2,903,233	2,937,779	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	51,120	9,000	42 5
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	51,120	9,000	
TOTAL OPERATING REVENUES	2,852,113	2,928,779	

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

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
Total Network Support Expense (6110)	4,669	6,505	1
Less: Nonregulated		0	2
Net Regulated	4,669	6,505	3
Total General Support Expense (6120)	57,337	63,318	4
Less: Nonregulated		0	5
Net Regulated	57,337	63,318	6
Total Central Office Switching Expense (6210)	71,499	155,122	7
Less: Nonregulated		0	8 6
Net Regulated	71,499	155,122	9
Total Operator Systems Expense (6220)		0	10
Less: Nonregulated		0	11
Net Regulated	0	0	12
Total Central Office Transmission Expenses (6230)	863	1,965	13
Less: Nonregulated		0	14
Net Regulated	863	1,965	15
Total Information Orig. / Term. Expense (6310)		0	16
Less: Nonregulated		0	17
Net Regulated	0	0	18
Total Cable and Wire Fac. Expense (6410)	282,125	231,039	19
Less: Nonregulated		0	20 7
Net Regulated	282,125	231,039	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	416,493	457,949	
Less: Nonregulated	0	0	
Net Regulated	416,493	457,949	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Total Other Property, Plant and Equip. Exp. (6510)		0	22
Less: Nonregulated		0	23
Net Regulated	0	0	24
Total Network Operations Expense (6530)	118,394	130,446	25
Less: Nonregulated		0	26
Net Regulated	118,394	130,446	27
Access Expense (6540)	3,002	7,447	28
Less: Nonregulated		0	29
Net Regulated	3,002	7,447	30
Total Depreciation and Amortization Expense (6560)	1,137,386	927,039	31
Less: Nonregulated	8,545	7,840	32 8
Net Regulated	1,128,841	919,199	33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	1,258,782	1,064,932	
Less: Nonregulated	8,545	7,840	
Net Regulated	1,250,237	1,057,092	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (b)	Total Last Year (c)	
CUSTOMER OPERATIONS EXPENSE			
Total Marketing (6610)	39,049	47,720	34
Less: Nonregulated		0	35
Net Regulated	39,049	47,720	36
<hr/>			
Total Services (6620)	396,512	361,429	37
Less: Nonregulated		0	38
Net Regulated	396,512	361,429	39
<hr/>			
TOTAL CUSTOMER OPERATIONS EXPENSE	435,561	409,149	
Less: Nonregulated	0	0	
Net Regulated	435,561	409,149	
<hr/>			
CORPORATE OPERATIONS EXPENSE			
Total Exec. and Planning (6710)	220,313	187,534	40
Less: Nonregulated		0	41
Net Regulated	220,313	187,534	42
<hr/>			
Total General and Administrative (6720)	325,719	285,895	43
Less: Nonregulated		0	44
Net Regulated	325,719	285,895	45
<hr/>			
Provision for Uncollectible Notes Receiv. (6790)		0	46
Less: Nonregulated		0	47
Net Regulated	0	0	48
<hr/>			
TOTAL CORPORATE OPERATIONS EXPENSE	546,032	473,429	
Less: Nonregulated	0	0	
Net Regulated	546,032	473,429	
<hr/>			
TOTAL EXPENSES	2,656,868	2,405,459	
Less: Nonregulated	8,545	7,840	
Net Regulated	2,648,323	2,397,619	

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
Total: Reported in Account 6510	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	1,137,386	927,039	3 8
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562		0	4
Amortization Expense--Tangible (6563)		0	5
Amortization Expense--Intangible (6564)		0	6
Amortization Expense--Other (6565)		0	7
Total: Reported in Account 6560	1,137,386	927,039	

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	2,903,233	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		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):		8
<hr/>		
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	2,903,233	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	614,848	1
Plus: Total Intrastate Access Revenues (5084)	698,338	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify):		
0	0	6
<hr/>		
Assessable Revenues for Universal Service Fund Assessment Purposes	1,313,186	

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	2,903,233	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year		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):		8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	<u>2,903,233</u>	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (b)	
Total Basic Local Service Revenue (5000)	614,848	1
Plus: Total Intrastate Access Revenues (5084)	698,338	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): 0	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	<u>1,313,186</u>	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Total Other Oper. Income and (Expense) (7100)			1
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)			2
Operating Federal Income Taxes (7220)	34,070	85,995	3
Operating State and Local Income Taxes (7230)			4
Operating Other Taxes (7240)	167,416	124,746	5
Provision for Deferred Operating Income Taxes--Net (7250)			6
TOTAL OPERATING TAXES (7200)	201,486	210,741	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)	16,347	21,336	7
Interest Income (7320)	63,438	194,305	8
Income from Sinking and Other Funds (7330)			9
Allowance for Funds Used During Construction (7340)			10
Gains or (Losses) from the Disposition of Certain Property (7350)			11
Other Nonoperating Income (7360)	123,157	30,544	12
Special Charges (7370)	(10,024)	(9,068)	13
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	212,966	255,253	
NONOPERATING TAXES			
Total Nonoperating Taxes (7400)			14
INTEREST AND RELATED ITEMS			
Total Interest and Related Items (7500)	509,160	432,467	15
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)			16
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)	618,161	311,545	17

