



4004

ANNUAL REPORT

OF

Name: STATE LONG DISTANCE TELEPHONE CO

Principal Office: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121-1637
PO Box Zip Code: 53121-0230

For the Year Ended: DECEMBER 31, 2004

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
<http://psc.wi.gov>

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. 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, unless additional provisional confidential treatment is desired.** Go to the Public Service Commission of Wisconsin's Web Page at <http://psc.wi.gov>, and select the appropriate program for Incumbent Local Exchange Carriers (LECs). If additional confidential treatment is desired, contact Christopher Larson at (608) 267-9508 or christopher.larson@psc.state.wi.us for instructions.
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-116. 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). Do not type commas when entering numbers. 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. Report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)
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. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.

GENERAL RULES FOR REPORTING

If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.

13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

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 (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) 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 <http://www.wdfi.org>; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

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.

GENERAL RULES FOR REPORTING

16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to an electronic filing (i.e., using the program's e-mail capabilities) 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: STATE LONG DISTANCE TELEPHONE CO
Utility Location: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121-1637
P.O. BOX ZIP 53121-0230

Utility (or Parent/Holding Company) Web Site Address:
www.statelongdistance.com

When was utility organized?: 01/01/1900

Report any change in name and the effective date:

Telephone numbers for potential customers to contact company:
Business Customers: (262) 723 - 5300 Ext:
Residential Customers: (262) 723 - 5300 Ext:

Primary Utility Contact (located at utility address)

Name: JERRY GUETSCHOW
Title: SECRETARY & TREASURER
Firm: STATE LONG DISTANCE TELEPHONE COMPANY
Office Address: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121
Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: j.guetschow@sldtc.com

Officer in charge of correspondence concerning this report

Name: JERRY GUETSCHOW
Title: SECRETARY & TREASURER
Office Address: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121
Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: j.guetschow@sldtc.com

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

Name:
Title:
Office Address:
Fax Number:
Telephone Number:
Email Address:

IDENTIFICATION AND OWNERSHIP

Person responsible for financial information contained in report

Name: JERRY GUETSCHOW
Title: SECRETARY & TREASURER

Office Address: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121

Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: j.guetschow@sldtc.com

Person responsible for statistical information contained in report

Name: JERRY GUETSCHOW
Title: SECRETARY & TREASURER

Office Address: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121

Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: j.guetschow@sldtc.com

Contact person for regulatory inquiries and complaints

Name: JERRY GUETSCHOW
Title: SECRETARY & TREASURER
Firm: STATE LONG DISTANCE TELEPHONE COMPANY

Office Address: 216 W. WALWORTH ST
P.O. BOX 230
ELKHORN, WI 53121

Fax Number: (262) 723 - 8387
Telephone Number: (262) 741 - 1129
Email Address: j.guetschow@sldtc.com

List names, addresses, and percent ownership interest held by persons owning 5 percent or more of outstanding voting securities or membership interests. If any stock (or interest) 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: STATE LONG DISTANCE TELCOM, LTD
Address: 216 W. WALWORTH ST
PO BOX 230
ELKHORN, WI 53121

Percent Interest Held: 100
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP

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

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

OFFICERS AND DIRECTORS

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

Name: CHARLES W. COLEMAN Title/Occupation: DIRECTOR Business Address (1): PO BOX 97 Business Address (2): Business Address (3): City State, Zip: HAWK SPRINGS, WY 82217	1
<hr/>	
Name: ELLEN B. WISWELL Title/Occupation: VICE PRESIDENT & DIRECTOR Business Address (1): STATE LONG DISTANCE TELEPHONE COMPANY Business Address (2): PO BOX 230 Business Address (3): City State, Zip: ELKHORN, WI 53121	2
<hr/>	
Name: GRANT W. WISWELL Title/Occupation: DIRECTOR Business Address (1): STATE LONG DISTANCE TELEPHONE COMPANY Business Address (2): PO BOX 230 Business Address (3): City State, Zip: ELKHORN, WI 53121	3
<hr/>	
Name: JERRY L. GUETSCHOW Title/Occupation: SECRETARY, TREASURER & DIRECTOR Business Address (1): STATE LONG DISTANCE TELEPHONE COMPANY Business Address (2): PO BOX 230 Business Address (3): City State, Zip: ELKHORN, WI 53121	4
<hr/>	
Name: WILLIAM C. WISWELL Title/Occupation: PRESIDENT & DIRECTOR Business Address (1): STATE LONG DISTANCE TELEPHONE COMPANY Business Address (2): PO BOX 230 Business Address (3): City State, Zip: ELKHORN, WI 53121	5
<hr/>	
Name: WILLIAM J. MORRISSEY Title/Occupation: DIRECTOR Business Address (1): 221 W. JEFFERSON ST Business Address (2): Business Address (3): City State, Zip: ELKHORN, WI 53121	6

