



4004

ANNUAL REPORT

OF

Name: BAYLAND TELEPHONE, INC.Principal Office: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101For 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.

TABLE OF CONTENTS

Schedule Name	Page
Cover Page	1
General Rules for Reporting	2
Signature Page	3
Table of Contents	4
Annual Telecommunications Report Glossary of Terms	5
Abbreviations Used in Annual Reports	6
Identification and Ownership	7
Income Statement - Total Company	8
Notes to Income Statement or Balance Sheet	9
Balance Sheet - Assets (Class B Use Accounts Designated By *)	10
Balance Sheet - Liabilities (Class B Use Accounts Designated By *)	11
Statement of Cash Flows	12
Important Changes During the Year	13
Affiliate Abbreviations	14
Affiliated Interest Transactions	15
Affiliated Assets and Liabilities	16
Accounts Receivable Net Write Offs - Telecommunications	17
Notes Receivable (Acct. 1200) and Allowances (Acct. 1201)	18
Investments in Nonaffiliated Companies (Acct. 1402)	19
Nonregulated Investments (Acct. 1406)	20
Deferred Maintenance and Retirements (Acct. 1438)	21
Telecommunications Plant in Service Class A & B	22
Telecommunications Plant in Service Class A & B (Sub-Class Accounts)	24
Accumulated Depreciation Class A & B	26
Accumulated Depreciation Class A & B (Sub-Class Accounts)	28
Net Deferred Operating Income Taxes (Acct. 1350, 1410, 1437, 4100, 4340, 4341 & 4361)	30
Notes Payable (Acct. 4020)	32
Long-Term Debt	33
Capital Stock Accounts at End of Year	35
Retained Earnings (Acct. 4550)	37
Distribution of Taxes	38
Revenues - Class A & B (Class B Use Accounts Designated By *)	40
Expense Matrix - Class A & B	41
Out-of-State Operating Revenues	43
Other Income Accounts (Class B Use Accounts Designated By *)	44
Nonregulated Net Income (Acct. 7990)	45
Distribution of Salaries and Wages	46
Employee Data	46
Telephone Calls and Minutes of Use Per Month	47
Access Usage	48
Outside Plant Statistics at End of Year	49
Special Access Circuits in Use at End of Year	49
Service Data	50
Service Data - End of Year	52

TABLE OF CONTENTS

Schedule Name	Page
Equipment Abbreviations	54
Manufacturer Abbreviations	54
Central Office Data - End of Year	55
General, Schedule Level and Schedule Line Footnotes	56

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: BAYLAND TELEPHONE, INC.
Utility Location: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Utility Web Site Address:

When was utility organized?: 01/01/1907

Report any change in name and the effective date:

Officer in charge of correspondence concerning this report

Name: MR. ROGER L. HERMSEN
Title: VICE PRESIDENT AND GENERAL MANAGER

Office Address: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Fax Number: (414) 826 - 5911
Telephone Number: (414) 826 - 5215
Email Address:

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

Name: MR. DENNIS E. HILDEBRANDT J
Title: CERTIFIED PUBLIC ACCOUNTANT
Firm: SIEPERT & CO. LLP
Office Address: 1920 WEST HART ROAD
BELOIT, WI 53511

Fax Number: (608) 364 - 8727
Telephone Number: (608) 365 - 2266
Email Address:

Person responsible for financial information contained in report

Name: MR. ROGER L. HERMSEN
Title: VICE PRESIDENT AND GENERAL MANAGER
Office Address: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Fax Number: (414) 826 - 5911
Telephone Number: (414) 826 - 5215
Email Address:

Person responsible for statistical information contained in report

Name: MR. ROGER L. HERMSEN
Title: VICE PRESIDENT AND GENERAL MANAGER
Office Address: 2710 U.S. HWY. 41 & 141
ABRAMS, WI 54101

Fax Number: (414) 826 - 5911 EXT
Telephone Number: (414) 826 - 5215
Email Address:

IDENTIFICATION AND OWNERSHIP

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

Name: CHRISTINE C. FRENCH
Address: 3517 BARKWOOD LANE
MANITOWOC , WI 54220

Number of Shares Held: 415
Beneficial Owner: NONE

Name: DONALD & RUTH LE BRECK
Address: 1122 BIEMERET STREET
GREEN BAY , WI 54304-3314

Number of Shares Held: 468
Beneficial Owner: NONE

Name: HELEN L. HERMSEN
Address: 13575 KERRY LANE
EDEN PRAIRIE , MN 55346-3152

Number of Shares Held: 468
Beneficial Owner: NONE

Name: J. ROGER HERSMEN
Address: 921C WINDFIELD PLACE
APPLETON , WI 54911

Number of Shares Held: 906
Beneficial Owner: NONE

Name: JEAN J. HERMSEN
Address: 2832B MADISON STREET
WAUKESHA , WI 53188-4507

Number of Shares Held: 408
Beneficial Owner: NONE

Name: PATRICK & MARY ANDERSON
Address: 3502 E. BOTTSFORD AVE.
CUDAHY , WI 53110-1134

Number of Shares Held: 450
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP

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

Name: PAUL G. HERMSEN
Address: 622 SARATOGA DRIVE
GREEN BAY , WI 54303

Number of Shares Held: 415
Beneficial Owner: NONE

Name: ROGER L. HERMSEN
Address: 2853 TIMBER LANE
GREEN BAY , WI 54313

Number of Shares Held: 415
Beneficial Owner: NONE

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

Company Name:
Form of Interest:
Extent Of Interest:

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues (5000-5300)	1,384,773	1,233,202	1
Operating Expenses			
Plant Specific Operations Expense (6110-6410)	271,367	195,358	2
Plant Nonspecific Operations Expense	383,007	317,442	3
Customer Operations Expense (6610-6620)	217,883	208,084	4
Corporate Operations Expense (6710-6790)	219,130	182,075	5
Other Operating Income and Expense (7100)	0	0	6
Operating Taxes (7200)	109,940	110,749	7
Total Operating Expenses	1,201,327	1,013,708	8
Net Operating Income	183,446	219,494	9
Other Income			
Nonoperating Income and Expense (7300)	374,622	33,508	10
Nonoperating Taxes (7400)	139,593	9,635	11
Interest and Related Items (7500)	127,338	108,567	12
Extraordinary Items (7600)	0	0	13
Nonregulated Net Income (7990)	4,947	19,829	14
Total Nonoperating Income	112,638	(64,865)	15
Net Income	296,084	154,629	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.)