EMPLOYEE DATA - END OF YEAR

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

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

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange	1,067	3,816	1
Extended Area Service	108	386	2
Extended Community Calling	32	116	3
Other Local-Undefined			4
Total Local	1,207	4,318	
TOLL			
Toll	159	1,639	5
Total Toll	159	1,639	
Total Local & Toll	1,366	5,957	

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.	6				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.	2,687	1,364	2,863		7
Feature Group D -- Term.	8,755	3,591	403		8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	189	1
Strand miles of plant - fiber optics	5,174	2
Route miles of plant - microwave		3

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	0	7	1 2
56 kbps	1	2	2
64 kbps (DS0)	2	2	3
1.54 Mbps (DS-1)	17	5	4
45 Mbps (DS-3)	0	0	5 2
SONET OC-1	0	0	6 2
SONET OC-3	0	0	7 2
SONET OC-12	0	0	8 2
SONET OC-48	0	0	9 2
SONET OC-192	0	0	10 2

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	189	1
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45 Mbps (DS-3)	0	0	5 2
SONET OC-1	0	0	6 2
SONET OC-3	0	0	7 2
SONET OC-12	0	0	8 2
SONET OC-48	0	0	9 2
SONET OC-192	0	0	10 2

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	661	668	3
2 Party			4
4 Party			5
PBX Trunks/System Trunks	20	20	6
Centrex Trunks			7
Centrex Lines			8
Key System Trunks	230	225	9
Mobile (Utility Provided Service)			10
Paging (Utility Provided Service)	98	73	11
FX-Out (Switched)			12
Pay Telephone		22	13
Coin-Operated Pay Telephone	0	0	14
Independent Pay Telephone Provider	0	0	15
Other	23	0	16
Total Business Lines	1,032	1,008	17
Residential (Incl. Emp. Concess.)			
1 Party	3,283	3,279	19
2 Party			20
4 Party			21
FX-Out (Switched)			22
Other			23
Total Residential Lines	3,283	3,279	24
Total Bus & Res Lines	4,315	4,287	25
Company Used Lines	139	140	26
Total Lines Used	4,454	4,427	27

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS			3
WATS Lines - 800 Service			4
FX-In-intraLATA	0	0	5
Special Access-intraLATA			6
(expressed in equiv. access lines)	108	131	7
Special Access-interLATA			8
(expressed in equiv. access lines)	294	411	9
Feature Group A Lines			10
Feature Group B Trunks			11
Feature Group C Trunks			12
Feature Group D Trunks	288	288	13
TSPS - Trunks	8	8	14
EAS - Trunks	203	203	15
Cellular Trunks (Pub. Sw. Net.)			16
Video Distance Learning			17
- discounted (special tariff)			18
Customers			
Lifeline Customers	0	0	20
Linkup Customers	0	0	21
Other			
Total Company Square Miles	368	368	23
Total Company Route Miles	797	817	24
Footnotes			25

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0200	1560	2050	3680	1
Business					2
1 Party	48	517	40	63	3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		20			6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	5	207	7	6	9
Mobile (utility provided service)					10
Paging (utility provided service)		73	0	0	11
FX-Out (Switched)					12
Pay Telephone	1	16	1	4	13
Coin-Operated Pay Telephone	0	0	0	0	14
Independent Pay Telephone Provider	0	0	0	0	15
Other	0	0	0	0	16
Total Business Lines	54	833	48	73	17
Residential (Incl. Emp. Concess.)					18
1 Party	479	1,845	517	438	19
2 Party					20
4 Party					21
FX-Out (Switched)					22
Other					23
Total Residential Lines	479	1,845	517	438	24
Total Bus & Res Lines	533	2,678	565	511	25
Company Used Lines	8	115	11	6	26
Total Lines Used	541	2,793	576	517	27

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0200	1560	2050	3680	1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA		0			5
Special Access-intraLATA (equiv. access lines)		130	1		7
Special Access-interLATA (equiv. access lines)	24	339	24	24	9
Feature Group A Lines					10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks		288			13
TSPS - Trunks		8			14
EAS - Trunks		203			15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning - discounted (special tariff)					17 18
Other					19
Exchange Square Miles	64	135	105	64	20
Exchange Route Miles	126	342	248	101	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

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Use these abbreviations when completing the central office data schedule.

