



4004

ANNUAL REPORT

OF

Name: LUCK TELEPHONE COMPANY

Principal Office: 28 1ST AVE W
P.O. BOX 300
LUCK, WI 54853

For the Year Ended: DECEMBER 31, 1996

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

GENERAL RULES FOR REPORTING

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

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

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

ABBREVIATIONS USED IN ANNUAL REPORTS

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

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: LUCK TELEPHONE COMPANY
Utility Location: 28 1ST AVE W
P.O. BOX 300
LUCK, WI 54853

Utility Web Site Address:

When was utility organized?: 01/01/1908

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR JOHN K . KLATT
Title: GENERAL MANAGER

Office Address: 28 1ST AVENUE WEST
LUCK , WI 54853-1155

Fax Number: (715) 472 - 8880
Telephone Number: (715) 472 - 2101
Email Address:

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

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Name: MR JOHN K . KLATT
Title: GENERAL MANAGER

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LUCK , WI 54853

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Email Address:

Person responsible for statistical information contained in report

Name: MR JOHN K . KLATT
Title: GENERAL MANAGER

Office Address: 28 1ST AVENUE WEST
LUCK , WI 54853

Fax Number: (715) 472 - 8880
Telephone Number: (715) 472 - 2101
Email Address:

IDENTIFICATION AND OWNERSHIP

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

Company Name:	LUCK CELLCOM, INC.
Form of Interest:	OWNED
Extent Of Interest:	100%

Company Name:	LUCK TELCOM, INC.
Form of Interest:	OWNED
Extent Of Interest:	100%

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,356,480	1,212,106	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	171,141	158,084	2
Plant Nonspecific Operations Expense	313,216	262,472	3
Customer Operations Expense (6610-6620)	158,687	172,896	4
Corporate Operations Expense (6710-6790)	256,364	213,514	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	222,800	186,887	7
Total Operating Expenses	1,122,208	993,853	8
Net Operating Income	234,272	218,253	9
Other Income			
Nonoperating Income and Expense (7300)	41,787	53,421	10
Nonoperating Taxes (7400)	16,517	16,350	11
Interest and Related Items (7500)	8,712	9,801	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	1,902	(4,404)	14
Total Nonoperating Income	18,460	22,866	15
Net Income	252,732	241,119	16

NOTES TO INCOME STATEMENT OR BALANCE SHEET

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

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

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

A. Property and Equipment

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

The Company provides for depreciation for financial reporting purposes on the straight-line method by the application of rates, based on the estimated service lives of the various classes of depreciable property.

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

B. Income taxes

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

Investment tax credits (ITC) which were deferred prior to the Tax Reform Act of 1986 are being amortized over the regulatory life of the plant which produced the ITC.

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:

C. Revenue Recognition

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

Revenues relating to the provision of access services to customers are derived, in part, from tariffed access charges to toll service providers (interexchange carriers), and in part from sharing in interstate and intrastate pools. Interstate revenues are determined in accordance with nationwide average cost schedules.

The Company is compensated for intrastate access under access charge procedures based on expense and plant investment levels, as determined by the Company and approved by the PSCW.

D. Cash Equivalents

All highly liquid investments purchased with a maturity of one year or less are considered cash equivalents.

E. Investments

Non-marketable equity investments and temporary investments are stated at cost.

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

None

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

The mortgage to the United States of America, underlying the RUS notes, contains certain restrictions on the declaration of payment of cash dividends, redemption of capital stock, or investment in affiliated companies. As of December 31, 1996, the maximum amount which could be distributed in accordance with these restrictions was \$1,239,000 except as might be specifically authorized in writing in advance by the RUS noteholders.

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)*	536,190	223,479	1
Cash (1130)		0	2
Special Cash Deposits (1140)		0	3
Working Cash Advances (1150)		0	4
Temporary Investments (1160)		0	5
TOTAL CASH AND EQUIVALENTS	536,190	223,479	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	74,776	80,151	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	74,776	80,151	
Other Accounts Receivable (1190)*	142,202	125,932	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	142,202	125,932	
Notes Receivable (1200)*	23,611	23,611	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	23,611	23,611	
Interest and Dividends Receivable (1210)*		0	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	240,589	229,694	
SUPPLIES			
Inventories (1220)*	22,036	34,224	13
TOTAL SUPPLIES	22,036	34,224	
PREPAYMENTS			
Total Prepayments (1280)*	8,837	11,965	14
Prepaid Rents (1290)		0	15
Prepaid Taxes (1300)		0	16
Prepaid Insurance (1310)		0	17
Prepaid Directory Expenses (1320)		0	18
Other Prepayments (1330)		0	19
TOTAL PREPAYMENTS	8,837	11,965	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*	4,835	4,475	20
TOTAL OTHER CURRENT ASSETS	4,835	4,475	
TOTAL CURRENT ASSETS	812,487	503,837	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	379,868	384,722	21
Investments in Nonaffiliated Companies (1402)*	463,645	513,608	22
Nonregulated Investments (1406)*	4,494	4,528	23
Unamortized Debt Issuance Expense (1407)*		0	24
Sinking Funds (1408)*	0	0	25