1. SIGNIFICANT ACCOUNTING POLICIES:

A. TELEPHONE PLANT IS RECORDED AT ORIGINAL COST. DEPRECIATION IS COMPUTED ON STRAIGHT-LINE BASIS BY APPLYING A RATE TO GROUP ACCOUNT ASSETS FOR BOOK AND TAX PURPOSES.

B. THE COMPANY HAS ELECTED TO DEFER INCOME TAX SAVINGS EARNED BY INVESTMENT TAX CREDIT AND IS AMORTIZING THESE SAVINGS OVER THE SERVICE LIFE OF THE ASSETS ON WHICH THE ITC WAS GENERATED. DEFERRED INCOME TAXES HAVE BEEN RECORDED ON ALL TEMPORARY TIMING DIFFERENCES.

C. THE COMPANY HAS DEFINED CONTRIBUTION PENSION PLAN WHICH IS ADMINISTERED BY A TRUSTEE AND COVERS ALL ELIGIBLE EMPLOYEES. PENSION PLAN EXPENSE FOR 1996 AMOUNTS TO \$50,631.

D. IN GENERAL, REVENUES ARE RECOGNIZED WHEN EARNED REGARDLESS OF WHEN ACTUALLY RECEIVED.

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.

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.

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)*	265,278	264,703	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	265,278	264,703	
RECEIVABLES AND ALLOWANCES FOR DOUBTFUL ACCOUNTS			
Telecommunications Accounts Receivable (1180)*	50,167	38,916	6
Accounts Receivable Allowance-Telecom (1181)*		0	7
Net: Telecommunications Accounts Receivable	50,167	38,916	
Other Accounts Receivable (1190)*	84,718	93,545	8
Accounts Receivable Allowance--Other (1191)*		0	9
Net: Other Accounts Receivable	84,718	93,545	
Notes Receivable (1200)*	0	0	10
Notes Receivable Allowance (1201)*	0	0	11
Net: Notes Receivable	0	0	
Interest and Dividends Receivable (1210)*	492	139	12
TOTAL RECEIVABLES AND ALLOWANCES FOR DOUBTFUL	135,377	132,600	
SUPPLIES			
Inventories (1220)*	21,326	26,464	13
TOTAL SUPPLIES	21,326	26,464	
PREPAYMENTS			
Total Prepayments (1280)*		0	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	0	0	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*		0	20
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	421,981	423,767	
NONCURRENT ASSETS			
INVESTMENTS			
Investment in Affiliated Companies (1401)*	0	0	21
Investments in Nonaffiliated Companies (1402)*	5,300	5,300	22
Nonregulated Investments (1406)*	37,684	48,625	23
Unamortized Debt Issuance Expense (1407)*	657	704	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)*	1,004,022	749,584	26
TOTAL INVESTMENTS	1,047,663	804,213	
DEFERRED CHARGES			
Deferred Tax Regulatory Asset (1437)*	0	0	27
Deferred Maintenance and Retirements (1438)*	0	0	28
Deferred Charges (1439)*	27,939	0	29
TOTAL DEFERRED CHARGES	27,939	0	
TOTAL NONCURRENT ASSETS	1,075,602	804,213	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	5,226,278	4,671,362	30
Less: Accumulated Depreciation (3100)*	2,135,523	1,843,386	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	3,090,755	2,827,976	
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)*		0	39
TOTAL TPUC	0	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	3,090,755	2,827,976	
TOTAL ASSETS AND OTHER DEBITS*	4,588,338	4,055,956	

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

Particulars (a)	Balance--EOY (b)	Balance--FOY (c)	
CURRENT LIABILITIES			
Accounts Payable (4010)*	74,156	72,824	1
Notes Payable (4020)*	0	0	2
Advance Billing and Payments (4030)*		0	3
Customer Deposits (4040)*	300	300	4
Current Maturities--Long-Term Debt (4050)*	0	0	5
Current Maturities--Capital Leases (4060)*		0	6
Income Taxes--Accrued (4070)*	19,577	23,933	7
Other Taxes--Accrued (4080)*	(5,486)	(9,278)	8
Net Current Deferred Operating Income Taxes (4100)*	0	0	9
Net Current Deferred Nonoperating Income Taxes (4110)*		0	10
Other Accrued Liabilities (4120)*	20,173	19,506	11
Other Current Liabilities (4130)*		0	12
TOTAL CURRENT LIABILITIES*	108,720	107,285	
LONG-TERM DEBT			
Funded Debt (4210)*	2,899,021	2,418,983	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)*	170,000	295,000	19
TOTAL LONG-TERM DEBT*	3,069,021	2,713,983	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Long-Term Liabilities (4310)*		0	20
Unamortized Operating ITC--Net (4320)*	24,094	28,883	21
Unamortized Nonoperating ITC--Net (4330)*		0	22
Net Noncurrent Deferred Operating Income Taxes (4340)*	(6,326)	(7,811)	23
Net Deferred Tax Liability Adjustments (4341)*	0	0	24
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*	(22,455)	(6,841)	25
Other Deferred Credits (4360)*		0	26
Deferred Tax Regulatory Liability (4361)*	12,972	12,972	27
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS*	8,285	27,203	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	229,950	229,950	28
Additional Paid-in Capital (4520)*		0	29
Treasury Stock (4530)*	0	0	30
Other Capital (4540)*	(3,968)	(3,335)	31
Retained Earnings (4550)*	1,176,330	980,870	32
TOTAL STOCKHOLDERS' EQUITY*	1,402,312	1,207,485	
TOTAL LIABILITIES AND OTHER CREDITS*	4,588,338	4,055,956	

