4004

# ANNUAL REPORT

OF

| | |
|---|---|
| Name: | TENNEY TELEPHONE COMPANY, LLC |
| Principal Office: | 525 JUNCTION ROAD<br>P.O. BOX 5158<br>MADISON, WI 53717<br>PO Box Zip Code: 53705-0158 |
| For the Year Ended: | DECEMBER 31, 2004 |

## TELECOMMUNICATIONS UTILITY
TO
## PUBLIC SERVICE COMMISSION OF WISCONSIN

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

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

# GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. If that date falls on a weekend or holiday, the annual report is due the following business day.

2. **Electronic filing via e-mail is required, unless additional provisional confidential treatment is desired.** Go to the Public Service Commission of Wisconsin's Web Page at http://psc.wi.gov, and select the appropriate program for Incumbent Local Exchange Carriers (LECs). If additional confidential treatment is desired, contact Christopher Larson at (608) 267-9508 or christopher.larson@psc.state.wi.us for instructions.

3. LEC entities with no revenues for the report year are required to file a LEC annual report.

4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-116. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.

5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.

6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.

7. Numeric items are limited to digits (0-9). Do not type commas when entering numbers. A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.

8. Report all dollar amounts to the nearest thousand dollars. (Example: $130,000 should be reported as $130.)

9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.

10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.

11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.

12. The LEC annual report program incorporates provisional confidentiality capability for selected items. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.

# GENERAL RULES FOR REPORTING

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

13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.

14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

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

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

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

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

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

15. **Name Changes:**

If a name change (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI. *These documents can be obtained by:*

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

**A name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.**

# GENERAL RULES FOR REPORTING

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

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

# SIGNATURE PAGE

I John R. Erpenbach of
(Person responsible for accounts)

TENNEY TELEPHONE COMPANY, LLC , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

John R. Erpenbach 04/22/2005
(Person responsible for accounts) (Date)

Accounting Manager
(Title)

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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:

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:** TENNEY TELEPHONE COMPANY, LLC
**Utility Location:** 525 JUNCTION ROAD
P.O. BOX 5158
MADISON, WI 53717
P.O. BOX ZIP 53705-0158

**Utility (or Parent/Holding Company) Web Site Address:**

**When was utility organized?:** 01/01/1904
**Report any change in name and the effective date:**

**Telephone numbers for potential customers to contact company:**
Business Customers: (608) 685 - 4469 Ext:
Residential Customers: (608) 685 - 4469 Ext:

**Primary Utility Contact (located at utility address)**

**Name:** BRIAN M. GARDNER
**Title:** GENERAL MANAGER - SALES & SERVICE

**Office Address:** 120 SOUTH MAIN STREET
P.O. BOX 519
ALMA, WI 54610
**Fax Number:** (608) 685 - 4881
**Telephone Number:** (608) 685 - 3222
**Email Address:** BRIAN.GARDNER@TDSTELECOM.COM

**Officer in charge of correspondence concerning this report**

**Name:** JOHN R. ERPENBACH
**Title:** ASSISTANT TREASURER

**Office Address:** 525 JUNCTION ROAD
MADISON, WI 53717

**Fax Number:** (608) 664 - 4519
**Telephone Number:** (608) 664 - 4289
**Email Address:** JOHN.ERPENBACH@TDSTELECOM.COM

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

**Name:** JAY G. BRANT
**Title:** SENIOR ACCOUNTANT
**Firm:** TDS TELECOM
**Office Address:** 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467
**Fax Number:** (608) 723 - 2310
**Telephone Number:** (608) 723 - 3629
**Email Address:** JAY.BRANT@TDSTELECOM.COM

# IDENTIFICATION AND OWNERSHIP

**Person responsible for financial information contained in report**

**Name:** JAY G. BRANT
**Title:** SENIOR ACCOUNTANT

**Office Address:** 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467
**Fax Number:** (608) 723 - 2310
**Telephone Number:** (608) 723 - 3629
**Email Address:** JAY.BRANT@TDSTELECOM.COM

**Person responsible for statistical information contained in report**

**Name:** JAY G. BRANT
**Title:** SENIOR ACCOUNTANT

**Office Address:** 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467
**Fax Number:** (608) 723 - 2310
**Telephone Number:** (608) 723 - 3629
**Email Address:** JAY.BRANT@TDSTELECOM.COM

**Contact person for regulatory inquiries and complaints**

**Name:** JEAN M. PAUK
**Title:** MANAGER - EXTERNAL RELATIONS
**Firm:** TDS TELECOM
**Office Address:** 525 JUNCTION ROAD
MADISON, WI 53717

**Fax Number:** (608) 664 - 4185
**Telephone Number:** (608) 664 - 4152
**Email Address:** JEAN.PAUK@TDSTELECOM.COM

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

**Name:** TDS TELECOMMUNICATIONS CORPORATION
**Address:** 525 JUNCTION ROAD
MADISON, WI 53717

**Percent Interest Held:** 100
**Beneficial Owner:** NONE

## IDENTIFICATION AND OWNERSHIP

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

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

# OFFICERS AND DIRECTORS

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

**Name:** DANIEL V. GREGORY
**Title/Occupation:** VICE PRESIDENT
**Business Address (1):** 525 JUNCTION ROAD
**Business Address (2):**
**Business Address (3):**
**City State, Zip:** MADISON, WI 53717 **1**

**Name:** DAVID P. JONES
**Title/Occupation:** SECRETARY/TREASURER
**Business Address (1):** 525 JUNCTION ROAD
**Business Address (2):**
**Business Address (3):**
**City State, Zip:** MADISON, WI 53717 **2**

**Name:** JOHN R. ERPENBACH
**Title/Occupation:** ASSISTANT TREASURER
**Business Address (1):** 525 JUNCTION ROAD
**Business Address (2):**
**Business Address (3):**
**City State, Zip:** MADISON, WI 53717 **3**

**Name:** MICHEAL A. PANDOW
**Title/Occupation:** PRESIDENT
**Business Address (1):** 525 JUNCTION ROAD
**Business Address (2):**
**Business Address (3):**
**City State, Zip:** MADISON, WI 53717 **4**