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
NONCURRENT ASSETS			
INVESTMENTS			
Other Noncurrent Assets (1410)*		863	26
TOTAL INVESTMENTS	848,007	903,721	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*		4,619	29
TOTAL DEFERRED CHARGES	0	4,619	
TOTAL NONCURRENT ASSETS	848,007	908,340	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	4,120,733	3,963,492	30
Less: Accumulated Depreciation (3100)*	2,391,470	2,131,609	31
Less: Accumulated Amortization--Capitalized Leases (3410)*		0	32
Less: Accumulated Amortization--Leasehold Improvements (3420)*		0	33
Less: Accumulated Amortization--Intangible (3500)*		0	34
NET TELECOMMUNICATIONS PLANT IN SERVICE	1,729,263	1,831,883	
PROPERTY HELD FOR FUTURE USE			
Prop. Held for Future Telecommun. Use (2002)*		0	35
Less: Accumulated Depreciation--Held for Future Telecommunications Use (3200)*		0	36
NET PROPERTY HELD FOR FUTURE USE	0	0	
NONOPERATING PLANT			
Nonoperating Plant (2006)*		0	37
Less: Accumulated Depreciation--Nonoperating (3300)*		0	38
NET NONOPERATING PLANT	0	0	
TPUC			
TPUC (2003)*	211,613	0	39
TOTAL TPUC	211,613	0	
TELECOMMUNICATIONS PLANT ADJUSTMENT			
Telecommunications Plant Adjustment (2005)*		0	40
Less: Accumulated Amortization--Other (3600)*		0	41
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0	
TOTAL PLANT	1,940,876	1,831,883	
TOTAL ASSETS AND OTHER DEBITS*	3,601,370	3,244,060	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	300,126	80,278	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*		0	3
Customer Deposits (4040)*	6,070	3,815	4
Current Maturities--Long-Term Debt (4050)*	66,800	65,600	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	23,375	(14,403)	7
Other Taxes--Accrued (4080)*	(6,378)	(12,980)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	13,616	12,880	11
Other Current Liabilities (4130)*	24,637	12,059	12
TOTAL CURRENT LIABILITIES*	428,246	147,249	
LONG-TERM DEBT			
Funded Debt (4210)*	368,253	547,803	13
Premium on Long-Term Debt (4220)*		0	14
Discount on Long-Term Debt (4230)*		0	15
Reacquired Debt (4240)*	0	0	16
Obligations Under Capital Leases (4250)*		0	17
Advances from Affiliated Companies (4260)*	0	0	18
Other Long-Term Debt (4270)*	112,395	0	19
TOTAL LONG-TERM DEBT*	480,648	547,803	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*		0	20
Unamortized Operating ITC--Net (4320)*	45,225	52,913	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	108,576	98,005	23
Net Deferred Tax Liability Adjustments (4341)*	(30,307)	(28,283)	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(6,015)	(950)	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	31,500	37,835	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	148,979	159,520	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	945,875	945,875	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	(4,039)	96	31
Retained Earnings (4550)*	1,601,661	1,443,517	32
TOTAL STOCKHOLDERS' EQUITY*	2,543,497	2,389,488	
TOTAL LIABILITIES AND OTHER CREDITS*	3,601,370	3,244,060	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	252,732	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	286,549	2
Interest during construction	0	3
Changes in assets and liabilities:		
Current assets (net)	4,061	4
Other noncurrent assets	5,482	5
Other current liabilities	279,797	6
Other liabilities and deferred credits	(10,541)	7
Other (specify):		
TOTAL ADJUSTMENTS	565,348	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	818,080	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(395,542)	8
Investments in affiliated companies	4,854	9
Nonoperating Investments	49,997	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(340,691)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	(65,955)	12
Net changes in stockholder equity other than retained earnings	(4,135)	13
Change in short term borrowing (net)	0	14
Dividends paid	(94,588)	15
Miscellaneous debits/credits to retained earnings	0	16
Other (specify):		
Net Cash Provided by Financing Activities	(164,678)	
NET INCREASE IN CASH AND CASH EQUIVALENTS	312,711	
Cash and cash equivalents at beginning of year (Accts. 1130-1160 for Class A; 1120 for Class B)		
Cash and cash equivalents at end of year (Accts. 1130-1160 for Class A; 1120 for Class B)		

IMPORTANT CHANGES DURING THE YEAR

1. Give the name and address of all companies which during the year came under the direct control of the respondent otherwise than through title to securities, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None

2. Give the name and address of all companies which during the year came under the indirect control of the respondent through non-reporting intermediaries, stating whether such control is sole or joint, how control was established, names of other parties to a joint agreement for control, the extent of control exercised by each party, the name and address of the intermediary through which the indirect control exists, and any other pertinent data requisite to a clear understanding of the arrangements relating to control (See Section 32.9000 of the Uniform System of Accounts). Where important details relating to control of a company have changed, give particulars. If during the year a company ceased to be controlled by the respondent, its name and a statement of fact will be sufficient.

None

3. Important leaseholds acquired, given, assigned or surrendered, giving effective dates, lengths of terms, names of parties, rents, and other conditions.

None

4. List extension of system (other than additions supplementing existing facilities of the respondent) whether by purchase, construction, donation, or otherwise, such as a substantially complete telephone system, exchange or toll line. Give the location, new territory covered, and dates of beginning operation, and in case of purchase give also the name and address of the company from which purchased, date of acquisition, the consideration given, and reference to Commission authorization.

None

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

Company had a rate increase of \$1.35/residence line in June which increased revenues an estimated \$14,400 in 1996.

6. Obligation incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, excluding ordinary commercial paper maturing on demand or not later than one year after date of issue.

None

7. Changes in articles of incorporation or amendments to charter.

None

8. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

Company became a wholly owned subsidiary of Lakeland Communications, Inc. in January 1997.