STATEMENT OF CASH FLOWS

Item (a)	Amount (b)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	296,084	1
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and amortization	347,407	2
Interest during construction	(4,353)	3
Changes in assets and liabilities:		
Current assets (net)	2,361	4
Other noncurrent assets	(282,424)	5
Other current liabilities	1,435	6
Other liabilities and deferred credits	(18,918)	7
Other (specify):		
TOTAL ADJUSTMENTS	45,508	
NET CASH PROVIDED BY OPERATING ACTIVITIES (NET INCOME & ADJUST.)	341,592	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditures:		
Changes in plant (net)	(605,833)	8
Investments in affiliated companies	0	9
Nonoperating Investments	10,941	10
Other (specify):		
NET CASH USING IN INVESTING ACTIVITIES	(594,892)	
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in capital lease obligations (net)	0	11
Change in long-term debt (net)	355,132	12
Net changes in stockholder equity other than retained earnings	(633)	13
Change in short term borrowing (net)	0	14
Dividends paid	(45,630)	15
Miscellaneous debits/credits to retained earnings	(54,994)	16
Other (specify):		
Net Cash Provided by Financing Activities	253,875	
NET INCREASE IN CASH AND CASH EQUIVALENTS	575	
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.

NONE

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.

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)
NONE	NONE

1

AFFILIATED INTEREST TRANSACTIONS

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

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)
--	-------------------------------	-------------------------	----------------------------------	-------------------------------	---

INVESTMENTS IN NONAFFILIATED COMPANIES (ACCT. 1402)

Name (a)	Balance EOY (b)	
RTB Class B Stock	5,300	1
Other:		
Total Investments in Nonaffiliated Companies	5,300	

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)	
Total Net Investment and Inventory (Accts. 1406.10, 1406.11, and 1406.12):		
INVENTORY FOR RESALE	28,520	1
INTERNET EQUIPMENT, NET	9,164	2

DEFERRED MAINTENANCE AND RETIREMENTS (ACCT. 1438)

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

	Description of Item (a)	Balance EOY (b)	
NONE		0	1
Total		0	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)	
GENERAL SUPPORT ASSETS				
Land	2111	9,574		1
Motor Vehicles	2112	110,905	18,746	2
Aircraft	2113	0		3
Special Purpose Vehicles	2114	0		4
Garage Work Equipment	2115	0		5
Other Work Equipment	2116	25,588	1,597	6
Buildings	2121	244,094		7
Furniture	2122	11,677		8
Office Equipment	2123	25,863	0	9
General Purpose Computers	2124	72,763	29,674	10
TOTAL--GENERAL SUPPORT ASSETS:		500,464	50,017	
CENTRAL OFFICE ASSETS				
Analog Electronic Switching	2211	0		11
Digital Electronic Switching	2212	1,419,390	96,358	12
Electro-Mechanical Switching	2215	0	0	13
Operator Systems	2220	0		14
Radio Systems	2231	0	0	15
Circuit Equipment	2232	401,958	35,733	16
TOTAL--CENTRAL OFFICE ASSETS:		1,821,348	132,091	
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	7,621	790	20
Other Terminal Equipment	2362	0		21
TOTAL--INFORMATION ORIG/TERM ASSETS:		7,621	790	
CABLE WIRE FACILITIES ASSETS				
Poles	2411	0		22
Aerial Cable	2421	0	0	23
Underground Cable	2422	0	0	24
Buried Cable	2423	2,341,929	426,795	25
Submarine Cable	2424	0	0	26
Deep Sea Cable	2425	0		27
Intrabuilding Network Cable	2426	0	0	28
Aerial Wire	2431	0		29
Conduit Systems	2441	0		30
TOTAL--CABLE WIRE FACILITIES ASSETS:		2,341,929	426,795	
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	628		8,946	1
2112	9,230		120,421	2
2113			0	3
2114			0	4
2115			0	5
2116	182		27,003	6
2121			244,094	7
2122			11,677	8
2123	0	0	25,863	9
2124	25,591		76,846	10
	35,631	0	514,850	
2211			0	11
2212	9,134	0	1,506,614	12
2215	0	0	0	13
2220			0	14
2231	0	0	0	15
2232	0	0	437,691	16
	9,134	0	1,944,305	
2311			0	17
2321			0	18
2341			0	19
2351			8,411	20
2362			0	21
	0	0	8,411	
2411			0	22
2421	0	0	0	23
2422	0	0	0	24
2423	10,012	0	2,758,712	25
2424	0	0	0	26
2425			0	27
2426	0	0	0	28
2431			0	29
2441			0	30
	10,012	0	2,758,712	
2681			0	31

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (c)	Additions (d)
AMORTIZABLE ASSETS			
Leasehold Improvements	2682	0	32
Intangibles	2690	0	33
TOTAL--AMORTIZABLE ASSETS:		0	0
TOTAL TELECOM. PLANT IN SERVICE	2001	4,671,362	609,693
Less: Allocation to Nonregulated Activity - EOY	2001		34
NET REG. TOTAL TELE. PLANT IN SERV. - EOY	2001		

Explain all amounts shown in column (g).