OFFICERS AND DIRECTORS

Name, Title/Occupation and Business Address

Name: WILLIAM L. SEYMOUR

Title/Occupation: DIRECTOR

Business Address (1): 862 N SANDY LANE

Business Address (2):

Business Address (3):

City State, Zip: ELKHORN, WI 53121

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INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Operating Revenues			
Operating Revenues (5000-5300)	7,827	7,505	1
Total Operating Revenues	7,827	7,505	
Operating Expenses			
Plant Specific Operations Expenses (6110-6410)	913	847	2
Other Plant Nonspecific Operations Expenses	2,235	2,003	3
Customer Operations Expense (6610-6620)	859	895	4
Corporate Operations Expense (6720-6790)	1,754	1,338	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	920	1,071	7
Total Operating Expenses	6,681	6,154	
Net Operating Income	1,146	1,351	
Other Income			
Nonoperating Income and Expense (7300)	123	116	8
Nonoperating Taxes (7400)	43	15	9
Interest and Related Items (7500)	0	0	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	41	67	12
Total Nonoperating Income	121	168	
Net Income	1,267	1,519	

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.)

State Long Distance Telephone Company (Company) is a wholly owned subsidiary of State Long Distance Telcom, Ltd. whose only other subsidiary is SLD Services, Ltd. These financial statements and schedules include only the accounts of State Long Distance Telephone Company. Intercompany transactions and balances between the affiliates have not been eliminated.

The Company's principal business is to provide local telephone service and telephone access for all customers within specific boundaries, in southeastern Wisconsin, in a noncompetitive market.

The accounting policies of the Company conform to accounting principles generally accepted in the United States and reflect practices appropriate to the telephone industry.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenues are recognized when earned, regardless of the period in which they are billed.

Telecommunications plant in service is recorded at original cost and depreciation is computed on the straight-line basis for statement purposes. The provision rate is applied to group account assets for computation of annual depreciation. Retirements are recorded using average unit costs. Maintenance and repair costs are expensed as incurred.

Reduction of income taxes due to investment tax credit is deferred and is being amortized over the service life of the plant which created the credit. The Company amortized \$2,311 and \$2,748 of investment credit for the years 2004 and 2003 respectively.

Payroll taxes, pension costs and employee's insurance costs are capitalized on all plant additions. This capitalization is being treated as additions to telephone plant for both statement and tax purposes. Allowance for funds used during construction (AFUDC) is capitalized on major projects for statement purposes only. There was \$0 of AFUDC capitalized during 2004 and 2003.

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:

The Company has established a deferred compensation plan for its president. Under terms of the agreement, he is to receive an additional annual retirement benefit of \$250,000 per year for a period of four years beginning in 2004. The cost of this benefit is being funded by the accumulated cash value of life insurance policies. The Company has also established deferred compensation agreements for certain key employees. Under the terms of these agreements if the Company is sold prior to their retirement, their compensation will continue at current levels for a period of two years. The Company is accruing a liability for the deferred compensation agreements over the period of the employee's employment, beginning when the agreements were adopted.

The Company and its affiliates operate under agreements whereby the Company provides general administrative, management, accounting, purchasing, data processing and other services for its affiliates. These services were billed to the affiliates at the Company's costs and amounted to \$458,252 for 2004 and \$529,127 for 2003.

Telephone Plant Under Construction as of December 31, 2004 includes costs incurred to construct buried and fiber optic cable facilities. The total cost of the projects will approximate \$650,000 and are being funded by general operating funds.

The Company maintains a defined contribution 401(k) Profit Sharing Plan for its eligible employees. Contributions to the plan are based upon compensation paid during the plan year. During the years 2004 and 2003 pension expense amounted to \$440,274 and \$440,139 respectively.

The Company has adopted SFAS 106 which requires the Company to accrue post retirement benefits (other than pensions) during the years in which the employees are actively employed. Costs accrued for the years 2004 and 2003 were \$162,600 and \$144,900 respectively.

The Company maintains a self-funded health care plan for substantially all of its full time employees, and certain retirees. For 2004 and 2003 the Company was liable for employee and/or dependent health care claims up to \$20,000 aggregate per person, after which claims were covered by a stop loss insurance carrier. Costs under the plan amounted to \$666,147 for 2004 and \$423,486 for 2003.

During 2004, the Company initiated a long-term care plan for certain employees. The annual premiums for the coverage will approximate \$105,100 per year.