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)	
Lakeland Communications, Inc.	LAKELAND	1
Luck Cellcom, Inc.	LUCKCELL	2
Luck Telcom, Inc.	LUCKTEL	3
Other	OTH	4

AFFILIATED INTEREST TRANSACTIONS

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

Particulars (a)	(b)	(c)	(d)	(e)
--------------------	-----	-----	-----	-----

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year for the following accounts: 1120, Cash and Equivalents; 1160, Temporary Investments; 1180, Telecommunications Accounts Receivable; 1190, Other Accounts Receivable; 1210, Interest and Dividends Receivable; 1401, Investment in Affiliated Companies; 4010, Accounts Payable; and 4260, Advances from Affiliated Companies. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "other" for a particular account. Affiliated amounts recorded in accounts 1200, Notes Receivable, 1408, Sinking Funds, and 4020, Notes Payable, should not be reported in this schedule, but rather in the respective schedules contained elsewhere in this report.

Name of Affiliate (a)	Account Number (b)	Balance EOY (c)	
Lakeland Communications, Inc.	1190	10,000	1
Luck Cellcom. Inc,	1401	213,553	2
Luck Telcom, Inc.	1401	166,315	3
Luck Cellcom. Inc,	4010	24,358	4
Luck Telcom, Inc.	4010	(8,388)	5

ACCOUNTS RECEIVABLE NET WRITE OFFS - TELECOMMUNICATIONS

This schedule should be used to report accounts receivable net write off activity.

Particulars (a)	Amount (b)	
Collection of amounts previously written off		1
Uncollectibles written off during the year		2
Net write offs during the year	<u><u>0</u></u>	

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

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

Name of Maker and purpose (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Amount EOY (e)	Allowance Acct. 1201 (f)
From Others:					
Luck Rural Fire Assoc. - New Fire Station	06/01/1992	06/01/2002	.0000	12,500	1
Village of Luck - New Medical Center	05/14/1993	04/30/2003	.0000	11,111	2
Total Other				23,611	0
Total				23,611	0

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	0	1
Other:		
WITS - Class A Stock	200	2
WITS - Class B Stock	19,300	3
Government Backed Securities	331,761	4
Note Receivable - Luck Rural Fire Association	53,125	5
Note Receivable - Village of Luck	59,259	6
Total Investments in Nonaffiliated Companies	463,645	

NONREGULATED INVESTMENTS (ACCT. 1406)

Report below the name and end-of-year balance of total net investment and inventory (accts. 1406.10, 1406.11 and 1406.12) for each nonregulated activity. Telephone utilities not subject to dual jurisdiction should report materials and supplies held for resale in account 1406.

Name (a)	Balance EOY (b)	
<hr/>		
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
Inventory (Acct. 1406.12)	4,494	1

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

List items individually by Commission approval noting the date of approval.

Description of Item (a)	Balance EOY (b)
--	--------------------------------

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	9,131		1
Motor Vehicles	2112	74,807		2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	78,040		6
Buildings	2121	262,288	1,453	7
Furniture	2122	12,869		8
Office Equipment	2123	20,443	14,183	9
General Purpose Computers	2124	59,662	20,069	10
TOTAL--GENERAL SUPPORT ASSETS:		517,240	35,705	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,453,793	112,439	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	45,869	657	16
TOTAL--CENTRAL OFFICE ASSETS:		1,499,662	113,096	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		17
Customer Premises Wiring	2321	0		18
Large Private Branch Exchanges	2341	0		19
Public Telephone Terminal Equipment	2351	6,917		20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		6,917	0	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	530		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	56,171	0	24
Buried Cable	2423	1,823,047	36,227	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	59,746		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		1,939,494	36,227	
AMORTIZABLE ASSETS				
Capital Leases	2681	0		31

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2111			9,131	1
2112			74,807	2
2113			0	3
2114			0	4
2115			0	5
2116			78,040	6
2121			263,741	7
2122			12,869	8
2123	8,554	0	26,072	9
2124	19,233		60,498	10
	27,787	0	525,158	
2211			0	11
2212	0	0	1,566,232	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	46,526	16
	0	0	1,612,758	
2311			0	17
2321			0	18
2341			0	19
2351			6,917	20
2362			0	21
	0	0	6,917	
2411			530	22
2421	0	0	0	23
2422	0	0	56,171	24
2423	0	0	1,859,274	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			59,746	30
	0	0	1,975,721	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	179	33
TOTAL--AMORTIZABLE ASSETS:		179	0
TOTAL TELECOM. PLANT IN SERVICE	2001	3,963,492	185,028
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			179	33
	0	0	179	
	27,787	0	4,120,733	
2001				34
			4,120,733	

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	13,099	4,114	1
Company Communications Equipment	2123.2	7,344	10,069	2
Software	2212.1	1,453,793		3 A
Digital Switching - Central Office	2212.2	0	112,439	4 A
Digital Switching - Remote	2212.3	0		5
Step by Step Switching	2215.1	0		6
Crossbar Switching	2215.2	0		7
Satellite and Earth Station Facilities	2231.1	0		8
Other Radio Facilities	2231.2	0		9
Digital Circuit Equipment	2232.1	45,869	657	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	0		12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	56,171		15 A
Underground Cable - Metallic	2422.2	0		16 A
Buried Cable - Nonmetallic	2423.1	161,805		17
Buried Cable - Metallic	2423.2	1,661,242	36,227	18
Submarine Cable - Nonmetallic	2424.1	0		19
Submarine Cable - Metallic	2424.2	0		20
Intrabuilding Cable - Nonmetallic	2426.1	0		21
Intrabuilding Cable - Metallic	2426.2	0		22

Explain all amounts shown in column (g).