# INCOME STATEMENT - TOTAL COMPANY

| Particulars (a) | This Year (000's) (b) | Last Year (000's) (c) | |
|---|---|---|---|
| **Operating Revenues** | | | |
| Operating Revenues (5000-5300) | 880 | 869 | **1** |
| **Total Operating Revenues** | **880** | **869** | |
| | | | |
| **Operating Expenses** | | | |
| Plant Specific Operations Expenses (6110-6410) | 104 | 116 | **2** |
| Other Plant Nonspecific Operations Expenses | 256 | 267 | **3** |
| Customer Operations Expense (6610-6620) | 143 | 155 | **4** |
| Corporate Operations Expense (6720-6790) | 167 | 160 | **5** |
| Other Operating Income and Expense (7100) | 0 | 0 | **6** |
| Operating Taxes (7200) | 85 | 75 | **7** |
| **Total Operating Expenses** | **755** | **773** | |
| **Net Operating Income** | **125** | **96** | |
| **Other Income** | | | |
| Nonoperating Income and Expense (7300) | 3 | 4 | **8** |
| Nonoperating Taxes (7400) | 1 | 1 | **9** |
| Interest and Related Items (7500) | 25 | 26 | **10** |
| Extraordinary Items (7600) | 0 | 0 | **11** |
| Nonregulated Net Income (7990) | (10) | (8) | **12** |
| **Total Nonoperating Income** | **(33)** | **(31)** | |
| **Net Income** | **92** | **65** | |

# 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.)

**TELEPHONE PLANT**
**Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).**

**DEPRECIATION**
**The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.**

**REVENUES**
**Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.**

**Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.**

**Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.**

**PENSION**
**The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.**

**INCOME TAXES**
**The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.**

**The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment**

## 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:

**have been deferred and are being amortized to income over the service lives of the related property.**

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 company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 2004, the company could distribute up to $397,418 to the parent or other affiliates in the form of cash dividends.**

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

| Particulars (a) | Balance--EOY | Balance--FOY (000's) (c) | |
|---|---|---|---|
| **CURRENT ASSETS** | | | |
| **CASH AND EQUIVALENTS** | | | |
| Cash and Equivalents (1120)* | 234 | 258 | **1** |
| **TOTAL CASH AND EQUIVALENTS** | **234** | **258** | |
| **RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS** | | | |
| Receivables (1170)* | 235 | 90 | **2** |
| Allowance for Doubtful Accounts (1171)* | | 1 | **3** |
| **TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS** | **235** | **89** | |
| **SUPPLIES** | | | |
| Inventories (1220)* | 9 | 8 | **4** |
| **TOTAL SUPPLIES** | **9** | **8** | |
| **PREPAYMENTS** | | | |
| Prepayments (1280)* | 23 | 28 | **5** |
| **TOTAL PREPAYMENTS** | **23** | **28** | |
| **OTHER CURRENT ASSETS** | | | |
| Other Current Assets (1350)* | | | **6** |
| **TOTAL OTHER CURRENT ASSETS** | **0** | **0** | |
| **TOTAL CURRENT ASSETS** | **501** | **383** | |
| **NONCURRENT ASSETS** | | | |
| **INVESTMENTS** | | | |
| Nonregulated Investments (1406)* | 2 | 6 | **7** |
| RTB Class B Stock (1402)* | | | **8** |
| Other Noncurrent Assets (1410)* | 1 | 1 | **9** |
| **TOTAL INVESTMENTS** | **3** | **7** | |
| **DEFERRED CHARGES** | | | |
| Deferred Maint., Retirements and Other Deferred Charges (1438)* | | | **10** |
| **TOTAL DEFERRED CHARGES** | **0** | **0** | |
| **OTHER JURISDICTIONAL ASSETS-NET** | | | |
| Other Jurisdictional Assets-Net (1500)* | | | **11** |
| **TOTAL OTHER JURISDICTIONAL ASSETS-NET** | **0** | **0** | |
| **TOTAL NONCURRENT ASSETS** | **3** | **7** | |
| **PLANT** | | | |
| **TELECOMMUNICATIONS PLANT IN SERVICE** | | | |
| Telecommunications Plant in Service (2001)* | 3,391 | 3,244 | **12** |
| Less: Accumulated Depreciation (3100)* | 2,175 | 1,971 | **13** |
| Less: Accumulated Amortization-Tangible (3400)* | | | **14** |
| Less: Accumulated Amortization-Capitalized Leases (3410) | | | **15** |
| **NET TELECOMMUNICATIONS PLANT IN SERVICE** | **1,216** | **1,273** | |
| **PROPERTY HELD FOR FUTURE USE** | | | |
| Property Held for Future Telecommunications Use (2002)* | | | **16** |
| Less: Accumulated Depr.-Held for Future Telecom. Use (3200)* | | | **17** |
| **NET PROPERTY HELD FOR FUTURE USE** | **0** | **0** | |

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

| Particulars (a) | Balance--EOY | Balance--FOY (000's) (c) | |
|---|---|---|---|
| **PLANT** | | | |
| **NONOPERATING PLANT** | | | |
| Nonoperating Plant (2006)* | | | **18** |
| Less: Accumulated Depreciation-Nonoperating (3300)* | | | **19** |
| **NET NONOPERATING PLANT** | **0** | **0** | |
| **TPUC** | | | |
| Telecommunications Plant Under Construction (2003)* | 15 | 3 | **20** |
| **TOTAL TPUC** | **15** | **3** | |
| **TELECOMMUNICATIONS PLANT ADJUSTMENT** | | | |
| Telecommunications Plant Adjustment (2005)* | | | **21** |
| **NET TELECOMMUNICATIONS PLANT ADJUSTMENT** | **0** | **0** | |
| **GOODWILL** | | | |
| Goodwill (2007)* | | | **22** |
| **TOTAL GOODWILL** | **0** | **0** | |
| **TOTAL PLANT** | **1,231** | **1,276** | |
| **TOTAL ASSETS AND OTHER DEBITS** | **1,735** | **1,666** | |