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

Account (e)	Retirements (f)	Transfers / Adjustments (g)	Balance EOY (h)	
2682			0	32
2690			0	33
	0	0	0	
	54,777	0	5,226,278	
2001			0	34
			5,226,278	

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	13,744		1
Company Communications Equipment	2123.2	12,119		2
Software	2212.1	1,419,390		3 A
Digital Switching - Central Office	2212.2	0	96,358	4 A,B
Digital Switching - Remote	2212.3	0		5 A,B
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	333,775	13,834	10
Analog Circuit Equipment	2232.2	0		11
Light Wave Circuit Equipment	2232.3	68,183	21,899	12
Aerial Cable - Nonmetallic	2421.1	0		13
Aerial Cable - Metallic	2421.2	0		14
Underground Cable - Nonmetallic	2422.1	0		15
Underground Cable - Metallic	2422.2	0		16
Buried Cable - Nonmetallic	2423.1	419,791	123,724	17 A
Buried Cable - Metallic	2423.2	1,922,138	303,071	18 A
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			13,744	1
2123.2			12,119	2
2212.1		(1,419,390)	0	3 A
2212.2	9,134	1,359,686	1,446,910	4 A,B
2212.3		59,704	59,704	5 A,B
2215.1			0	6
2215.2			0	7
2231.1			0	8
2231.2			0	9
2232.1			347,609	10
2232.2			0	11
2232.3			90,082	12
2421.1			0	13
2421.2			0	14
2422.1			0	15
2422.2			0	16
2423.1		(266,183)	277,332	17 A
2423.2	10,012	266,183	2,481,380	18 A
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	67,853		13,325	1
Aircraft	2113	0			2
Special Purpose Vehicles	2114	0			3
Garage Work Equipment	2115	0			4
Other Work Equipment	2116	21,798	10.0	2,630	5
Buildings	2121	99,925	2.95	7,201	6
Furniture	2122	6,640	10.0	1,168	7
Office Equipment	2123	16,405	16.25	4,182	8
General Purpose Computers	2124	41,533	25.0	18,701	9
Total-- GENERAL SUPPORT ASSETS		254,154		47,207	0
CENTRAL OFFICE ASSETS					
Analog Electronic Switching	2211	0			10
Digital Electronic Switching	2212	434,498	8.5	124,355	11
Electro-Mechanical Switching	2215	0			12
Operator Systems	2220	0			13
Radio Systems	2231	0			14
Circuit Equipment	2232	261,669	12.0	48,401	15
Total-- CENTRAL OFFICE ASSETS		696,167		172,756	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	7,621	11.8	790	19
Other Terminal Equipment	2362	0			20
Total-- INFORMATION ORIG/TERM ASSETS		7,621		790	0
CABLE WIRE FACILITIES ASSETS					
Poles	2411	0			21
Aerial Cable	2421	0			22
Underground Cable	2422	0			23
Buried Cable	2423	885,444	5.0	126,654	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	9,230		500		72,448	1
2113					0	2
2114					0	3
2115					0	4
2116	182				24,246	5
2121					107,126	6
2122					7,808	7
2123	0				20,587	8
2124	25,591				34,643	9
	35,003	0	500	0	266,858	
2211					0	10
2212	9,134			0	549,719	11
2215	0				0	12
2220					0	13
2231	0				0	14
2232	0				310,070	15
	9,134	0	0	0	859,789	
2311					0	16
2321					0	17
2341					0	18
2351					8,411	19
2362					0	20
	0	0	0	0	8,411	
2411					0	21
2421	0				0	22
2422	0				0	23
2423	10,012	1,621		0	1,000,465	24
2424	0				0	25
2425					0	26
2426	0				0	27
2431					0	28

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (c)	Depr Rate (d)	Annual Accrual (e)	Additional Accrual (f)
CABLE WIRE FACILITIES ASSETS					
Conduit Systems	2441	0			29
Total-- CABLE WIRE FACILITIES ASSETS		885,444		126,654	0
Total Accumulated Depreciation	3100	1,843,386		347,407	0
Less: Allocation to Nonregulated Activity - Columns e, f and I	3100			0	0 30
Net Regulated Total Accum Depreciation - 3100 Columns e, f and I				347,407	0

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2441					0	29
	10,012	1,621	0	0	1,000,465	
3100	54,149	1,621	500	0	2,135,523	
3100					0	30
3100					2,135,523	

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	11,171	15.0	2,061		1
Company Communications Equipment	2123.2	5,234	17.5	2,121		2
Software	2212.1	434,498				3 A
Digital Switching - Central Office	2212.2	0	8.5	119,280		4 A,B
Digital Switching - Remote	2212.3	0	8.5	5,075		5 A,B
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	247,791	9.5	40,883		10
Analog Circuit Equipment	2232.2	0				11
Light Wave Circuit Equipment	2232.3	13,878	12.0	7,518		12
Aerial Cable - Nonmetallic	2421.1	0				13
Aerial Cable - Metallic	2421.2	0				14
Underground Cable - Nonmetallic	2422.1	0				15
Underground Cable - Metallic	2422.2	0				16
Buried Cable - Nonmetallic	2423.1	133,042	4.6	9,912		17 A
Buried Cable - Metallic	2423.2	752,402	5.0	116,742		18 A
Submarine Cable - Nonmetallic	2424.1	0				19
Submarine Cable - Metallic	2424.2	0				20
Intrabuilding Cable - Nonmetallic	2426.1	0				21
Intrabuilding Cable - Metallic	2426.2	0				22