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

Subaccount (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2123.1	3,533		13,680	1
2123.2	5,021		12,392	2
2212.1		(1,453,793)	0	3 A
2212.2		1,453,793	1,566,232	4 A
2212.3			0	5
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			46,526	10
2232.2			0	11
2232.3			0	12
2421.1			0	13
2421.2			0	14
2422.1		(56,171)	0	15 A
2422.2		56,171	56,171	16 A
2423.1			161,805	17
2423.2			1,697,469	18
2424.1			0	19
2424.2			0	20
2426.1			0	21
2426.2			0	22

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
GENERAL SUPPORT ASSETS					
Motor Vehicles	2112	23,852		5,610	1E
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	46,115	10.0	7,804	5
Buildings	2121	109,571	3.33	8,742	6
Furniture	2122	12,869	10.0		7
Office Equipment	2123	17,413		4,298	8
General Purpose Computers	2124	60,848	20.0	6,560	9
Total-- GENERAL SUPPORT ASSETS		270,668		33,014	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	742,671	10.0	148,166	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	43,555	8.33	2,851	15
Total-- CENTRAL OFFICE ASSETS		786,226		151,017	0
INFORMATION ORIG/TERM ASSETS					
Station Apparatus	2311	0			16
Customer Premises Wiring	2321	0			17
Large Private Branch Exchanges	2341	0			18
Public Telephone Terminal Equipment	2351	6,917	10.0		19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		6,917		0	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	530	6.25		21
Aerial Cable	2421	0			22
Underground Cable	2422	33,662	5.0	2,808	23
Buried Cable	2423	1,002,365	5.3	97,618	24
Submarine Cable	2424	0			25
Deep Sea Cable	2425	0			26
Intrabuilding Network Cable	2426	0			27
Aerial Wire	2431	0			28

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2112					29,462	1 E
2113					0	2
2114					0	3
2115					0	4
2116					53,919	5
2121					118,313	6
2122					12,869	7
2123	8,554		500		13,657	8
2124	19,233		600		48,775	9
	27,787	0	1,100	0	276,995	
2211					0	10
2212	0			0	890,837	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				46,406	15
	0	0	0	0	937,243	
2311					0	16
2321					0	17
2341					0	18
2351					6,917	19
2362					0	20
	0	0	0	0	6,917	
2411					530	21
2421	0				0	22
2422	0			0	36,470	23
2423	0				1,099,983	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	31,241	3.5	2,091	29
Total-- CABLE WIRE FACILITIES ASSETS		1,067,798		102,517	0
Total Accumulated Depreciation	3100	2,131,609		286,548	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100				30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				286,548	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					33,332	29
	0	0	0	0	1,170,315	
3100	27,787	0	1,100	0	2,391,470	
3100						30
3100					2,391,470	

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	10,623	10.0	1,481		1
Company Communications Equipment	2123.2	6,790	20.0	2,817		2
Software	2212.1	742,671				3 A
Digital Switching - Central Office	2212.2	0	10.0	148,166		4 A
Digital Switching - Remote	2212.3	0				5
Step by Step Switching	2215.1	0				6
Crossbar Switching	2215.2	0				7
Satellite and Earth Station Facilities	2231.1	0				8
Other Radio Facilities	2231.2	0				9
Digital Circuit Equipment	2232.1	43,555	8.33	2,851		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	0				12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	33,662				15 A
Underground Cable - Metallic	2422.2	0	5.0	2,808		16 A
Buried Cable - Nonmetallic	2423.1	24,362	5.3	8,576		17
Buried Cable - Metallic	2423.2	978,003	5.3	89,042		18
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

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

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1	3,533		500		9,071	1
2123.2	5,021				4,586	2
2212.1				(742,671)	0	3 A
2212.2				742,671	890,837	4 A
2212.3					0	5
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					46,406	10
2232.2					0	11
2232.3					0	12
2421.1					0	13
2421.2					0	14
2422.1				(33,662)	0	15 A
2422.2				33,662	36,470	16 A
2423.1					32,938	17
2423.2					1,067,045	18
2424.1					0	19
2424.2					0	20
2426.1					0	21
2426.2					0	22

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

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

Particulars (a)	Balance FOY (b)	
PROPERTY RELATED		
Other Current Assets (1350)	0	1
Other Noncurrent Assets (1410)	609	2 A
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	6,527	5
Net Deferred Tax Liability Adjustments (4341)	28,283	6
Deferred Tax Regulatory Liability (4361)	(37,835)	7
Net Property Related Deferred Operating Income Taxes	(2,416)	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	(2,416)	
NONPROPERTY RELATED		
Other Current Assets (1350)	4,475	9 A
Other Noncurrent Assets (1410)	0	10
Deferred Tax Regulatory Asset (1437)	0	11
Net Current Deferred Operating Income Taxes (4100)	0	12
Net Noncurrent Deferred Operating Income Taxes (4340)	(104,532)	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	(100,057)	

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

Acct (c)	Current Year Accrual (d)	Current Year Amortization (e)	Adjustments Debit or (Credit) (f)	Balance EOY (g)	
7250				0	1
7250	(609)			0	2 A
				0	3
7250				0	4
7250	13,201			19,728	5
	2,024			30,307	6
	6,335			(31,500)	7
	20,951	0	0	18,535	
				0	8
	20,951	0	0	18,535	
7250	360			4,835	9 A
7250				0	10
				0	11
7250				0	12
7250	(23,772)			(128,304)	13
				0	14
				0	15
	(23,412)	0	0	(123,469)	

NOTES PAYABLE (ACCT. 4020)

For affiliate, list note by affiliate. For a particular affiliate, the identical affiliate name, as shown in the Affiliate Abbreviations schedule, should be reported in this schedule. For other, list by note by entity.