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

| Particulars (a) | Balance--EOY (000's) (b) | Balance--FOY (000's) (c) | |
|---|---|---|---|
| **CURRENT LIABILITIES** | | | |
| Notes Payable (4020)* | | | **1** |
| Other Current Accounts and Notes Payable (4000)* | 101 | 117 | **2** |
| Customers' Deposits (4040)* | | | **3** |
| Income Taxes-Accrued (4070)* | | 82 | **4** |
| Other Taxes-Accrued (4080)* | 28 | 3 | **5** |
| Net Current Deferred Operating Income Taxes (4100)* | | | **6** |
| Net Current Deferred Nonoperating Income Taxes (4110)* | | | **7** |
| Current Maturities-Long-Term Debt (4050)* | 15 | 21 | **8** |
| Current Maturities-Capital Leases (4060)* | | | **9** |
| Other Current Liabilities (4130)* | 23 | 29 | **10** |
| **TOTAL CURRENT LIABILITIES** | **167** | **252** | |
| **LONG-TERM DEBT** | | | |
| Long-Term Debt and Funded Debt (4200)* | 459 | 473 | **11** |
| **TOTAL LONG-TERM DEBT** | **459** | **473** | |
| **OTHER LIABILITIES AND DEFERRED CREDITS** | | | |
| Other Liabilities and Deferred Credits (4300)* | (5) | 4 | **12** |
| Unamortized Operating Investment Tax Credits-Net (4320)* | | | **13** |
| Unamortized Nonoperating Investment Tax Credits-Net (4330)* | | | **14** |
| Net Noncurrent Deferred Operating Income Taxes (4340)* | 121 | 36 | **15** |
| Net Deferred Tax Liability Adjustments (4341)* | 10 | 12 | **16** |
| Net Noncurrent Deferred Nonoperating Income Taxes (4350)* | | | **17** |
| Deferred Tax Regulatory Adjustments-Net (4361)* | (10) | (12) | **18** |
| Other Jurisdictional Liabilities and Deferred Credits-Net (4370)* | | | **19** |
| **TOTAL OTHER LIABILITIES AND DEFERRED CREDITS** | **116** | **40** | |
| **STOCKHOLDERS' EQUITY** | | | |
| Capital Stock (4510)* | 167 | 167 | **20** |
| Additional Paid-in Capital (4520)* | | | **21** |
| Treasury Stock (4530)* | | | **22** |
| Other Capital (4540)* | | | **23** |
| Retained Earnings (4550)* | 826 | 734 | **24** |
| **TOTAL STOCKHOLDERS' EQUITY** | **993** | **901** | |
| **TOTAL LIABILITIES AND OTHER CREDITS** | **1,735** | **1,666** | |

## IMPORTANT CHANGES DURING THE YEAR

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

   **None.**

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

   **None.**

## AFFILIATE ABBREVIATIONS

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

| Name of Affiliate (a) | Abbreviations (b) | |
|---|---|---|
| Other | OTHER | **1** |
| TDS Telecommunications Corporation | TDS TC | **2** |
| TDS Telecom Service Corporation | TDS TEL | **3** |

# AFFILIATED INTEREST TRANSACTIONS

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

| Particulars (a) | (b) | (c) | (d) | (e) | |
|---|---|---|---|---|---|
| Docket | 5-ATF-183 | 5-ATF-183 | | | |
| Name of Affiliate | OTHER | TDS TEL | | | 1 |
| Designate whether billed to or from: | FROM | FROM | | | 2 |
| Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O) | C | C | | | 3 |
| Total Dollar Activity (000's) | 59 | 227 | | | 4 |
| Percent of affiliate's business billed to all affiliated regulated utilities | | | | | 5 |
| If cost based, rate of return on equity or markup incorporated in billings | 0.00 | 0.00 | | | 6 |

Footnotes

# AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. Report information below consecutively by respective account number; affiliated amounts of less than $5,000 may be reported in aggregate as "Other" for a particular account.

| Name of Affiliate (a) | Account Number (b) | Balance EOY (000's) (c) | |
|---|---|---|---|
| Other | 1170 | 7 | 1 H |
| TDS Telecom Service Corporation | 1170 | 33 | 2 G |
| TDS Telecommunications Corporation | 1170 | 133 | 3 |
| Other | 4000 | 1 | 4 |
| TDS Telecom Service Corporation | 4000 | 46 | 5 |

# TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

| Plant Account (a) | Account (b) | Balance FOY (000's) (c) | Additions (000's) (d) | | |
|---|---|---|---|---|---|
| **GENERAL SUPPORT ASSETS** | | | | | |
| Land | 2111 | 2 | | **1** | |
| Motor Vehicles | 2112 | 47 | 28 | **2** | |
| Aircraft | 2113 | 0 | | **3** | |
| Tools and Other Work Equipment | 2114 | 9 | | **4** | |
| Buildings | 2121 | 64 | | **5** | |
| Furniture | 2122 | 3 | | **6** | |
| Office Equipment | 2123 | 0 | | **7** | |
| General Purpose Computers | 2124 | 134 | | **8** | C |
| **TOTAL GENERAL SUPPORT ASSETS** | | **259** | **28** | | |
| **CENTRAL OFFICE ASSETS** | | | | | |
| Non-Digital Switching | 2211 | 0 | | **9** | |
| Digital Electronic Switching | 2212 | 583 | 21 | **10** | C |
| Operator Systems | 2220 | 0 | | **11** | |
| Radio Systems | 2231 | 0 | | **12** | |
| Circuit Equipment | 2232 | 357 | 12 | **13** | |
| **TOTAL CENTRAL OFFICE ASSETS** | | **940** | **33** | | |
| **INFORMATION ORIGINATION/TERMINATION ASSETS** | | | | | |
| Station Apparatus | 2311 | 0 | | **14** | |
| Customer Premises Wiring | 2321 | 0 | | **15** | |
| Large Private Branch Exchanges | 2341 | 0 | | **16** | |
| Public Telephone Terminal Equipment | 2351 | 0 | | **17** | |
| Other Terminal Equipment | 2362 | 0 | | **18** | |
| **TOTAL INFORMATION ORIG/TERM ASSETS** | | **0** | **0** | | |
| **CABLE & WIRE FACILITIES ASSETS** | | | | | |
| Poles | 2411 | 21 | | **19** | |
| Aerial Cable | 2421 | 244 | 0 | **20** | |
| Underground Cable | 2422 | 11 | 0 | **21** | |
| Buried Cable | 2423 | 1,720 | 63 | **22** | |
| Submarine and Deep Sea Cable | 2424 | 0 | 0 | **23** | |
| Intrabuilding Network Cable | 2426 | 0 | 0 | **24** | |
| Aerial Wire | 2431 | 5 | | **25** | |
| Conduit Systems | 2441 | 13 | | **26** | |
| **TOTAL CABLE & WIRE FACILITIES ASSETS** | | **2,014** | **63** | | |
| **AMORTIZABLE ASSETS** | | | | | |
| Capital Leases | 2681 | 0 | | **27** | |
| Leasehold Improvements | 2682 | 0 | | **28** | |
| Intangibles | 2690 | 31 | (20) | **29** | C,J |
| **TOTAL AMORTIZABLE ASSETS** | | **31** | **(20)** | | |