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:

During 1998, the Company entered into a contract with Access Wisconsin to provide video distance learning for a local school district. Under the terms of the contract, the Company received an advance payment of \$124,001 to provide and maintain certain network equipment for an eighty-four month period beginning August 1, 1998. During 2002 the Company entered into a second contract with Access Wisconsin to provide and maintain certain network equipment for a fifty month period beginning October 1, 2001. For this contract the Company received an advance payment of \$24,498. Revenue from these contracts has been deferred and is being recognized as income over the period of the contracts. Revenue of \$23,430 and \$23,594 was recognized for the years 2004 and 2003, respectively.

The Company accounts for income taxes under the provisions of the Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes", issued by the Financial Accounting Standards Board. Due to the regulated nature of the Company's utility business, the Company recorded any change or additions to deferred taxes under the provisions of the standard, as a regulatory liability account. The regulatory account will be considered and amortized to income in the future as directed by the Public Service Commission of Wisconsin.

During 1999, the Company entered into a financing agreement with a local bank to provide funding for replacement of it's Central Office Equipment. A line of credit was obtained in the amount of \$2,500,000 with interest payable at the LIBOR rate of interest plus 1.75%. As of December 31, 2004 the Company does not have any debt outstanding under this agreement which is due to expire on June 27, 2006.

State Long Distance Telephone Company and its affiliates operate under agreements whereby the Company provides general administrative, management and other services including accounting, data processing, purchasing and personnel costs to its affiliates. These charges are billed to the affiliates at the company's costs and amounted to \$462,071 for 2004 and \$529,127 for 2003.

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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.

There are no significant contingent assets or liabilities as of December 31, 2004.

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.

There are no retained earnings restrictions.

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

Particulars (a)	Balance--EOY	Balance--FOY	
		(000's) (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	4,140	3,180	1
TOTAL CASH AND EQUIVALENTS	4,140	3,180	
RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS			
Receivables (1170)*	758	755	2
Allowance for Doubtful Accounts (1171)*	2	2	3
TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS	756	753	
SUPPLIES			
Inventories (1220)*	83	61	4
TOTAL SUPPLIES	83	61	
PREPAYMENTS			
Prepayments (1280)*	170	96	5
TOTAL PREPAYMENTS	170	96	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	0	0	6
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	5,149	4,090	
NONCURRENT ASSETS			
INVESTMENTS			
Nonregulated Investments (1406)*	37	0	7
RTB Class B Stock (1402)*	0	0	8
Other Noncurrent Assets (1410)*	2,143	1,901	9
TOTAL INVESTMENTS	2,180	1,901	
DEFERRED CHARGES			
Deferred Maint., Retirements and Other Deferred Charges (1438)*	0	0	10
TOTAL DEFERRED CHARGES	0	0	
OTHER JURISDICTIONAL ASSETS-NET			
Other Jurisdictional Assets-Net (1500)*	0	0	11
TOTAL OTHER JURISDICTIONAL ASSETS-NET	0	0	
TOTAL NONCURRENT ASSETS	2,180	1,901	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	21,258	20,734	12
Less: Accumulated Depreciation (3100)*	10,515	9,869	13
Less: Accumulated Amortization-Tangible (3400)*		0	14
Less: Accumulated Amortization-Capitalized Leases (3410)		0	15
NET TELECOMMUNICATIONS PLANT IN SERVICE	10,743	10,865	
PROPERTY HELD FOR FUTURE USE			
Property Held for Future Telecommunications Use (2002)*	0	0	16
Less: Accumulated Depr.-Held for Future Telecom. Use (3200)*	0	0	17
NET PROPERTY HELD FOR FUTURE USE	0	0	

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

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)	
PLANT			
NONOPERATING PLANT			
Nonoperating Plant (2006)*	0	0	18
Less: Accumulated Depreciation-Nonoperating (3300)*	0	0	19
NET NONOPERATING PLANT	0	0	
TPUC			
Telecommunications Plant Under Construction (2003)*	334	821	20
TOTAL TPUC	334	821	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*	0	0	21
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
GOODWILL			
Goodwill (2007)*	0	0	22
TOTAL GOODWILL	0	0	
TOTAL PLANT	11,077	11,686	
TOTAL ASSETS AND OTHER DEBITS	18,406	17,677	