Name (a)	Issue Date (b)	Maturity (c)	Interest Rate (d)	Balance EOY (e)
---------------------	-------------------------------	-------------------------	----------------------------------	--------------------------------

LONG-TERM DEBT

Report data requested and show total for each long-term debt account at end of year. Information concerning the following debt issues may be reported on individual lines in aggregate: REA/RTB 2%, REA/RTB 5%, & REA/RTB 7%. In addition, REA/RTB and FFB debt, respectively, within a range of 200 basis points may also be reported in aggregate on individual lines. If reported in aggregate, a range of dates may be reported in columns (b) and (c) as well as a range of interest rates in column (d) and a composite interest rate in column (e). If aggregation is not utilized, column (e) should contain the same interest rate as reported in column (d). For account 4050 report only the amount of debt anticipated to be repaid in one year or less.

Description of Debt (a)	Specific or Range of Stated Dates of Issue (b)	Specific or Range of Stated Dates of Maturity (c)	Specific or Range of Interest Rates (d)	
Funded Debt (Account 4210):				
RUS Note #2031	04/25/1960	04/25/1996	2.0000	1
RUS Notes #2040, 2041, 2042	12/21/1964	12/21/1999	2.0000	2
RUS Notes #2050 & 2051	03/09/1972	03/09/2007	2.0000	3
Total Funded Debt				
Other Long-Term Debt (Acct. 4270):				
Rural Development	06/01/1992	06/01/2002	.0000	4
Rural Development	05/13/1993	04/30/2003	.0000	5
Total Other Long-Term Debt				

LONG-TERM DEBT (cont.)

Composite Interest Rate (e)	Held by Utility		Total Principal EOY (h)	Current Maturities Included in Acct. 4050 (i)	Total Amount Outstanding (j)	
	Reacquired Debt Acct. 4240 (f)	Sinking Funds Acct. 1408 (g)				
2.0000			120	3,600	3,720	1
2.0000			29,204	6,500	35,704	2
2.0000			338,929	33,100	372,029	3
	0	0	368,253	43,200	411,453	
.0000			53,125	12,500	65,625	4
.0000			59,270	11,100	70,370	5
	0	0	112,395	23,600	135,995	

CAPITAL STOCK ACCOUNTS AT END OF YEAR

In column (a) indicate the stated dividend rate applicable to each series of preferred stock.

Class and Series (a)	Shares Authorized by Charter (b)	Par Value per Share (c)	Call Price End of Year (d)
COMMON STOCK:			
Common	40,000	25.00	1
TOTAL COMMON STOCK	40,000		
TOTAL	<u>40,000</u>		

CAPITAL STOCK ACCOUNTS AT END OF YEAR (cont.)

	Acct. 4510 - Capital Stock		Acct. 4530 - Treasury Stock		
	Shares (e)	Amount (f)	Shares (g)	Amount (h)	
COMMON STOCK:					
Common	37,835	945,875			1
	37,835	945,875	0	0	
TOTAL	<u>37,835</u>	<u>945,875</u>	<u>0</u>	<u>0</u>	

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	1,443,517	1,296,985	1
Changes:			
Balance Transferred from Income	252,732	241,119	2
Dividends Declared:			
Common	94,588	94,587	3
Preferred		0	4
Total Dividends Declared	94,588	94,587	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>1,601,661</u>	<u>1,443,517</u>	

DISTRIBUTION OF TAXES

1. Report hereunder the summary accounts and functions charged with taxes accrued during the year.
2. Where allocation is necessary, explain the basis used.
3. Report in a footnote the amounts and kind of taxes cleared from prepaid taxes, if any.

Summary Account/ Function Charged (a)	Wisconsin License Fee (b)	Wisconsin Income Tax (c)	Federal Income Tax (d)	
Operating Taxes (Accts. 7210 - 7250)	77,906	32,110	110,822	1
Nonoperating Taxes (Accts. 7410 - 7450)		3,485	13,032	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		262	979	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
ITC Restored			7,688	10
Deferred Taxes		(3,214)	2,866	11
TOTAL	<u><u>77,906</u></u>	<u><u>32,643</u></u>	<u><u>135,387</u></u>	

DISTRIBUTION OF TAXES (cont.)

PSC Remainder Assessment (e)	Local Property Tax (f)	State & Local Taxes Other than Wisconsin (g)	Other Taxes (h)	Payroll Taxes (i)	Total (j)	
1,962					222,800	1
					16,517	2
					0	3
					1,241	4
					0	5
					0	6
				18,213	18,213	7
				166	166	8
				436	436	9
					7,688	10
					(348)	11
<u>1,962</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,815</u>	<u>266,713</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)*	308,234	270,034	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)	308,234	270,034	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	92,066	89,049	11
Switched Access Revenue (5082)*	562,404	479,330	12
Special Access Revenue (5083)*	9,547	8,929	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	664,017	577,308	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	219,659	186,983	15
Special Access Revenue (5084.3)*	7,476	8,588	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	227,135	195,571	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*		0	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)*	83,804	81,692	30
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	11,894	11,158	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)	11,894	11,158	
Interstate Billing and Collection Revenue*	29,213	33,103	39
Intrastate Billing and Collection Revenue*	33,759	46,286	40 F
Total Carrier Billing and Collection Revenue (5270)*	62,972	79,389	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	158,670	172,239	
GROSS OPERATING REVENUES	1,358,056	1,215,152	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	1,576	3,046	42
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	1,576	3,046	
TOTAL OPERATING REVENUES	<u>1,356,480</u>	<u>1,212,106</u>	