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

| Account (e) | Retirements (000's) (f) | Transfers / Adjustments (000's) (g) | Balance EOY (000's) (h) | | |
|---|---|---|---|---|---|
| 2111 | | | **2** | **1** | |
| 2112 | 19 | | **56** | **2** | |
| 2113 | | | **0** | **3** | |
| 2114 | | | **9** | **4** | |
| 2121 | | | **64** | **5** | |
| 2122 | | | **3** | **6** | |
| 2123 | | | **0** | **7** | |
| 2124 | | 1 | **135** | **8** | C |
| | **19** | **1** | **269** | | |
| 2211 | | | **0** | **9** | |
| 2212 | 13 | 80 | **671** | **10** | C |
| 2220 | | | **0** | **11** | |
| 2231 | | | **0** | **12** | |
| 2232 | 0 | 0 | **369** | **13** | |
| | **13** | **80** | **1,040** | | |
| 2311 | | | **0** | **14** | |
| 2321 | | | **0** | **15** | |
| 2341 | | | **0** | **16** | |
| 2351 | | | **0** | **17** | |
| 2362 | | | **0** | **18** | |
| | **0** | **0** | **0** | | |
| 2411 | | | **21** | **19** | |
| 2421 | 0 | 0 | **244** | **20** | |
| 2422 | 0 | 0 | **11** | **21** | |
| 2423 | 18 | 0 | **1,765** | **22** | |
| 2424 | 0 | 0 | **0** | **23** | |
| 2426 | 0 | 0 | **0** | **24** | |
| 2431 | | | **5** | **25** | |
| 2441 | | | **13** | **26** | |
| | **18** | **0** | **2,059** | | |
| 2681 | | | **0** | **27** | |
| 2682 | | | **0** | **28** | |
| 2690 | | 12 | **23** | **29** | C,J |
| | **0** | **12** | **23** | | |

## TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

| Plant Account (a) | Account (b) | Balance FOY (000's) (c) | Additions (000's) (d) | |
|---|---|---|---|---|
| **TOTAL TELECOM. PLANT IN SERVICE** | **2001** | **3,244** | **104** | |
| Less: Allocation to Nonregulated Activity - EOY | 2001 | | | **30** |
| **NET REG TOTAL TELECOM. PLANT IN SERVICE - EOY** | **2001** | | | |

Explain all amounts shown in column (g).

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

| Account (e) | Retirements (000's) (f) | Transfers / Adjustments (000's) (g) | Balance EOY (000's) (h) | |
|---|---|---|---|---|
| **2001** | **50** | **93** | **3,391** | |
| 2001 | | | | **30** |
| **2001** | | | **3,391** | |

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

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

| Plant Subaccount (a) | Subaccount (b) | Balance FOY (000's) (c) | Additions (000's) (d) | |
|---|---|---|---|---|
| Digital Electronic Switching - Circuit | 2212.1 | 583 | 21 | 1 c |
| Digital Electronic Switching - Packet | 2212.2 | 0 | | 2 |
| Circuit Equipment - Electronic | 2232.1 | 326 | 12 | 3 |
| Circuit Equipment- Optical | 2232.2 | 31 | | 4 |
| Aerial Cable - Nonmetallic | 2421.1 | 83 | | 5 |
| Aerial Cable - Metallic | 2421.2 | 161 | | 6 |
| Underground Cable - Nonmetallic | 2422.1 | 3 | | 7 |
| Underground Cable - Metallic | 2422.2 | 8 | | 8 |
| Buried Cable - Nonmetallic | 2423.1 | 84 | | 9 |
| Buried Cable - Metallic | 2423.2 | 1,636 | 63 | 10 |
| Submarine and Deep Sea Cable - Nonmetallic | 2424.1 | 0 | | 11 |
| Submarine and Deep Sea Cable - Metallic | 2424.2 | 0 | | 12 |
| Intrabuilding Cable - Nonmetallic | 2426.1 | 0 | | 13 |
| Intrabuilding Cable - Metallic | 2426.2 | 0 | | 14 |

Explain all amounts shown in column (g).

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

| Subaccount (e) | Retirements (000's) (f) | Transfers / Adjustments (000's) (g) | Balance EOY (000's) (h) | |
|---|---|---|---|---|
| 2212.1 | 13 | 80 | **671** | 1C |
| 2212.2 | | | **0** | 2 |
| 2232.1 | | | **338** | 3 |
| 2232.2 | | | **31** | 4 |
| 2421.1 | | | **83** | 5 |
| 2421.2 | | | **161** | 6 |
| 2422.1 | | | **3** | 7 |
| 2422.2 | | | **8** | 8 |
| 2423.1 | | | **84** | 9 |
| 2423.2 | 18 | | **1,681** | 10 |
| 2424.1 | | | **0** | 11 |
| 2424.2 | | | **0** | 12 |
| 2426.1 | | | **0** | 13 |
| 2426.2 | | | **0** | 14 |

# ACCUMULATED DEPRECIATION CLASS A & B

| Primary Plant Account (a) | Acct (b) | Balance FOY (000's) (c) | Depr Rate (d) | Annual Accrual (000's) (e) | Additional Accrual (000's) (f) | |
|---|---|---|---|---|---|---|
| **GENERAL SUPPORT ASSETS** | | | | | | |
| Motor Vehicles | 2112 | 18 | 11.2000 | 6 | | 1 |
| Aircraft | 2113 | 0 | | | | 2 |
| Tools and Other Work Equipment | 2114 | 6 | 6.7700 | 1 | | 3 |
| Buildings | 2121 | 52 | 2.6000 | 1 | | 4 |
| Furniture | 2122 | 3 | 6.3000 | | | 5 |
| Office Equipment | 2123 | 0 | | | | 6 |
| General Purpose Computers | 2124 | 124 | 14.2900 | 11 | | 7 |
| **TOTAL GENERAL SUPPORT ASSETS** | | **203** | | **19** | **0** | |
| **CENTRAL OFFICE ASSETS** | | | | | | |
| Non-Digital Switching | 2211 | 0 | | | | 8 |
| Digital Electronic Switching | 2212 | 533 | 6.0100 | 38 | 0 | 9 C |
| Operator Systems | 2220 | 0 | | | | 10 |
| Radio Systems | 2231 | 0 | | | | 11 |
| Circuit Equipment | 2232 | 284 | 9.2000 | 28 | 0 | 12 |
| **TOTAL CENTRAL OFFICE ASSETS** | | **817** | | **66** | **0** | |
| **INFORMATION ORIGINATION/TERMINATION ASSETS** | | | | | | |
| Station Apparatus | 2311 | 0 | | | | 13 |
| Customer Premises Wiring | 2321 | 0 | | | | 14 |
| Large Private Branch Exchanges | 2341 | 0 | | | | 15 |
| Public Telephone Terminal Equipment | 2351 | 0 | | | | 16 |
| Other Terminal Equipment | 2362 | 0 | | | | 17 |
| **TOTAL INFORMATION ORIG/TERM ASSETS** | | **0** | | **0** | **0** | |
| **CABLE & WIRE FACILITIES ASSETS** | | | | | | |
| Poles | 2411 | 32 | 10.0000 | | | 18 I |
| Aerial Cable | 2421 | 224 | 3.2300 | 8 | 0 | 19 |
| Underground Cable | 2422 | 5 | 4.5000 | 1 | 0 | 20 |
| Buried Cable | 2423 | 678 | 4.8000 | 88 | 0 | 21 |
| Submarine and Deep Sea Cable | 2424 | 0 | | 0 | 0 | 22 |
| Intrabuilding Network Cable | 2426 | 0 | | 0 | 0 | 23 |
| Aerial Wire | 2431 | 9 | 19.0000 | | | 24 I |
| Conduit Systems | 2441 | 3 | 3.0000 | 1 | | 25 |
| **TOTAL CABLE & WIRE FACILITIES ASSETS** | | **951** | | **98** | **0** | |
| **Total Accumulated Depreciation** | **3100** | **1,971** | | **183** | **0** | |
| Less: Nonreg Accumulated Depreciation | 3100 | | | | | 26 |
| **Net Reg Total Accumulated Depreciation Columns e, f and l** | **3100** | | | **183** | **0** | |