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

Particulars (a)	Balance--EOY (000's) (b)	Balance--FOY (000's) (c)	
CURRENT LIABILITIES			
Notes Payable (4020)*	0	0	1
Other Current Accounts and Notes Payable (4000)*	403	441	2
Customers' Deposits (4040)*	0	0	3
Income Taxes-Accrued (4070)*	(198)	(172)	4
Other Taxes-Accrued (4080)*	0	(7)	5
Net Current Deferred Operating Income Taxes (4100)*	0	0	6
Net Current Deferred Nonoperating Income Taxes (4110)*	0	0	7
Current Maturities-Long-Term Debt (4050)*	0	0	8
Current Maturities-Capital Leases (4060)*	0	0	9
Other Current Liabilities (4130)*	111	271	10
TOTAL CURRENT LIABILITIES	316	533	
LONG-TERM DEBT			
Long-Term Debt and Funded Debt (4200)*	0	0	11
TOTAL LONG-TERM DEBT	0	0	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Liabilities and Deferred Credits (4300)*	812	625	12
Unamortized Operating Investment Tax Credits-Net (4320)*	4	6	13
Unamortized Nonoperating Investment Tax Credits-Net (4330)*	0	0	14
Net Noncurrent Deferred Operating Income Taxes (4340)*	1,236	1,204	15
Net Deferred Tax Liability Adjustments (4341)*	0	0	16
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	4	4	17
Deferred Tax Regulatory Adjustments-Net (4361)*	209	209	18
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*	0	0	19
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	2,265	2,048	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,200	1,200	20
Additional Paid-in Capital (4520)*	115	115	21
Treasury Stock (4530)*	0	0	22
Other Capital (4540)*	0	0	23
Retained Earnings (4550)*	14,510	13,781	24
TOTAL STOCKHOLDERS' EQUITY	15,825	15,096	
TOTAL LIABILITIES AND OTHER CREDITS	18,406	17,677	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule.

None

-
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.

Name of Affiliate (a)	Abbreviations (b)	
SLD Services, Ltd	SERVICES	1
State Long Distance Telcom, Ltd	TELCOM	2

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	None	5680ATF100	5680AFT103	
Name of Affiliate	SERVICES	SERVICES	TELCOM	1
Designate whether billed to or from:	FROM	TO	TO	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	M	CT	C	3
Total Dollar Activity (000's)	3	451	26	4
Percent of affiliate's business billed to all affiliated regulated utilities	0.44			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. 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 (000's) (c)	
SLD Services, Ltd	1170	38	1
State Long Distance Telcom, Ltd	1170	2	2

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
GENERAL SUPPORT ASSETS				
Land	2111	154	0	1
Motor Vehicles	2112	425	94	2
Aircraft	2113	0	0	3
Tools and Other Work Equipment	2114	268	0	4
Buildings	2121	1,199	0	5
Furniture	2122	128	0	6
Office Equipment	2123	79	3	7
General Purpose Computers	2124	181	18	8
TOTAL GENERAL SUPPORT ASSETS		2,434	115	
CENTRAL OFFICE ASSETS				
Non-Digital Switching	2211	0	0	9
Digital Electronic Switching	2212	3,496	171	10
Operator Systems	2220	0	0	11
Radio Systems	2231	0	0	12
Circuit Equipment	2232	3,419	251	13
TOTAL CENTRAL OFFICE ASSETS		6,915	422	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0	0	14
Customer Premises Wiring	2321	0	0	15
Large Private Branch Exchanges	2341	0	0	16
Public Telephone Terminal Equipment	2351	0	0	17
Other Terminal Equipment	2362	0	0	18
TOTAL INFORMATION ORIG/TERM ASSETS		0	0	
CABLE & WIRE FACILITIES ASSETS				
Poles	2411	17	0	19
Aerial Cable	2421	446	8	20
Underground Cable	2422	703	0	21
Buried Cable	2423	8,772	932	22 A
Submarine and Deep Sea Cable	2424	0	0	23
Intrabuilding Network Cable	2426	0	0	24
Aerial Wire	2431	5	0	25
Conduit Systems	2441	824	0	26 A
TOTAL CABLE & WIRE FACILITIES ASSETS		10,767	940	
AMORTIZABLE ASSETS				
Capital Leases	2681	0	0	27
Leasehold Improvements	2682	0	0	28
Intangibles	2690	50	4	29 I
TOTAL AMORTIZABLE ASSETS		50	4	

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

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2111			154	1
2112	151		368	2
2113			0	3
2114	83		185	4
2121			1,199	5
2122			128	6
2123	11		71	7
2124	2		197	8
	247	0	2,302	
2211			0	9
2212	0	0	3,667	10
2220			0	11
2231			0	12
2232	4	0	3,666	13
	4	0	7,333	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			0	18
	0	0	0	
2411			17	19
2421	6	0	448	20
2422	0	0	703	21
2423	105	7	9,606	22 A
2424	0	0	0	23
2426	0	0	0	24
2431			5	25
2441		(7)	817	26 A
	111	0	11,596	
2681			0	27
2682			0	28
2690		(27)	27	29 I
	0	(27)	27	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
TOTAL TELECOM. PLANT IN SERVICE	2001	20,166	1,481	
Less: Allocation to Nonregulated Activity - EOY	2001			30
NET REG TOTAL TELECOM. PLANT IN SERVICE - EOY 2001				

Explain all amounts shown in column (g).