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

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
PLANT SPECIFIC OPERATIONS EXPENSE				
Total Network Support Expense (6110)	2,474	3,208		1
Less: Nonregulated		0		2
Net Regulated	2,474	3,208	0	3
Total General Support Expense (6120)	9,522	8,158	1,471	4
Less: Nonregulated		0		5
Net Regulated	9,522	8,158	1,471	6
Total Central Office Switching Expense (6210)	67,006	52,966	23,114	7
Less: Nonregulated		0		8
Net Regulated	67,006	52,966	23,114	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	2,925	5,085	2,734	13
Less: Nonregulated		0		14
Net Regulated	2,925	5,085	2,734	15
Total Information Orig. / Term. Expense (6310)	1,336	480	262	16
Less: Nonregulated		0		17
Net Regulated	1,336	480	262	18
Total Cable and Wire Fac. Expense (6410)	74,821	101,244	58,311	19
Less: Nonregulated		0		20 B
Net Regulated	74,821	101,244	58,311	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	158,084	171,141	85,892	
Less: Nonregulated	0	0	0	
Net Regulated	158,084	171,141	85,892	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)		0		22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	11,459	26,667	1,606	25
Less: Nonregulated		0		26 C
Net Regulated	11,459	26,667	1,606	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	251,013	286,549		31
Less: Nonregulated		0		32
Net Regulated	251,013	286,549		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	262,472	313,216	1,606	
Less: Nonregulated	0	0	0	
Net Regulated	262,472	313,216	1,606	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			3,208		1
	0	0	3,208	0	2
6120	767		5,920		3
	767	0	5,920	0	4
6210	10,843		19,009		5
	10,843	0	19,009	0	6
6220					7
	0	0	0	0	8
6230	1,175		1,176		9
	1,175	0	1,176	0	10
6310	127		91		11
	127	0	91	0	12
6410	27,077		15,856		13
	27,077	0	15,856	0	14
	39,989	0	45,260	0	15
	0	0	0	0	16
	39,989	0	45,260	0	17
6510					18
	0		0	0	19
6530	671		24,390		20 B
	671	0	24,390	0	21
6540					22
	0	0	0	0	23
6560			286,549		24
			286,549		25
	671	0	310,939	0	26 C
	0	0	0	0	27
	671	0	310,939	0	28

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	2,676	1,465		34
Less: Nonregulated		0		35
Net Regulated	2,676	1,465	0	36
Total Services (6620)	170,220	157,222	30,607	37
Less: Nonregulated		0		38
Net Regulated	170,220	157,222	30,607	39
TOTAL CUSTOMER OPERATIONS EXPENSE	172,896	158,687	30,607	
Less: Nonregulated	0	0	0	
Net Regulated	172,896	158,687	30,607	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	128,928	137,102	64,982	40
Less: Nonregulated		0		41
Net Regulated	128,928	137,102	64,982	42
Total General and Administrative (6720)	84,586	119,262	24,955	43
Less: Nonregulated		0		44 D
Net Regulated	84,586	119,262	24,955	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	213,514	256,364	89,937	
Less: Nonregulated	0	0	0	
Net Regulated	213,514	256,364	89,937	
TOTAL EXPENSES	806,966	899,408	208,042	
Less: Nonregulated	0	0	0	
Net Regulated	806,966	899,408	208,042	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			1,465		34
	0	0	1,465	0	35
6620	13,944		112,671		36
	13,944		112,671	0	37
	13,944	0	114,136	0	38
	0	0	0	0	39
	13,944	0	114,136	0	
6710	30,020		42,100		40
	30,020		42,100	0	41
6720	15,139		79,168		42
	15,139		79,168	0	43
6790					44 D
			0		45
	45,159	0	121,268	0	46
	0	0	0	0	47
	45,159	0	121,268	0	48
	99,763	0	591,603	0	
	0	0	0	0	
	99,763	0	591,603	0	

EXPENSE MATRIX - CLASS A & B (DETAIL)

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries/ Wages (d)	
Property Held for Future Tele. Use Exp. (6511)		0		1
Provisioning Expense (6512)		0		2
Total: Reported in Account 6510	0	0	0	
Depreciat. Exp.--Tele. Plant in Service (6561)	251,013	286,549		3
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		0		4
Amortization Expense--Tangible (6563)		0		5
Amortization Expense--Intangible (6564)		0		6
Amortization Expense--Other (6565)		0		7
Total: Reported in Account 6560	251,013	286,549		

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

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6511					1
6512					2
	0		0	0	
6561			286,549		3
6562					4
6563					5
6564					6
6565					7
			286,549		

OUT-OF-STATE OPERATING REVENUES

1. This schedule is to be completed only by those companies having out-of-state revenues. For the purpose of completing this schedule, and for PSCW use in calculating Wisconsin remainder assessment revenues, out-of-state revenues are specifically defined in headnote 2.
2. Out-of-state revenues are those derived exclusively from communications physically originating outside of Wisconsin. Out-of-state revenues do not include a) access revenues from "inbound" communications originating outside the state, or b) revenues from communications originating in Wisconsin and terminating outside the state, or c) revenues allocable to Wisconsin-based facilities used for communications originating and terminating outside of the state.