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

| Acct (g) | Retired (000's) (h) | Cost of Removal (000's) (i) | Salvage (000's) (j) | Other (000's) (k) | Balance EOY (000's) (l) | |
|---|---|---|---|---|---|---|
| 2112 | 19 | | 4 | | 9 | 1 |
| 2113 | 0 | | | | 0 | 2 |
| 2114 | 0 | | | | 7 | 3 |
| 2121 | 0 | | | | 53 | 4 |
| 2122 | 0 | | | | 3 | 5 |
| 2123 | 0 | | | | 0 | 6 |
| 2124 | 0 | | | | 135 | 7 |
| | **19** | **0** | **4** | **0** | **207** | |
| 2211 | 0 | | | | 0 | 8 |
| 2212 | 13 | 0 | 0 | 68 | 626 | 9 C |
| 2220 | 0 | | | | 0 | 10 |
| 2231 | 0 | | | | 0 | 11 |
| 2232 | 0 | 0 | 0 | 0 | 312 | 12 |
| | **13** | **0** | **0** | **68** | **938** | |
| 2311 | 0 | | | | 0 | 13 |
| 2321 | 0 | | | | 0 | 14 |
| 2341 | 0 | | | | 0 | 15 |
| 2351 | 0 | | | | 0 | 16 |
| 2362 | 0 | | | | 0 | 17 |
| | **0** | **0** | **0** | **0** | **0** | |
| 2411 | 0 | | | | 32 | 18 I |
| 2421 | 0 | 0 | 0 | 0 | 232 | 19 |
| 2422 | 0 | 0 | 0 | 0 | 6 | 20 |
| 2423 | 18 | 1 | 0 | 0 | 747 | 21 |
| 2424 | 0 | 0 | 0 | 0 | 0 | 22 |
| 2426 | 0 | 0 | 0 | 0 | 0 | 23 |
| 2431 | 0 | | | | 9 | 24 I |
| 2441 | 0 | | | | 4 | 25 |
| | **18** | **1** | **0** | **0** | **1,030** | |
| **3100** | **50** | **1** | **4** | **68** | **2,175** | |
| 3100 | | | | | | 26 |
| **3100** | | | | | **2,175** | |

## ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount or subsidiary record. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

| Plant Subaccount (a) | Subacct (b) | Balance FOY (000's) (c) | Depr Rate (d) | Annual Accrual (000's) (e) | Additional Accrual (000's) (f) | |
|---|---|---|---|---|---|---|
| Digital Electronic Switching - Circuit | 2212.1 | 533 | 6.01 | 38 | | 1 C |
| Digital Electronic Switching - Packet | 2212.2 | 0 | | | | 2 |
| Circuit Equipment - Electronic | 2232.1 | 254 | 9.2 | 27 | | 3 |
| Circuit Equipment- Optical | 2232.2 | 30 | 9.2 | 1 | | 4 |
| Aerial Cable - Nonmetallic | 2421.1 | 28 | 5.5 | 5 | | 5 |
| Aerial Cable - Metallic | 2421.2 | 196 | 6.0 | 3 | | 6 I |
| Underground Cable - Nonmetallic | 2422.1 | 0 | 4.5 | 1 | | 7 |
| Underground Cable - Metallic | 2422.2 | 5 | 4.5 | | | 8 |
| Buried Cable - Nonmetallic | 2423.1 | 19 | 4.8 | 5 | | 9 |
| Buried Cable - Metallic | 2423.2 | 659 | 4.8 | 83 | | 10 |
| Submarine and Deep Sea Cable - Nonmetall | 2424.1 | 0 | | | | 11 |
| Submarine and Deep Sea Cable - Metallic | 2424.2 | 0 | | | | 12 |
| Intrabuilding Cable - Nonmetallic | 2426.1 | 0 | | | | 13 |
| Intrabuilding Cable - Metallic | 2426.2 | 0 | | | | 14 |

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

| Subacct (g) | Retired (000's) (h) | Cost of Removal (000's) (i) | Salvage (000's) (j) | Other (000's) (k) | Balance EOY (000's) (l) | |
|---|---|---|---|---|---|---|
| 2212.1 | 13 | | | 68 | **626** | **1** C |
| 2212.2 | 0 | | | | **0** | **2** |
| 2232.1 | 0 | | | | **281** | **3** |
| 2232.2 | 0 | | | | **31** | **4** |
| 2421.1 | 0 | | | | **33** | **5** |
| 2421.2 | 0 | | | | **199** | **6** I |
| 2422.1 | 0 | | | | **1** | **7** |
| 2422.2 | 0 | | | | **5** | **8** |
| 2423.1 | 0 | | | | **24** | **9** |
| 2423.2 | 18 | 1 | | | **723** | **10** |
| 2424.1 | 0 | | | | **0** | **11** |
| 2424.2 | 0 | | | | **0** | **12** |
| 2426.1 | 0 | | | | **0** | **13** |
| 2426.2 | 0 | | | | **0** | **14** |