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

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2001	362	(27)	21,258	
2001				30
2001			21,258	

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

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. 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 (000's) (c)	Additions (000's) (d)	
Digital Electronic Switching - Circuit	2212.1	3,496	171	1
Digital Electronic Switching - Packet	2212.2	0	0	2
Circuit Equipment - Electronic	2232.1	1,237	1	3
Circuit Equipment- Optical	2232.2	2,182	250	4
Aerial Cable - Nonmetallic	2421.1	0	0	5
Aerial Cable - Metallic	2421.2	446	8	6
Underground Cable - Nonmetallic	2422.1	216	0	7
Underground Cable - Metallic	2422.2	487	0	8
Buried Cable - Nonmetallic	2423.1	862	79	9 A
Buried Cable - Metallic	2423.2	7,910	853	10
Submarine and Deep Sea Cable - Nonmetallic	2424.1	0	0	11
Submarine and Deep Sea Cable - Metallic	2424.2	0	0	12
Intrabuilding Cable - Nonmetallic	2426.1	0	0	13
Intrabuilding Cable - Metallic	2426.2	0	0	14

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2212.1	0		3,667	1
2212.2	0		0	2
2232.1	(2)		1,240	3
2232.2	6		2,426	4
2421.1	0		0	5
2421.2	6		448	6
2422.1	0		216	7
2422.2	0		487	8
2423.1	2	7	946	9A
2423.2	103		8,660	10
2424.1	0		0	11
2424.2	0		0	12
2426.1	0		0	13
2426.2	0		0	14

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	302	25.0000	50		1
Aircraft	2113	0				2
Tools and Other Work Equipment	2114	207	8.3300	(3)		3 B
Buildings	2121	455	3.0000	35		4
Furniture	2122	43	9.0000	12		5
Office Equipment	2123	45	12.5000	9		6
General Purpose Computers	2124	146	20.0000	19		7
TOTAL GENERAL SUPPORT ASSETS		1,198		122	0	
CENTRAL OFFICE ASSETS						
Non-Digital Switching	2211	0				8
Digital Electronic Switching	2212	1,290	12.5000	448	0	9
Operator Systems	2220	0				10
Radio Systems	2231	0				11
Circuit Equipment	2232	1,901	12.5000	350	0	12
TOTAL CENTRAL OFFICE ASSETS		3,191		798	0	
INFORMATION ORIGINATION/TERMINATION ASSETS						
Station Apparatus	2311	0				13
Customer Premises Wiring	2321	0				14
Large Private Branch Exchanges	2341	0				15
Public Telephone Terminal Equipment	2351	0				16
Other Terminal Equipment	2362	0				17
TOTAL INFORMATION ORIG/TERM ASSETS		0		0	0	
CABLE & WIRE FACILITIES ASSETS						
Poles	2411	17	7.5000	0		18
Aerial Cable	2421	204	6.0000	25	0	19
Underground Cable	2422	485	5.0000	38	0	20
Buried Cable	2423	3,901	5.0000	455	0	21
Submarine and Deep Sea Cable	2424	0		0	0	22
Intrabuilding Network Cable	2426	0		0	0	23
Aerial Wire	2431	5	11.0000	0		24
Conduit Systems	2441	359	3.5000	28		25
TOTAL CABLE & WIRE FACILITIES ASSETS		4,971		546	0	
Total Accumulated Depreciation	3100	9,360		1,466	0	
Less: Nonreg Accumulated Depreciation	3100			0		26
Net Reg Total Accumulated Depreciation	3100			1,466	0	

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2112	151		22		223	1
2113	0				0	2
2114	83		10		131	3 B
2121	0				490	4
2122	0				55	5
2123	11				43	6
2124	2				163	7
	247	0	32	0	1,105	
2211	0				0	8
2212	0	0	0	0	1,738	9
2220	0				0	10
2231	0				0	11
2232	4	0	0	0	2,247	12
	4	0	0	0	3,985	
2311	0				0	13
2321	0				0	14
2341	0				0	15
2351	0				0	16
2362	0				0	17
	0	0	0	0	0	
2411	0				17	18
2421	6	4	0	0	219	19
2422	0	0	0	0	523	20
2423	105	0	23	0	4,274	21
2424	0	0	0	0	0	22
2426	0	0	0	0	0	23
2431	0				5	24
2441	0				387	25
	111	4	23	0	5,425	
3100	362	4	55	0	10,515	
3100						26
3100					10,515	