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

Subacct (g)	Retired (h)	Cost of Removal (i)	Salvage (j)	Other (k)	Balance EOY (l)	
2123.1					13,232	1
2123.2					7,355	2
2212.1				(434,498)	0	3 A
2212.2	9,134			432,155	542,301	4 A,B
2212.3				2,343	7,418	5 A,B
2215.1					0	6
2215.2					0	7
2231.1					0	8
2231.2					0	9
2232.1					288,674	10
2232.2					0	11
2232.3					21,396	12
2421.1					0	13
2421.2					0	14
2422.1					0	15
2422.2					0	16
2423.1				(123,808)	19,146	17 A
2423.2	10,012	1,621		123,808	981,319	18 A
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)	0	2
Deferred Tax Regulatory Asset (1437)	0	3
Net Current Deferred Operating Income Taxes (4100)	0	4
Net Noncurrent Deferred Operating Income Taxes (4340)	0	5
Net Deferred Tax Liability Adjustments (4341)	0	6
Deferred Tax Regulatory Liability (4361)	0	7
Net Property Related Deferred Operating Income Taxes	0	
Less: Allocation to Nonregulated Activity		8
Net Regulated Total Property Related Deferred Operating Income Taxes	0	
NONPROPERTY RELATED		
Other Current Assets (1350)	0	9
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)	7,811	13
Net Deferred Tax Liability Adjustments (4341)	0	14
Deferred Tax Regulatory Liability (4361)	0	15
Total Nonproperty Related Deferred Operating Income Taxes	7,811	

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				0	2
				0	3
7250				0	4
7250		1,485	8,954	7,469	5
				0	6
			(12,710)	(12,710)	7
	0	1,485	(3,756)	(5,241)	8
				0	
	0	1,485	(3,756)	(5,241)	
7250				0	9
7250				0	10
				0	11
7250				0	12
7250			(8,954)	(1,143)	13
				0	14
			(262)	(262)	15
	0	0	(9,216)	(1,405)	

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):				
REA MORTGAGE NOTES	02/14/1973	02/14/2008	2.0000	1
REA MORTGAGE NOTES	03/13/1982	03/13/2107	5.0000	2
REA MORTGAGE NOTES	09/20/1993	09/20/2015	5.0000	3
RTB MORTGAGE NOTES	01/13/1976	01/13/2011	7.5000	4
Total Funded Debt				
Other Long-Term Debt (Acct. 4270):				
RURAL TELEPHONE FINANCE COOP.	05/22/1995	05/22/1997	6.9000	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)				
.0000			531,839		531,839	1
.0000			906,491		906,491	2
.0000			1,374,288		1,374,288	3
.0000			86,403		86,403	4
	0	0	2,899,021	0	2,899,021	
.0000			170,000		170,000	5
	0	0	170,000	0	170,000	

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 STOCK	20,000	50.00	1
TOTAL COMMON STOCK	20,000		
TOTAL	<u>20,000</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 STOCK	4,599	229,950		
	4,599	229,950	0	0
TOTAL	<u>4,599</u>	<u>229,950</u>	<u>0</u>	<u>0</u>

1

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (b)	Last Year (c)	
Balance-First of Year	980,870	1,011,482	1
Changes:			
Balance Transferred from Income	296,084	154,629	2
Dividends Declared:			
Common	45,630	185,241	3
Preferred		0	4
Total Dividends Declared	45,630	185,241	
Miscellaneous Debits to Retained Earnings	54,994	0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>1,176,330</u>	<u>980,870</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)	81,927	6,679	17,601	1
Nonoperating Taxes (Accts. 7410 - 7450)		31,175	108,418	2
Extraordinary Items (Accts. 7630 & 7640)				3
Nonregulated Net Income (Acct. 7990)		677	2,505	4
Clearing Accounts				5
Construction				6
Payroll Taxes: FICA				7
Payroll Taxes: State Unemployment				8
Payroll Taxes: Federal Unemployment				9
Other (specify):				
TOTAL	<u>81,927</u>	<u>38,531</u>	<u>128,524</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)	
3,733					109,940	1
					139,593	2
					0	3
					3,182	4
					0	5
					0	6
				27,253	27,253	7
				1,060	1,060	8
				662	662	9
3,733	0	0	0	28,975	281,690	