## RETAINED EARNINGS (ACCT. 4550)

| Particulars (a) | This Year (000's) (b) | Last Year (000's) (c) | |
|---|---|---|---|
| Balance-First of Year | 734 | 669 | **1** |
| **Changes:** | | | |
| Balance Transferred from Income | 92 | 65 | **2** |
| **Dividends Declared:** | | | |
| Common | | 0 | **3** |
| Preferred | | 0 | **4** |
| **Total Dividends Declared** | **0** | **0** | |
| Miscellaneous Debits to Retained Earnings | | 0 | **5** |
| Miscellaneous Credits to Retained Earnings | | 0 | **6** |
| **Balance--End of Year** | **826** | **734** | |

## REVENUES (CLASS B USE ACCOUNTS DESIGNATED BY *)

| Particulars (a) | This Year (000's) (b) | Last Year (000's) (c) | | |
|---|---|---|---|---|
| **LOCAL NETWORK SERVICES REVENUES** | | | | |
| Basic Local Service Revenue (5000)* | | | 1 | |
| Basic Area Revenue (5001) | 288 | 288 | 2 | D |
| Private Line Revenue (5040) | 14 | 13 | 3 | |
| Other Basic Area Revenue (5060) | 21 | 23 | 4 | E |
| **TOTAL LOCAL NETWORK SERVICES REVENUES** | **323** | **324** | | |
| **INTERSTATE NETWORK ACCESS SERVICES REV.** | | | | |
| End User Revenue (5081)* | 99 | 99 | 5 | |
| Switched Access Revenue (5082)* | 152 | 178 | 6 | E |
| Special Access Revenue (5083)* | 18 | 19 | 7 | |
| **TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.** | **269** | **296** | | |
| **INTRASTATE NETWORK ACCESS SERVICES REV.** | | | | |
| End User Revenue (5081)* | | | 8 | |
| Switched Access Revenue (5082)* | 167 | 115 | 9 | K |
| Special Access Revenue (5083)* | 38 | 40 | 10 | |
| **TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.** | **205** | **155** | | |
| **LONG DISTANCE NETWORK SERVICES MESSAGE REV.** | | | | |
| Long Distance Message Revenue (5100)* | | | 11 | |
| **TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.** | **0** | **0** | | |
| **MISCELLANEOUS & NONREGULATED REVENUES** | | | | |
| Miscellaneous Revenue (5200)* | 50 | 49 | 12 | D |
| Directory Revenue (5230) | 32 | 36 | 13 | |
| Nonregulated Operating Revenue (5280)* | | | 14 | |
| **TOTAL MISCELLANEOUS & NONREGULATED REVENUES** | **82** | **85** | | |
| **GROSS OPERATING REVENUES** | **879** | **860** | | |
| **UNCOLLECTIBLE REVENUES** | | | | |
| Uncollectible Revenue (5300)* | (1) | (9) | 15 | L |
| **TOTAL UNCOLLECTIBLE REVENUES** | **(1)** | **(9)** | | |
| **TOTAL OPERATING REVENUES** | **880** | **869** | | |

## EXPENSES - CLASS A & B

| Particulars (a) | Total This Year (000's) (b) | Total Last Year (000's) (c) | | |
|---|---|---|---|---|
| **PLANT SPECIFIC OPERATIONS EXPENSE** | | | | |
| **TOTAL PLANT SPECIFIC OPERATIONS EXPENSE** | **104** | **116** | **1** | |
| **LESS: NONREGULATED** | | | **2** | |
| **NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE** | **104** | **116** | | |
| **PLANT NONSPECIFIC OPERATIONS EXPENSE** | | | | |
| Other Property, Plant and Equip. Exp. (6510) | | | **3** | |
| Network Operations Expense (6530) | 53 | 56 | **4** | |
| Access Expense (6540) | 6 | 5 | **5** | |
| Depreciat. Exp.--Tele. Plant in Service (6561) | 177 | 177 | **6** | |
| Depreciat. Exp.--Prop. Held for Future Tele. Use (6562) | | | **7** | |
| Amortization Expense--Tangible (6563) | | | **8** | |
| Amortization Expense--Intangible (6564) | 20 | 29 | **9** | **M** |
| Amortization Expense--Other (6565) | | | **10** | |
| **Depreciation and Amortization Expense (6560)** | **197** | **206** | **11** | |
| **TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE** | **256** | **267** | **12** | |
| **LESS: NONREGULATED** | | | **13** | |
| **NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE** | **256** | **267** | | |
| **CUSTOMER OPERATIONS EXPENSE** | | | | |
| Marketing (6610) | 34 | 38 | **14** | |
| Services (6620) | 109 | 117 | **15** | |
| **TOTAL CUSTOMER OPERATIONS EXPENSE** | **143** | **155** | **16** | |
| **LESS: NONREGULATED** | | | **17** | |
| **NET REGULATED CUSTOMER OPERATIONS EXPENSE** | **143** | **155** | | |
| **CORPORATE OPERATIONS EXPENSE** | | | | |
| **TOTAL CORPORATE OPERATIONS EXPENSE** | **167** | **160** | **18** | |
| **LESS: NONREGULATED** | | | **19** | |
| **NET REGULATED CORPORATE OPERATIONS EXPENSE** | **167** | **160** | | |
| **TOTAL EXPENSES** | **670** | **698** | | |
| **LESS: NONREGULATED** | **0** | **0** | | |
| **NET REGULATED EXPENSES** | **670** | **698** | | |

## CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

**Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.**

| Description (a) | This Year (000's) (b) | | |
|---|---|---|---|
| Gross Operating Revenues | 879 | 1 | |
| Plus: Collection of amounts previously written off | | 2 | |
| Less: Uncollectibles written off during the year | (1) | 3 | F |
| Plus: Total Other Operating Income and (Expense) (7100) | 0 | 4 | |
| Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1) | | 5 | |
| Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3) | | 6 | |
| Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1) | | 7 | |
| Plus (or Less) Other (please specify): None | 0 | 8 | |
| **Assessable Revenues for Remainder and Telephone Relay Assessment Purposes** | **880** | | |

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

| Description (a) | This Year (000's) (b) | |
|---|---|---|
| Total Basic Local Service Revenue (5000) | 323 | 1 |
| Plus: Total Intrastate Access Revenues (5081-5083) | 205 | 2 |
| Plus: Total Long Distance Network Services Revenue | 0 | 3 |
| Less: Out-of-State Operating Revenues (included in the above lines) | | 4 |
| Plus: Intrastate Payphone Revenues | | 5 |
| Plus (or Less) Other (please specify): None | 0 | 6 |
| **Assessable Revenues for Universal Service Fund Assessment Purposes** | **528** | |