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 or subsidiary record. 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 (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)
Digital Electronic Switching - Circuit	2212.1	1,290	12.5	448	1
Digital Electronic Switching - Packet	2212.2	0			2
Circuit Equipment - Electronic	2232.1	1,027	12.5	70	3
Circuit Equipment- Optical	2232.2	874	12.5	280	4
Aerial Cable - Nonmetallic	2421.1	0			5
Aerial Cable - Metallic	2421.2	204	6.0	25	6
Underground Cable - Nonmetallic	2422.1	90	5.0	11	7
Underground Cable - Metallic	2422.2	395	5.0	27	8
Buried Cable - Nonmetallic	2423.1	226	5.0	45	9
Buried Cable - Metallic	2423.2	3,675	5.0	410	10
Submarine and Deep Sea Cable - Nonmetall	2424.1	0			11
Submarine and Deep Sea Cable - Metallic	2424.2	0			12
Intrabuilding Cable - Nonmetallic	2426.1	0			13
Intrabuilding Cable - Metallic	2426.2	0			14

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

Subacct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2212.1	0				1,738	1
2212.2	0				0	2
2232.1	(2)				1,099	3
2232.2	6				1,148	4
2421.1	0				0	5
2421.2	6	4			219	6
2422.1	0				101	7
2422.2	0				422	8
2423.1	2		8		277	9
2423.2	103		15		3,997	10
2424.1	0				0	11
2424.2	0				0	12
2426.1	0				0	13
2426.2	0				0	14

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	13,781	12,659	1
Changes:			
Balance Transferred from Income	1,267	1,519	2
Dividends Declared:			
Common	540	435	3
Preferred	0	0	4
Total Dividends Declared	540	435	
Miscellaneous Debits to Retained Earnings	0	0	5
Miscellaneous Credits to Retained Earnings	2	38	6
Balance--End of Year	<u>14,510</u>	<u>13,781</u>	

REVENUES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*	2,221	2,188	1
Basic Area Revenue (5001)			2
Private Line Revenue (5040)			3
Other Basic Area Revenue (5060)			4
TOTAL LOCAL NETWORK SERVICES REVENUES	2,221	2,188	
INTERSTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*	974	937	5
Switched Access Revenue (5082)*	1,238	1,094	6
Special Access Revenue (5083)*	334	292	7
TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.	2,546	2,323	
INTRASTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*	0	0	8
Switched Access Revenue (5082)*	1,753	1,619	9
Special Access Revenue (5083)*	616	607	10
TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.	2,369	2,226	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*	0	0	11
TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.	0	0	
MISCELLANEOUS & NONREGULATED REVENUES			
Miscellaneous Revenue (5200)*	692	702	12
Directory Revenue (5230)			13
Nonregulated Operating Revenue (5280)*			14
TOTAL MISCELLANEOUS & NONREGULATED REVENUES	692	702	
GROSS OPERATING REVENUES	7,828	7,439	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1	(66)	15 c
TOTAL UNCOLLECTIBLE REVENUES	1	(66)	
TOTAL OPERATING REVENUES	7,827	7,505	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	913	847	1
LESS: NONREGULATED	0	0	2
NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE	913	847	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Other Property, Plant and Equip. Exp. (6510)	0	0	3
Network Operations Expense (6530)	549	599	4
Access Expense (6540)	227	178	5 D
Depreciat. Exp.--Tele. Plant in Service (6561)	1,459	1,226	6
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)	0	0	7
Amortization Expense--Tangible (6563)	0	0	8
Amortization Expense--Intangible (6564)	0	0	9
Amortization Expense--Other (6565)	0	0	10
Depreciation and Amortization Expense (6560)	1,459	1,226	11
TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE	2,235	2,003	12
LESS: NONREGULATED	0	0	13
NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE	2,235	2,003	
CUSTOMER OPERATIONS EXPENSE			
Marketing (6610)	23	28	14
Services (6620)	836	867	15
TOTAL CUSTOMER OPERATIONS EXPENSE	859	895	16
LESS: NONREGULATED	0	0	17
NET REGULATED CUSTOMER OPERATIONS EXPENSE	859	895	
CORPORATE OPERATIONS EXPENSE			
TOTAL CORPORATE OPERATIONS EXPENSE	1,754	1,338	18 E
LESS: NONREGULATED	0	0	19
NET REGULATED CORPORATE OPERATIONS EXPENSE	1,754	1,338	
TOTAL EXPENSES	5,761	5,083	
LESS: NONREGULATED	0	0	
NET REGULATED EXPENSES	5,761	5,083	