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)*	490,249	437,815	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)	490,249	437,815	
NETWORK INTERSTATE ACCESS SERVICES REV.			
End User Revenue (5081)*	73,942	69,878	11
Switched Access Revenue (5082)*	325,299	298,192	12
Special Access Revenue (5083)*		0	13
TOTAL INTERSTATE ACCESS REVENUES (5080)	399,241	368,070	
NETWORK INTRASTATE ACCESS SERVICES REV.			
End User Revenue (5084.1)*		0	14
Switched Access Revenue (5084.2)*	314,055	268,712	15
Special Access Revenue (5084.3)*		0	16
TOTAL INTRASTATE ACCESS REVENUES (5084)	314,055	268,712	
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)*	35,516	31,708	30
Rent Revenue (5240)*		0	31
Corporate Operations Revenue (5250)*		0	32
Miscellaneous:			
Miscellaneous Revenue (5260)*	15,604	10,225	33 C
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)	15,604	10,225	
Interstate Billing and Collection Revenue*	23,038	18,452	39
Intrastate Billing and Collection Revenue*	105,736	105,117	40
Total Carrier Billing and Collection Revenue (5270)*	128,774	123,569	
Nonregulated Operating Revenue (5280)**			41
TOTAL MISCELLANEOUS REVENUES	179,894	165,502	
GROSS OPERATING REVENUES	1,383,439	1,240,099	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(1,334)	6,897	42 D
Uncollectible Revenue--Telecommunications (5301)			43
Uncollectible Revenue--Other (5302)			44
TOTAL UNCOLLECTIBLE REVENUE (5300)	(1,334)	6,897	
TOTAL OPERATING REVENUES	<u>1,384,773</u>	<u>1,233,202</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)		0	530	1
Less: Nonregulated		0		2
Net Regulated	0	0	530	3
Total General Support Expense (6120)	16,875	21,567	242	4
Less: Nonregulated		0		5
Net Regulated	16,875	21,567	242	6
Total Central Office Switching Expense (6210)	76,132	124,158	40,164	7
Less: Nonregulated		0		8 E
Net Regulated	76,132	124,158	40,164	9
Total Operator Systems Expense (6220)		0		10
Less: Nonregulated		0		11
Net Regulated	0	0	0	12
Total Central Office Transmission Expenses (6230)	3,807	5,422	3,959	13
Less: Nonregulated		0		14
Net Regulated	3,807	5,422	3,959	15
Total Information Orig. / Term. Expense (6310)	0	176		16
Less: Nonregulated		0		17
Net Regulated	0	176	0	18
Total Cable and Wire Fac. Expense (6410)	98,544	120,044	66,795	19
Less: Nonregulated		0		20 F
Net Regulated	98,544	120,044	66,795	21
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	195,358	271,367	111,690	
Less: Nonregulated	0	0	0	
Net Regulated	195,358	271,367	111,690	
PLANT NONSPECIFIC OPERATIONS EXPENSE				
Total Other Property, Plant and Equip. Exp. (6510)	0	0	0	22
Less: Nonregulated		0		23
Net Regulated	0	0	0	24
Total Network Operations Expense (6530)	29,515	37,578	29,368	25
Less: Nonregulated		0		26 G
Net Regulated	29,515	37,578	29,368	27
Access Expense (6540)		0		28
Less: Nonregulated		0		29
Net Regulated	0	0	0	30
Total Depreciation and Amortization Expense (6560)	289,136	347,407		31
Less: Nonregulated	1,209	1,978		32
Net Regulated	287,927	345,429		33
TOTAL PLANT NONSPECIFIC OPERATIONS EXP.	318,651	384,985	29,368	
Less: Nonregulated	1,209	1,978	0	
Net Regulated	317,442	383,007	29,368	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6110			16,491	(17,021)	1
	0	0	16,491	(17,021)	2
6120	77		21,248		3
	77	0	21,248	0	4
6210	13,623		70,371		5
	13,623	0	70,371	0	6
6220					7
	0	0	0	0	8 E
6230	1,359		104		9
	1,359	0	104	0	10
6310			176		11
	0	0	176	0	12
6410	22,450		21,615	9,184	13
	22,450	0	21,615	9,184	14
	37,509	0	130,005	(7,837)	15
	0	0	0	0	16
	37,509	0	130,005	(7,837)	17
6510	0	0	0	0	18
	0	0	0	0	19
6530	8,119		4,170	(4,079)	20 F
	8,119	0	4,170	(4,079)	21
6540					22
	0	0	0	0	23
6560			347,407		24
			1,978		25
			345,429		26 G
	8,119	0	351,577	(4,079)	27
	0	0	1,978	0	28
	8,119	0	349,599	(4,079)	29

EXPENSE MATRIX - CLASS A & B

Particulars (a)	Total Last Year (b)	Total This Year (c)	Salaries / Wages (d)	
CUSTOMER OPERATIONS EXPENSE				
Total Marketing (6610)	11,285	14,871		34
Less: Nonregulated		0		35
Net Regulated	11,285	14,871	0	36
Total Services (6620)	196,799	203,012	63,840	37
Less: Nonregulated		0		38
Net Regulated	196,799	203,012	63,840	39
TOTAL CUSTOMER OPERATIONS EXPENSE	208,084	217,883	63,840	
Less: Nonregulated	0	0	0	
Net Regulated	208,084	217,883	63,840	
CORPORATE OPERATIONS EXPENSE				
Total Exec. and Planning (6710)	51,247	66,690	25,577	40
Less: Nonregulated		0		41 H
Net Regulated	51,247	66,690	25,577	42
Total General and Administrative (6720)	130,828	152,440	65,905	43
Less: Nonregulated		0		44
Net Regulated	130,828	152,440	65,905	45
Provision for Uncollectible Notes Receiv. (6790)		0		46
Less: Nonregulated		0		47
Net Regulated	0	0		48
TOTAL CORPORATE OPERATIONS EXPENSE	182,075	219,130	91,482	
Less: Nonregulated	0	0	0	
Net Regulated	182,075	219,130	91,482	
TOTAL EXPENSES	904,168	1,093,365	296,380	
Less: Nonregulated	1,209	1,978	0	
Net Regulated	902,959	1,091,387	296,380	

EXPENSE MATRIX - CLASS A & B (cont.)

Account (e)	Benefits (f)	Rents (g)	Other (h)	Clearances to (from) (i)	
6610			14,871		34
					35
	0	0	14,871	0	36
6620	21,571		117,601		37
					38
	21,571		117,601	0	39
	21,571	0	132,472	0	
	0	0	0	0	
	21,571	0	132,472	0	
6710	8,746		32,367		40
					41 H
	8,746		32,367	0	42
6720	21,738		64,797		43
					44
	21,738		64,797	0	45
6790					46
					47
			0		48
	30,484	0	97,164	0	
	0	0	0	0	
	30,484	0	97,164	0	
	97,683	0	711,218	(11,916)	
	0	0	1,978	0	
	97,683	0	709,240	(11,916)	

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)	289,136	347,407		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	289,136	347,407		

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			347,407		3
6562					4
6563					5
6564					6
6565					7
			347,407		

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	0	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	0	