## OTHER INCOME ACCOUNTS

| Particulars (a) | This Year (000's) (b) | Last Year (000's) (c) | |
|---|---|---|---|
| TOTAL OTHER OPERATING INCOME AND EXPENSE (7100) | | | 1 |
| LESS: NONREGULATED | | | 2 |
| **NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)** | **0** | **0** | |
| TOTAL OPERATING TAXES (7200) | 85 | 75 | 3 |
| LESS: NONREGULATED | | | 4 |
| **NET REGULATED OPERATING TAXES (7200)** | **85** | **75** | |
| TOTAL NONOPERATING INCOME AND EXPENSE (7300) | 3 | 4 | 5 |
| LESS: NONREGULATED | | | 6 |
| **NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)** | **3** | **4** | |
| TOTAL NONOPERATING TAXES (7400) | 1 | 1 | 7 |
| LESS: NONREGULATED | | | 8 |
| **NET REGULATED NONOPERATING TAXES (7400)** | **1** | **1** | |
| TOTAL INTEREST AND RELATED ITEMS (7500) | 25 | 26 | 9 |
| LESS: NONREGULATED | | | 10 |
| **NET REGULATED INTEREST AND RELATED ITEMS (7500)** | **25** | **26** | |
| TOTAL EXTRAORDINARY ITEMS (7600) | | | 11 |
| LESS: NONREGULATED | | | 12 |
| **NET REGULATED EXTRAORDINARY ITEMS (7600)** | **0** | **0** | |
| TOTAL NONREGULATED NET INCOME (7990) | (10) | (8) | 13 |
| **TOTAL OTHER INCOME ACCOUNTS** | **(118)** | **(106)** | |
| **TOTAL NONREGULATED** | **(10)** | **(8)** | |
| **TOTAL NET REGULATED OTHER INCOME ACCOUNTS** | **(108)** | **(98)** | |

## NONREGULATED ACTIVITIES

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

| Nonregulated Activity (a) | |
|---|---|
| 1 & 2 line phones, business systems and inside wiring. | 1 |
| Direct Broadcast Satellite (DBS) where available. | 2 |
| Internet service where available. | 3 |
| Mobile equipment where tariff allows and where available. | 4 |
| Paging service where tariff allows and where available. | 5 |
| Voicemail service where tariff allows and where available. | 6 |

## TELEPHONE CALLS AND MINUTES OF USE PER MONTH

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

| Item (a) | Telephone Calls (000's) (b) | Minutes of Use (000's) (c) | |
|---|---|---|---|
| **LOCAL** | | | |
| Extended Community Calling | 0 | 0 | **1 A** |
| Other Local-Undefined | | | **2** |
| **Total Local** | **0** | **0** | |
| **TOLL** | | | |
| Toll | 171 | 599 | **3** |
| **Total Toll** | **171** | **599** | |
| **Total Local & Toll** | **171** | **599** | |

# ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

| Description (a) | Billed Minutes (000's) Interstate InterLATA (b) | Intrastate InterLATA (c) | Intrastate IntraLATA (d) | Interstate IntraLATA (e) | |
|---|---|---|---|---|---|
| Feature Group A & B -- Originating | 0 | 0 | 0 | 0 | 1 |
| Feature Group A & B -- Terminating | 0 | 0 | 0 | 0 | 2 |
| Feature Group C -- Originating | 0 | 0 | 0 | 0 | 3 |
| Feature Group C -- Terminating | 0 | 0 | 0 | 0 | 4 |
| Feature Group D -- Originating | 1,915 | 1,397 | 455 | 0 | 5 |
| Feature Group D -- Terminating | 1,365 | 1,083 | 508 | 0 | 6 |

## OUTSIDE PLANT STATISTICS AT END OF YEAR

| Description of Item (a) | Amount (b) | |
|---|---|---|
| Sheath miles of plant - fiber optics | 6 | 1 |
| Route miles of plant - microwave | | 2 |

## SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

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

## SERVICE DATA

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

| Item (a) | FOY (b) | EOY (c) | |
|---|---|---|---|
| **Business** | | | |
| 1 Party | 132 | 138 | 3 |
| PBX Trunks/Centrex & Key System Trunks | 11 | 46 | 4 |
| Centrex Lines | 179 | 171 | 5 |
| FX-Out (Switched) | 0 | 0 | 6 |
| Pay Telephone | 0 | 0 | 7 |
| Other | 0 | 2 | 8 |
| **Total Business Lines** | **322** | **357** | 9 |
| **Residential (Incl. Emp. Concess.)** | | | 10 |
| 1 Party | 807 | 809 | 11 |
| FX-Out (Switched) | 0 | 0 | 12 |
| Other | 0 | 0 | 13 |
| **Total Residential Lines** | **807** | **809** | 14 |
| **Total Bus & Res Lines** | **1,129** | **1,166** | 15 |
| Company Total Lines Used | 47 | 46 | 16 |
| **Total Lines Used** | **1,176** | **1,212** | 17 |
| **Miscellaneous** | | | 18 |
| WATS Lines - OutWATS | 0 | 0 | 19 |
| WATS Lines - 800 Service | 0 | 0 | 20 |
| FX-In-intraLATA | 0 | 0 | 21 |
| Special Access-intraLATA | | | 22 |
| (expressed in equiv. access lines) | 103 | 102 | 23 |
| Special Access-interLATA | | | 24 |
| (expressed in equiv. access lines) | 104 | 105 | 25 |
| Feature Group C Trunks | 0 | 0 | 26 |
| Feature Group D Trunks | 86 | 62 | 27 |
| TSPS - Trunks | 5 | 5 | 28 |
| EAS and ECC - Trunks | 120 | 96 | 29 |
| Cellular Trunks (Pub. Sw. Net.) | 0 | 0 | 30 |
| **Customers** | | | 31 |
| Number of Lifeline customers at FOY (January 1, 2004) | | | 32 |
| and EOY (December 31, 2004): | 45 | 51 | 33 |
| Number of Linkup customers connected during | | | 34 |
| FOY (Calendar year 2003) and EOY (Calendar year 2004): | 7 | 13 | 35 |
| **Other** | | | 36 |
| Total Company Square Miles | 119 | 119 | 37 |
| Total Company Route Miles | 293 | 294 | 38 |
| Footnotes | | | 39 |