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 (000's) (b)	
Gross Operating Revenues	7,828	1
Plus: Collection of amounts previously written off	6	2
Less: Uncollectibles written off during the year	7	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)	0	7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	7,827	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	2,221	1
Plus: Total Intrastate Access Revenues (5081-5083)	2,369	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)	0	4
Plus: Intrastate Payphone Revenues	0	5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	4,590	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)	0	0	1
LESS: NONREGULATED	0	0	2
NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)	0	0	
TOTAL OPERATING TAXES (7200)	920	1,071	3
LESS: NONREGULATED	0	0	4
NET REGULATED OPERATING TAXES (7200)	920	1,071	
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	123	116	5
LESS: NONREGULATED	0	0	6
NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)	123	116	
TOTAL NONOPERATING TAXES (7400)	43	15	7
LESS: NONREGULATED	0	0	8
NET REGULATED NONOPERATING TAXES (7400)	43	15	
TOTAL INTEREST AND RELATED ITEMS (7500)	0	0	9
LESS: NONREGULATED	0	0	10
NET REGULATED INTEREST AND RELATED ITEMS (7500)	0	0	
TOTAL EXTRAORDINARY ITEMS (7600)	0	0	11
LESS: NONREGULATED	0	0	12
NET REGULATED EXTRAORDINARY ITEMS (7600)	0	0	
TOTAL NONREGULATED NET INCOME (7990)	41	67	13
TOTAL OTHER INCOME ACCOUNTS	(799)	(903)	
TOTAL NONREGULATED	41	67	
TOTAL NET REGULATED OTHER INCOME ACCOUNTS	(840)	(970)	

NONREGULATED ACTIVITIES

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

Nonregulated Activity	
(a)	
Internet Service	1
Payphones	2
Toll Resale	3

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			
Extended Community Calling	981	3,605	1
Other Local-Undefined			2 G
Total Local	981	3,605	
TOLL			
Toll			3 G
Total Toll	0	0	
Total Local & Toll	981	3,605	

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 & B -- Originating	40	10	0	0	1
Feature Group A & B -- Terminating	0	0	0	0	2
Feature Group C -- Originating	0	0	349	0	3
Feature Group C -- Terminating	0	0	1,159	0	4
Feature Group D -- Originating	6,587	2,597	5,552	1	5
Feature Group D -- Terminating	20,695	5,698	9,280	1	6

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	54	1
Route miles of plant - microwave	0	2

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	1	33	1
56/64 kbps (DS0)	9	5	2
1.54 Mbps (DS-1)	65	54	3
45 Mbps (DS-3)	1	2	4
SONET OC-1 (51.84 Mbps)	0	0	5
SONET OC-3 (155.52 Mbps)	0	0	6
SONET OC-12 (622.08 Mbps)	0	0	7
SONET OC-48 (2.488 Gbps)	0	0	8
SONET OC-192 (9.953 Gbps)	0	0	9
SONET OC-768 (39.812 Gbps)	0	0	10

SERVICE DATA

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

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	1,636	1,625	3
PBX Trunks/Centrex & Key System Trunks	2,138	2,155	4
Centrex Lines	0	0	5
FX-Out (Switched)	2	2	6
Pay Telephone	75	37	7
Other	0	0	8
Total Business Lines	3,851	3,819	9
Residential (Incl. Emp. Concess.)			10
1 Party	7,439	7,437	11
FX-Out (Switched)	0	0	12
Other	0	0	13
Total Residential Lines	7,439	7,437	14
Total Bus & Res Lines	11,290	11,256	15
Company Total Lines Used	69	69	16
Total Lines Used	11,359	11,325	17
Miscellaneous			18
WATS Lines - OutWATS	0	0	19
WATS Lines - 800 Service	0	0	20
FX-In-intraLATA	15	14	21
Special Access-intraLATA (expressed in equiv. access lines)	2,593	2,678	22
Special Access-interLATA (expressed in equiv. access lines)	2,202	2,242	23
Feature Group C Trunks	168	168	24
Feature Group D Trunks	762	858	25
TSPS - Trunks	25	25	26
EAS and ECC - Trunks	576	576	27
Cellular Trunks (Pub. Sw. Net.)	0	0	28
Customers			29
Number of Lifeline customers at FOY (January 1, 2004) and EOY (December 31, 2004):	194	241	30
Number of Linkup customers connected during FOY (Calendar year 2003) and EOY (Calendar year 2004):	0	0	31
Other			32
Total Company Square Miles	75	75	33
Total Company Route Miles	0	0	34
Footnotes		F,H	35