Description (a)	This Year (b)
Out-of-state operating revenues	1
Less: current year write-offs of uncollectible accounts - out-of-state utility customers only	2
Plus: current year collection of out-of-state utility customer accounts previously written off	3
Net out-of-state operating revenues	<u>0</u>

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

Particulars (a)	This Year (b)	Last Year (c)	
OTHER OPERATING INCOME AND EXPENSE			
Income from Custom Work (7110)*		0	1
Return from Nonregulated Use of Regulated Facilities (7130)*		0	2
Gains and (Losses) from Foreign Exchange (7140)		0	3
Gains or (Losses) from the Disposition of Land and Artworks (7150)		0	4
Other Operating Gains and (Losses) (7160)*		0	5
TOTAL OTHER OPERATING INCOME AND (EXPENSE) (7100)*	0		0
OPERATING TAXES			
Operating Investment Tax Credits--Net (7210)*	(7,688)	(8,003)	6
Operating Federal Income Taxes (7220)*	119,709	83,844	7
Operating State and Local Income Taxes (7230)*	28,450	18,917	8
Operating Other Taxes (7240)*	79,868	71,483	9
Provision for Deferred Operating Income Taxes--Net (7250)*	2,461	20,646	10
TOTAL OPERATING TAXES (7200)*	222,800	186,887	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*		0	11
Interest Income (7320)*	50,015	44,000	12
Income from Sinking and Other Funds (7330)*		0	13
Allowance for Funds Used During Construction (7340)*		0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*		0	15
Other Nonoperating Income (7360)*	(5,375)	11,969	16
Special Charges (7370)*	2,853	2,548	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	41,787	53,421	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*		0	18
Nonoperating Federal Income Taxes (7420)*	14,699	13,899	19
Nonoperating State and Local Income Taxes (7430)*	3,931	3,717	20
Nonoperating Other Taxes (7440)*		0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	(2,113)	(1,266)	22
TOTAL NONOPERATING TAXES (7400)*	16,517	16,350	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	8,619	9,492	23
Interest Expense--Capital Leases (7520)*		0	24
Amortization of Debt Issuance Expense (7530)*		0	25
Other Interest Deductions (7540)*	93	309	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	8,712	9,801	
EXTRAORDINARY ITEMS			
Extraordinary Items (7600)*		0	27
Extraordinary Income Credits (7610)		0	28
Extraordinary Income Charges (7620)		0	29
Current Income Tax Effect of Extraordinary Items--Net (7630)		0	30
Provision for Deferred Income Tax Effect of Extraordinary Items--Net (7640)		0	31
TOTAL EXTRAORDINARY ITEMS (7600)*	0	0	
NONREGULATED NET INCOME			
Nonregulated Net Income (7990)*	1,902	(4,404)	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	71,762	1
Less: Cost of Goods Sold		2
Net Sales	71,762	3
Expenses (Acct. 7990.2)	69,860	4
Nonregulated Net Income	<u><u>1,902</u></u>	5

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

Sales and leasing of CPE. Sales and leasing of cellular phones. Provider of internet services.

If the revenues from an individual nonregulated activity represent in excess of 5% of the total operating revenues for the company, please provide the amounts, as requested above, for that individual activity:

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	208,042	1
Nonregulated Expense	11,546	2
Plant Accounts	15,683	3
Accumulated Depreciation Accounts		4
All Other Accounts		5
Total Salaries and Wages	<u>235,271</u>	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	2,991	1
Supervision and Other Management	1.00	1.00	58,673	2
Other Employees	7.00	7.00	173,607	3
Total	<u>10.00</u>	<u>10.00</u>	<u>235,271</u>	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	208,042	1
Nonregulated Expense	11,546	2
Plant Accounts	15,683	3
Accumulated Depreciation Accounts		4
All Other Accounts		5
Total Salaries and Wages	<u>235,271</u>	6

EMPLOYEE DATA

Compensation includes wages, commissions, bonuses and any other cash allowances paid to employees.

Employee Category (a)	Number of Equivalent Full-Time Employees		Total Compensation (d)	
	FOY (b)	EOY (c)		
Officers	2.00	2.00	2,991	1
Supervision and Other Management	1.00	1.00	58,673	2
Other Employees	7.00	7.00	173,607	3
Total	<u>10.00</u>	<u>10.00</u>	<u>235,271</u>	

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Intra-Exchange			1
Extended Area Service			2
Extended Community Calling			3
Other Local-Undefined			4
Total Local	0	0	
TOLL			
Operator Handled: State--intraLATA		5	5
Operator Handled: State--interLATA		3	6
Operator Handled: Interstate		14	7
Customer Dialed: State--intraLATA	17	167	8
Customer Dialed: State--interLATA	12	105	9
Customer Dialed: Interstate	37	482	10
WATS			11
Other Toll-Undefined			12
Total Toll	66	776	
Total Local & Toll	66	776	

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.	72	47			2
Feature Group B -- Orig.					3
Feature Group B -- Term.					4
Feature Group C -- Orig.			1	1,087	5
Feature Group C -- Term.			1	979	6
Feature Group D -- Orig.	2,399	451			7
Feature Group D -- Term.	3,500	799			8

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial		1
Sheath miles of plant - buried	284	2
Sheath miles of plant - fiber optics	23	3
Strand miles of plant - fiber optics	455	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - aerial		1
Sheath miles of plant - buried	284	2
Sheath miles of plant - fiber optics	23	3
Strand miles of plant - fiber optics	455	4
Route miles of plant - microwave		5

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	5	5	1
56 kbps	2		2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	1		4
45 Mbps (DS-3)			5
SONET OC-1			6
SONET OC-3			7
SONET OC-12			8
SONET OC-48			9
SONET OC-192			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	290	299	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	10	9	6
Centrex Trunks	0		7
Centrex Lines	0		8
Key System Trunks	43	52	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	3		12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	6	6	16
- Semi-Public	0		17
- Cust. Owned	1	1	18
Other	0		19
Total Business Lines	353	367	20
Residential (Incl. Emp. Concess.)			
1 Party	1,753	1,815	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	5		25
Other	0		26
Total Residential Lines	1,758	1,815	27
Total Bus & Res Lines	2,111	2,182	28
Company Used Lines	55	40	29
Total Lines Used	2,166	2,222	30

SERVICE DATA (cont.)