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)*	(4,789)	(4,956)	6
Operating Federal Income Taxes (7220)*	20,905	25,042	7
Operating State and Local Income Taxes (7230)*	6,679	6,643	8
Operating Other Taxes (7240)*	85,660	72,751	9
Provision for Deferred Operating Income Taxes--Net (7250)*	1,485	11,269	10
TOTAL OPERATING TAXES (7200)*	109,940	110,749	
NONOPERATING INCOME AND EXPENSE			
Dividend Income (7310)*		0	11
Interest Income (7320)*	14,121	21,358	12
Income from Sinking and Other Funds (7330)*		0	13
Allowance for Funds Used During Construction (7340)*	4,353	0	14
Gains or (Losses) from the Disposition of Certain Property (7350)*		0	15
Other Nonoperating Income (7360)*	351,603	0	16
Special Charges (7370)*	(4,545)	(12,150)	17
TOTAL NONOPERATING INCOME AND EXPENSE (7300)*	374,622	33,508	
NONOPERATING TAXES			
Nonoperating Investment Tax Credits--Net (7410)*		0	18
Nonoperating Federal Income Taxes (7420)*	78,339	6,710	19
Nonoperating State and Local Income Taxes (7430)*	21,189	2,925	20
Nonoperating Other Taxes (7440)*		0	21
Provision for Deferred Nonoperating Income Taxes-Net (7450)*	40,065	0	22
TOTAL NONOPERATING TAXES (7400)*	139,593	9,635	
INTEREST AND RELATED ITEMS			
Interest on Funded Debt (7510)*	112,973	106,712	23
Interest Expense--Capital Leases (7520)*		0	24
Amortization of Debt Issuance Expense (7530)*	47	47	25
Other Interest Deductions (7540)*	14,318	1,808	26
TOTAL INTEREST AND RELATED ITEMS (7500)*	127,338	108,567	
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)*	4,947	19,829	32

NONREGULATED NET INCOME (ACCT. 7990)

Particulars (a)	Amount (b)	
Revenues (Acct. 7990.1)		
Gross Sales	209,368	1
Less: Cost of Goods Sold	163,784	2
Net Sales	45,584	3
Expenses (Acct. 7990.2)	40,637	4
Nonregulated Net Income	<u><u>4,947</u></u>	5

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

THE COMPANYS NONREGULATED ACTIVITY PRIMARILY CONSISTS OF THE SALE AND LEASING OF NONREGULATED TELEPHONE EQUIPMENT. THE COMPANY ALSO INCURRED EXPENSES OF \$31,690 RELATED TO INTERNET ACTIVITY IN 1996.

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	296,380	1
Nonregulated Expense	24,080	2
Plant Accounts	41,817	3
Accumulated Depreciation Accounts	471	4
All Other Accounts		5
Total Salaries and Wages	<u>362,748</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	1.00	1.00	46,778	1
Supervision and Other Management	1.00	1.00	71,253	2
Other Employees	11.00	12.00	244,717	3
Total	<u>13.00</u>	<u>14.00</u>	<u>362,748</u>	

DISTRIBUTION OF SALARIES AND WAGES

Description (a)	Amount (b)	
Regulated Expense	296,380	1
Nonregulated Expense	24,080	2
Plant Accounts	41,817	3
Accumulated Depreciation Accounts	471	4
All Other Accounts		5
Total Salaries and Wages	<u>362,748</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	1.00	1.00	46,778	1
Supervision and Other Management	1.00	1.00	71,253	2
Other Employees	11.00	12.00	244,717	3
Total	<u>13.00</u>	<u>14.00</u>	<u>362,748</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		6	7
Customer Dialed: State--intraLATA	21	180	8
Customer Dialed: State--interLATA	9	117	9
Customer Dialed: Interstate	12	221	10
WATS			11
Other Toll-Undefined			12
Total Toll	42	532	
Total Local & Toll	42	532	

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.	3	26			2
Feature Group B -- Orig.					3
Feature Group B -- Term.	36	3			4
Feature Group C -- Orig.			1,182		5
Feature Group C -- Term.			1,047		6
Feature Group D -- Orig.	931	662			7
Feature Group D -- Term.	1,772	767			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	433	2
Sheath miles of plant - fiber optics	21	3
Strand miles of plant - fiber optics	368	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	2	7	1
56 kbps			2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	11		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	433	2
Sheath miles of plant - fiber optics	21	3
Strand miles of plant - fiber optics	368	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	2	7	1
56 kbps			2
64 kbps (DS0)			3
1.54 Mbps (DS-1)	11		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	154	170	3
2 Party	0		4
4 Party	0		5
PBX Trunks/System Trunks	0		6
Centrex Trunks	0		7
Centrex Lines	23	33	8
Key System Trunks	2	2	9
Mobile (Utility Provided Service)	0		10
Paging (Utility Provided Service)	0		11
FX-Out (Switched)	2	1	12
Pay Telephone			13
Coin-Operated Pay Telephone			14
Independent Pay Telephone Provider			15
Pay Stations - Public	4	6	16
- Semi-Public	3	2	17
- Cust. Owned	0		18
Other	0		19
Total Business Lines	188	214	20
Residential (Incl. Emp. Concess.)			
1 Party	1,473	1,537	22
2 Party	0		23
4 Party	0		24
FX-Out (Switched)	0		25
Other	0		26
Total Residential Lines	1,473	1,537	27
Total Bus & Res Lines	1,661	1,751	28
Company Used Lines	28	31	29
Total Lines Used	1,689	1,782	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	0		4
FX-In-intraLATA	18		5
Special Access-intraLATA			6
(expressed in equiv. access lines)	7	7	7
Special Access-interLATA			8
(expressed in equiv. access lines)	218	266	9
Feature Group A Lines	63	63	10
Feature Group B Trunks	0		11
Feature Group C Trunks	0		12
Feature Group D Trunks	90	90	13
TSPS - Trunks	7	7	14
EAS - Trunks	111	111	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
	4,170,898	4,711,428	27
Total Company Square Miles	0	88	28
Total Company Route Miles	0	454	29
Footnotes			30