## 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 | 0060 | | | | 1 |
| **Business** | | | | | 2 |
| 1 Party | 138 | | | | 3 |
| PBX Trunks/Centrex & Key System Trunks | 46 | | | | 4 |
| Centrex Lines | 171 | | | | 5 |
| FX-Out (Switched) | 0 | | | | 6 |
| Pay Telephone | 0 | | | | 7 |
| Other | 2 | | | | 8 |
| **Total Business Lines** | **357** | **0** | **0** | **0** | 9 |
| **Residential (Incl. Emp. Concess.)** | | | | | 10 |
| 1 Party | 809 | | | | 11 |
| FX-Out (Switched) | 0 | | | | 12 |
| Other | 0 | | | | 13 |
| **Total Residential Lines** | **809** | **0** | **0** | **0** | 14 |
| **Total Bus & Res Lines** | **1,166** | **0** | **0** | **0** | 15 |
| Company Total Lines Used | 46 | | | | 16 |
| **Total Lines Used** | **1,212** | **0** | **0** | **0** | 17 |
| **Miscellaneous** | | | | | 18 |
| WATS Lines - OutWATS | 0 | | | | 19 |
| WATS Lines - 800 Service | 0 | | | | 20 |
| FX-In-intraLATA | 0 | | | | 21 |
| Special Access-intraLATA | | | | | 22 |
| (equiv. access lines) | 102 | | | | 23 |
| Special Access-interLATA | | | | | 24 |
| (equiv. access lines) | 105 | | | | 25 |
| Feature Group C Trunks | 0 | | | | 26 |
| Feature Group D Trunks | 62 | | | | 27 |
| TSPS - Trunks | 5 | | | | 28 |
| EAS and ECC - Trunks | 96 | | | | 29 |
| Cellular Trunks (Pub. Sw. Net.) | 0 | | | | 30 |
| **Other** | | | | | 31 |
| Exchange Square Miles | 119 | | | | 32 |
| Exchange Route Miles | 294 | | | | 33 |
| Footnotes | | | | | 34 |

## MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

## EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

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

# CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

| Description (a) | Central Off. (b) | Central Off. (c) | Central Off. (d) | Central Off. (e) | |
|---|---|---|---|---|---|
| Exchange Name | ALMA | | | | 1 |
| PSCW Exchange ID | 0060 | | | | 2 |
| Central Office Name | ALMA | | | | 3 |
| PSCW Central Office ID | 1 | | | | 4 |
| Central Office CLLI Code | ALMAWIXADS0 | | | | 5 |
| Manufacturer of COE (Page 54) | SC | | | | 6 |
| Type of Equipment (Page 54) | D | | | | 7 |
| (S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier | S | | | | 8 |
| Remote Host PSCW Exchange ID | | | | | 9 |
| Remote Host Central Office CLLI Code | | | | | 10 |
| COE Generic Software Release No. | 20.0 | | | | 11 |
| SS7? | No | | | | 12 |
| 9-1-1? | Yes | | | | 13 |
| Access Lines - In Use | 1,212 | | | | 14 |
| Trunks - In Use | 244 | | | | 15 |
| ISDN Available? | No | | | | 16 |
| ISDN Lines - In Use (BRI) | 0 | | | | 17 |
| - In Use (PRI) | 0 | | | | 18 |
| DSL Service Available? | No | | | | 19 |
| - In Use (# lines) | | | | | 20 |
| End User VoIP Available? | | | | | 21 |
| Digital Service Available: DS-1 - In Use | 2 | | | | 22 |
| DS-3 - In Use | 3 | | | | 23 |
| OC-3 - In Use | 2 | | | | 24 |
| Advanced Data Service Available: | | | | | 25 |
| Packet Switching? | No | | | | 26 |
| Frame Relay? | No | | | | 27 |
| ATM (Asynchronous Trans. Mode)? | No | | | | 28 |
| Fiber Transmission Facilities: | | | | | 29 |
| No. of fiber strands entering C.O. | 40 | | | | 30 |
| No. of fiber strands working (LIT) in C.O. | 10 | | | | 31 |
| No. of fiber strands for interoffice use | 8 | | | | 32 |
| Miles of fiber sheath in wire center | 6 | | | | 33 |
| Access Tandem Serving this C.O.: | | | | | 34 |
| - C.O. Name | LACROSSE | | | | 35 |
| - PSCW C.O. CLLI Code | LCRSWIXC61T | | | | 36 |
| Does this C.O. do access tandem switching? | No | | | | 37 |
| Footnotes | | | | | 38 |

# GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

## General Footnote

### Schedule Footnotes

**Income Statement - Total Company Footnote. Page 8**

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

**Balance Sheet - Assets (Class B Use Accounts Designated By *) Footnote. Page 10**

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

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

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

**Expenses - Class A & B Footnote. Page 41**

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

**Other Income Accounts Footnote. Page 44**

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

### Schedule Line Footnotes

A) The company has no ECC.

B) Where a zero is indicated, the company does not have these types of circuits in service.

C) Amounts listed on pages 22 and 24, in column (g) and pages 26 and 28, column (k) are reclasses between accounts or transfers with affiliates.

D) Last year figures changed from what was reported on the 2003 report for accounts 5001 and 5200 due to reclassifying Interconnection revenues. These revenues were reclassified because they are not assessable (and to be consistent with 2004 reporting).

E) Last year figures changed from what was reported on the 2003 report for accounts 5060 and 5082 (Interstate) due to reclassifying USF revenues. These revenues were reclassified because they are not assessable (and to be consistent with 2004 reporting).

F) Collection of amounts previously written off and uncollectibles written off during the year are netted on line 3.

G) $17K of this amount is a prepayment to affiliate that is recorded in account 1280.

H) $2K of this amount is a prepayment to affiliate that is recorded in account 1280.

I) Accumulated depreciation is greater than the asset balance because per the WI PSC, the company is allowed to depreciate more than 100% of this account group.

J) The composite depreciation rate for A/C 2690 is 6.20%.

K) Increase due to prior period corrections.

## GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

**L)** **In 2003 the company recovered some of the 2002 write-offs related to the WorldCom/MCI bankruptcy.**

**M)** **In 2003 the company recovered some of the 2002 write-offs related to the WorldCom/MCI bankruptcy.**

## Communities where Basic Local Service is offered to New Customers

| County Name (a) | Municipality Name (b) | Municipality Type (c) | |
|---|---|---|---|
| Buffalo | ALMA | City | 1 |
| Buffalo | ALMA | Town | 2 |
| Buffalo | BELVIDERE | Town | 3 |
| Buffalo | GILMANTON | Town | 4 |
| Buffalo | LINCOLN | Town | 5 |
| Buffalo | MODENA | Town | 6 |
| Buffalo | MONTANA | Town | 7 |
| Buffalo | NELSON | Town | 8 |
| Buffalo | NELSON | Village | 9 |
| Buffalo | WAUMANDEE | Town | 10 |