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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	ARKANSAW	DURAND	GILMANTON	NELSON	1
PSCW Exchange ID	0200	1560	2050	3680	2
Central Office Name	ARKANSAW	DURAND	GILMANTON	NELSON	3
PSCW Central Office ID	1	1	1	1	4
Central Office CLLI Code	ARKNWIXARSO	DRNDWIXADSA	GLTNWIXARSO	NLSNWIXARSO	5
Manufacturer of COE (Page 54)	NTI	NTI	NTI	NTI	6
Year COE Installed	1994	1994	1994	1994	7
Type of Equipment (Page 54)	D	D	D	D	8
(S)tandalone, (H)ost, (R)emote, (A)dv Fiber Comm	S	H	S	S	9
Remote Host PSCW Exchange ID					10
Remote Host PSCW Central Office ID		0			11
COE Generic Software Release No.	502.10	502.10	502.10	502.10	12
SS7?	Yes	Yes	Yes	Yes	13
9-1-1?	Yes	Yes	Yes	Yes	14
Access Lines - In Use	546	2,728	574	525	15
- Equipped	768	2,974	768	768	16
- Wired	768	3,200	768	768	17
Trunks - In Use		845		0	18
- Equipped		1,008		0	19
- Wired		1,008		0	20
ISDN Available?	No	No	No	No	21
ISDN Lines - In Use (BRI)		0		0	22
- In Use (PRI)		0		0	23
XDSL Available?	Yes	Yes	Yes	Yes	24
- In Use (# lines)	13	92	10	21	25
Switched 56 Service?	No	No	No	No	26
Switched 56 lines in use		0		0	27
Digital Transmission Facilities: DS-1 - In Use	1	22	1	1	28
DS-3 - In Use	0	1	1	0	29
Advanced Data Service Available:					
Packet Switching?	No	No	No	No	30
SMDS?	No	No	No	No	31
Frame Relay?	No	No	No	No	32
ATM (Asynchronous Trans. Mode)?	No	No	No	No	33
Video Information - Service Available?	No	No	No	No	34
- In Use (# lines) ¹		0		0	35
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	192	240	168	72	36
No. of fiber strands working (LIT) in C.O.	37	52	37	24	37
No. of fiber strands for interoffice use		0		0	38
Miles of fiber sheath in wire center	39	72	59	30	39
Access Tandem Serving this C.O.:					
- C.O. Name	ELK LAKE	ELK LAKE	ELK LAKE	ELK LAKE	40
- PSCW C.O. ID	1740-01	1740-01	1740-01	1740-01	41
Does this C.O. do access tandem switching?	No	No	No	No	42
Footnotes	1	1	1	1	43

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Revenues - Class A & B (Class B Use Accounts Designated By *) Footnote. Page 40

Expenses - Class A & B Footnote. Page 41

Footnote #3

Up from last year because Interstate Revenues were up Approximately \$7,000 per month from last year and Federal Universal Service Revenues were up in total \$12,700 from last year

Footnote #4

Rent Revenues were received from Tri-County for DS3 Charges

Footnote #5

Up due to write off of Worldcomm Receivable and partial collection due to their bankruptcy

Footnote #6

Down from last year, because new CO Equipment was installed last year

Footnote #7

Up from last year due to increased buried cable expenses

Footnote #8

Up from last year due to increased vehicle depreciation

Special Access Circuits in Use at End of Year Footnote. Page 49

Footnote #2

We disconnected the voice grade circuit. We did not have any of the other types of circuits with 0 values

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

Footnote 1

The reason for the decrease in Digital Transmission facilities is because last year we counted every TI that showed up in each office, including remote switch links, specials, digital subscriber carrier links and internet TIs. Per Interstate Telcom Consulting, this should not be the case, so we reported correctly this year, per Interstate Telcom Consultings instructions.

Schedule Line Footnotes

0) Footnote 10

Transferred to Nonregulated Asset

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- 1) The reason for the decrease in digital transmission facilities is because last year we counted every TI that showed up in each office, including reomte switch links, specials, digital subscriber carrier links and internet ITs. Per Interstate Telcom Consulting, this should not be the case, so we reported correctly this year, per Interstate Telcoms instructions.

Footnote 11

Transferred equipment from Digital Switching to Digital Circuit

Footnote for Account 2212

The \$17,732 was for gain on sale

- 2) We disconnected the Voice grade circuit. We did not have any of the other types of circuits with 0 values
- 3) Up from last year because Interstate Revenues were up approximately \$7,000 per month from last year and Federal Universal Service Revenues were up in total Approx \$12,700 from last year
- 4) Rent revenues were received from Tri-County for DS3 Charges
- 5) Up due to write off of Worldcomm Receivable and partial collection due to their bankruptcy
- 6) Down from last year because new CO Equipment was installed last year
- 7) Up from last year due to increased buried cable expenses
- 8) up from last year due to increased vehicle depreciation
- 9) Equipment was transferred from Digital Switching to Digital Circuit