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

Item (a)	FOY (b)	EOY (c)	
Miscellaneous			
WATS Lines - OutWATS	0		3
WATS Lines - 800 Service	1		4
FX-In-intraLATA	4		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	7	5	7
Special Access-interLATA			8
(expressed in equiv. access lines)	0	31	9
Feature Group A Lines	0	2	10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	112	112	13
TSPS - Trunks	20	11	14
EAS - Trunks	184	190	15
Cellular Trunks (Pub. Sw. Net.)	0		16
Video Distance Learning			17
- discounted (special tariff)	0		18
Customers			
Business - 2 Party Customers	0		20
Business - 4 Party Customers	0		21
Residential - 2 Party Customers	0		22
Residential - 4 Party Customers	0		23
Other			
Total Central Office, Info. Orig./Term., & Cable			25
Wire Fac. Assets (based on physical location of plant)			26
	3,446,073	3,595,396	27
Total Company Square Miles	123	123	28
Total Company Route Miles	300		29
Footnotes		A	30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1350	3050			1
Business					2
1 Party	48	251			3
2 Party					4
4 Party					5
PBX Trunks/System Trunks		9			6
Centrex Trunks					7
Centrex Lines					8
Key System Trunks	4	48			9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)					12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	1	5			16
- Semi-Public					17
- Cust. Owned		1			18
Other					19
Total Business Lines	53	314	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	405	1,410			22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	405	1,410	0	0	27
Total Bus & Res Lines	458	1,724	0	0	28
Company Used Lines	8	32			29
Total Lines Used	466	1,756	0	0	30

SERVICE DATA - END OF YEAR (cont.)

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	1350	3050			1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	1	4			7
Special Access-interLATA					8
(equiv. access lines)		31			9
Feature Group A Lines		2			10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	12	100			13
TSPS - Trunks	2	9			14
EAS - Trunks	34	156			15
Cellular Trunks (Pub. Sw. Net.)					16
Video Distance Learning					17
- discounted (special tariff)					18
Customers					19
Business - 2 Party Customers					20
Business - 4 Party Customers					21
Residential - 2 Party Customers					22
Residential - 4 Party Customers					23
Other					24
Exchange C.O., Info. Orig./Term., & Cable					25
Wire Fac. Assets (based on physical					26
location of plant)	790,987	2,804,409			27
Exchange Square Miles	36	87			28
Exchange Route Miles					29
Footnotes					30

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

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Electronic--Digital	D	3
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	CUSHING	LUCK			1
PSCW Exchange ID	1350	3050			2
Central Office Name	CUSHING	LUCK			3
PSCW Central Office ID	1	1			4
Manufacturer of COE (Page 54)	SC	SC			5
Year COE Installed	1986	1986			6
Type of Equipment (Page 54)	D	D			7
(S)tandalone, (H)ost, (R)emote	R	H			8
Remote Host PSCW Exchange ID	1350				9
Remote Host PSCW Central Office ID	0	0			10
COE Generic Software Release No.		19			11
SS7?	No	No			12
9-1-1?	Yes	Yes			13
Access Lines - In Use	462	1,786			14
- Equipped	543	1,958			15
- Wired	654	2,046			16
Trunks - In Use	48	311			17
- Equipped	72	436			18
- Wired	72	460			19
ISDN Available?	No	No			20
ISDN Lines - In Use (BRI)	0	0			21
- In Use (PRI)	0	0			22
Switched 56 Service?	No	No			23
Switched 56 lines in use	0	0			24
Digital Transmission Facilities: DS-1 - In Use	3	16			25
DS-3 - In Use	0	0			26
Advanced Data Service Available:					
Packet Switching?	No	No			27
SMDS?	No	No			28
Frame Relay?	No	No			29
ATM (Asynchronous Trans. Mode)?	No	No			30
Video Information - Service Available?	No	No			31
- In Use (# lines) ¹	0	0			32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	0	88			33
No. of fiber strands working (LIT) in C.O.	0	8			34
No. of fiber strands for interoffice use	0	94			35
Miles of fiber sheath in wire center	0	23			36
Access Tandem Serving this C.O.:					
- C.O. Name	FREDERIC	FREDERIC			37
- PSCW C.O. ID	1960-01	1960-01			38
Does this C.O. do access tandem switching?	No	No			39
Equal Access: InterLATA (1+)?	Yes	Yes			40
Equal Access: IntraLATA (1+)?	No	No			41
Footnotes					42

¹ Teleco provided end-to-end facility.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES**General Footnote**

Accountants Compilation Report

To the Board of Directors
Luck Telephone Company
Luck, Wisconsin 54853

We have compiled the balance sheets of Luck Telephone Company as of December 31, 1996 and 1995, and the related statements of income and retained earnings for the years then ended, and the statement of cash flows for the year ended December 31, 1996, included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the prescribed form, except for pages 46 through 55.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly, do not express an opinion or any other form of assurance on them. These financial statements were compiled by us from financial statements for the same period that we previously audited, as indicated in our report dated January 9, 1997.

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

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

Kiesling Associates LLP
Madison, Wisconsin
April 24, 1997

Schedule Footnotes**Central Office Lookup Table Footnote. Page 0**

This footnote is not being used.

Identification and Ownership Footnote. Page 7

Data missing from load, entered by Cliff, corrected by RL July 24, 1997

Central Office Data - End of Year Footnote. Page 55

This footnote is not being used.

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

This footnote is not being used.

Schedule Line Footnotes

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

- A) To properly reflect first of year balances.
- B) Increase due to payroll and overhead from road move.
- C) Increase due to services for long range exchange plan.
- D) Increase due to reorganization of company and strategic planning services.
- E) Vehicles are depreciated on a per unit basis.
- F) Decrease due to customers using carriers which the company does not do the billing for.