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	1730				1
Business					
1 Party	1,625				2
PBX Trunks/Centrex & Key System Trunks	2,155				3
Centrex Lines	0				4
FX-Out (Switched)	2				5
Pay Telephone	37				6
Other	0				7
Total Business Lines	3,819	0	0	0	8
Residential (Incl. Emp. Concess.)					
1 Party	7,437				9
FX-Out (Switched)	0				10
Other	0				11
Total Residential Lines	7,437	0	0	0	12
Total Bus & Res Lines	11,256	0	0	0	13
Company Total Lines Used	69				14
Total Lines Used	11,325	0	0	0	15
Miscellaneous					
WATS Lines - OutWATS	0				16
WATS Lines - 800 Service	0				17
FX-In-intraLATA	14				18
Special Access-intraLATA (equiv. access lines)	2,678				19
Special Access-interLATA (equiv. access lines)	2,242				20
Feature Group C Trunks	168				21
Feature Group D Trunks	858				22
TSPS - Trunks	25				23
EAS and ECC - Trunks	576				24
Cellular Trunks (Pub. Sw. Net.)	0				25
Other					
Exchange Square Miles	75				26
Exchange Route Miles	0				27
Footnotes	F				28

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Advanced Fiber Communication	AFC	1
Alcatel	AL	2
ATTC	ATT	3
Digital Loop Carrier	DLC	4
GTE	GTE	5
ITT	ITT	6
Lucent	ATT/LUC	7
Northern Telecom	NTI	8
Siemens	SI	9
Stromberg-Carlson	SC	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electronic--Digital	D	1
Electronic--Video	V	2
IP-Packet	P	3

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	ELKHORN	ELKHORN			1
PSCW Exchange ID	1730	1730			2
Central Office Name	ELKHORN	LAUDERDALE			3
PSCW Central Office ID	1	2			4
Central Office CLLI Code	ELKHWIXBDS1	ELKHWIXCDS0			5
Manufacturer of COE (Page 54)	ATT/LUC	ATT/LUC			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	S	S			8
Remote Host PSCW Exchange ID					9
Remote Host Central Office CLLI Code					10
COE Generic Software Release No.	5E16..2	5E16..2			11
SS7?	Yes	Yes			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	8,386	2,939			14
Trunks - In Use	2,906	479			15
ISDN Available?	Yes	Yes			16
ISDN Lines - In Use (BRI)	63	78			17
- In Use (PRI)	14	0			18
DSL Service Available?	Yes	Yes			19
- In Use (# lines)	21	2			20
End User VoIP Available?	No	No			21
Digital Service Available: DS-1 - In Use	205	24			22
DS-3 - In Use	10	1			23
OC-3 - In Use	0	0			24
Advanced Data Service Available:					25
Packet Switching?	No	No			26
Frame Relay?	No	No			27
ATM (Asynchronous Trans. Mode)?	No	No			28
Fiber Transmission Facilities:					29
No. of fiber strands entering C.O.	216	60			30
No. of fiber strands working (LIT) in C.O.	38	8			31
No. of fiber strands for interoffice use	24	24			32
Miles of fiber sheath in wire center	40	14			33
Access Tandem Serving this C.O.:					34
- C.O. Name	ELKHORN	ELKHORN			35
- PSCW C.O. CLLI Code	ELKHWIXB61T	ELKHWIXB61T			36
Does this C.O. do access tandem switching?	Yes	No			37
Footnotes					38

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Schedule Line Footnotes

- A)** Reclassify plant additions that were incorrectly coded in 2003.
- B)** The negative annual provision is required because plant with a net book value of zero was retired and sold during 2004.
- C)** Uncollectable Revenues - The 2003 amount includes a \$70,000 bad debt recovery from Worldcom that had been written off in 2002.
- D)** Access Expense - 2004 expense is \$49,887 higher than 2003. \$18,681 of the increase is due to higher payments to Federal and Wisconsin Universal Support programs. \$31,206 of the increase is due to higher payments to wireless carriers for terminating traffic.
- E)** Corporate Operations Expense - 2004 expense is \$415,853 higher than 2003. \$281,239 of the increase is for payroll and payroll overheads primarily relating to a deferred compensation payment that was paid in 2004. \$133,524 of the increase is due to acceleration of the deferred compensation accrual.
- F)** Route Miles - The Company does not maintain records that provide the company / exchange route mile information that is requested.
- G)** Telephone Calls & Minutes of Use Per Month - The Company does not maintain data that would provide the quantities to provide Telephone Calls and Minutes of Use information.
- H)** Linkup Customers - The Company does not have data that would provide the number of Linkup customers that were connected during the year. The only information available are customer counts as of a specified billing date. Counts of customers connected could only be calculated if the number of customers that were disconnected were also known, and this information can not be determined from billing records.
- I)** Intangibles - The amount entered as an adjustment is the accumulated amortization for this account.

Communities where Basic Local Service is offered to New Customers

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Walworth	DELAVAN	Town	1
Walworth	ELKHORN	City	2
Walworth	GENEVA	Town	3
Walworth	LA FAYETTE	Town	4
Walworth	LA GRANGE	Town	5
Walworth	LYONS	Town	6
Walworth	SPRING PRAIRIE	Town	7
Walworth	SUGAR CREEK	Town	8
Walworth	TROY	Town	9