SERVICE DATA - END OF YEAR

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

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0010				1
Business					2
1 Party	170				3
2 Party					4
4 Party					5
PBX Trunks/System Trunks					6
Centrex Trunks					7
Centrex Lines	33				8
Key System Trunks	2				9
Mobile (utility provided service)					10
Paging (utility provided service)					11
FX-Out (Switched)	1				12
Pay Telephone					13
Coin-Operated Pay Telephone					14
Independent Pay Telephone Provider					15
Pay Stations - Public	6				16
- Semi-Public	2				17
- Cust. Owned					18
Other					19
Total Business Lines	214	0	0	0	20
Residential (Incl. Emp. Concess.)					21
1 Party	1,537				22
2 Party					23
4 Party					24
FX-Out (Switched)					25
Other					26
Total Residential Lines	1,537	0	0	0	27
Total Bus & Res Lines	1,751	0	0	0	28
Company Used Lines	31				29
Total Lines Used	1,782	0	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	0010				1
Miscellaneous					2
WATS Lines - OutWATS					3
WATS Lines - 800 Service					4
FX-In-intraLATA					5
Special Access-intraLATA					6
(equiv. access lines)	7				7
Special Access-interLATA					8
(equiv. access lines)	266				9
Feature Group A Lines	63				10
Feature Group B Trunks					11
Feature Group C Trunks					12
Feature Group D Trunks	90				13
TSPS - Trunks	7				14
EAS - Trunks	111				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)	4,711,428				27
Exchange Square Miles	88				28
Exchange Route Miles	454				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

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

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	ABRAMS				1
PSCW Exchange ID	0010				2
Central Office Name	ABRAMS				3
PSCW Central Office ID	1				4
Manufacturer of COE (Page 54)	NTI				5
Year COE Installed	1984				6
Type of Equipment (Page 54)	D				7
(S)tandalone, (H)ost, (R)emote	H				8
Remote Host PSCW Exchange ID					9
Remote Host PSCW Central Office ID	0				10
COE Generic Software Release No.	408.10				11
SS7?	Yes				12
9-1-1?	Yes				13
Access Lines - In Use	1,782				14
- Equipped	2,343				15
- Wired	3,056				16
Trunks - In Use	211				17
- Equipped	312				18
- Wired	576				19
ISDN Available?	No				20
ISDN Lines - In Use (BRI)	0				21
- In Use (PRI)	0				22
Switched 56 Service?	No				23
Switched 56 lines in use	0				24
Digital Transmission Facilities: DS-1 - In Use	10				25
DS-3 - In Use	0				26
Advanced Data Service Available:					
Packet Switching?	No				27
SMDS?	No				28
Frame Relay?	No				29
ATM (Asynchronous Trans. Mode)?	No				30
Video Information - Service Available?	No				31
- In Use (# lines) ¹	0				32
Fiber Transmission Facilities:					
No. of fiber strands entering C.O.	68				33
No. of fiber strands working (LIT) in C.O.	20				34
No. of fiber strands for interoffice use	62				35
Miles of fiber sheath in wire center	21				36
Access Tandem Serving this C.O.:					
- C.O. Name	GREEN BAY				37
- PSCW C.O. ID	2160-01				38
Does this C.O. do access tandem switching?	No				39
Equal Access: InterLATA (1+)?	Yes				40
Equal Access: IntraLATA (1+)?	No				41
Footnotes					42

¹ Teleco provided end-to-end facility.

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

Schedule Footnotes**Expense Matrix - Class A & B Footnote. Page 41**

Padlocks for footnotes in all schedules were opened July 1997 by ele per July 8, 1997 fax from Roger Hermsen.

Schedule Line Footnotes

- A) TO RECLASSIFY BALANCE FOY TO THE APPROPRIATE SUB ACCOUNTS**
- B) PAGE 25, COLUMN (g) LINES 4 AND 5 - REPRESENT A TRANSFER OF DIGITAL SWITCHING - REMOTE EQUIPMENT TO THE PROPER ACCOUNT.**
- C) MISCELLANEOUS OPERATING REVENUE INCREASED DUE TO MORE SERVICES BEING GENERATED THROUGH AMERITECH, AT&T AND OTHER LONG DISTANCE CARRIERS DURING 1996.**
- D) UNCOLLECTIBLE OPERATING REVENUE HAS A CREDIT BALANCE IN 1996 DUE TO COLLECTIONS EXCEEDING THE 1996 WRITE-OFFS.**
- E) DIGITAL ELECTRONIC EXPENSE INCREASED DUE TO THE EXPENSING OF A COE SOFTWARE UPDATE AMOUNTING TO \$45,833.**
- F) BURIED CABLE INCREASE WAS DUE TO MORE WORK INVOLVED IN THIS AREA. LABOR AND RELATED BENEFITS INCREASED BY APPROXIMATELY \$18,300.**
- G) PLANT OPERATION ADMINISTRATION INCREASED IN 1996 DUE TO CHANGES IN THE ALLOCATION OF WAGES FOR THE PRESIDENT AND THE GENERAL MANAGER.**
- H) EXECUTIVE EXPENSE INCREASED DUE TO A CHANGE IN THE ALLOCATION OF WAGES FOR THE PRESIDENT AND THE GENERAL MANAGER.**
- I) DURING 1996, THE COMPANY CHANGED ITS METHOD OF ACCOUNTING FOR ITS REA CELLULAR PARTNERSHIP FROM THE COST METHOD TO THE EQUITY METHOD. THIS RESULTED IN A NET DECREASE IN RETAINED EARNINGS OF \$54,994.**
- J) SEE ATTACHED COMPILATION LETTER INCLUDED AS PART OF THIS REPORT.**