



4008

ANNUAL REPORT

of

Name: TDS METROCOM, LLC

Principal Office: 525 JUNCTION ROAD
MADISON, WI 53717

For the Year Ended: DECEMBER 31, 2006

Alternative Telecommunications Utility --
Other Telecommunications Provider

To

Public Service Commission of Wisconsin

Mailing Address:	P.O. Box 7854 Madison, WI 53707-7854
Home Page:	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.

RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2009 report is due April 1, 2010.) 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 click on the appropriate program for Alternative Telecommunications Utility - Other Telecommunications Providers (OTH). If additional confidential treatment is desired, see the Commission's Web Page for filing instructions using the Electronic Regulatory Filing (ERF) system.
3. Alternative Telecommunications Utility-Other Telecommunications Provider (ATU-Other) entities with no revenues for the report year are required to file an OTH annual report; however, such entities may instead qualify for the Web No Activity in Wisconsin OTH annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to 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.
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. Limited 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. 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.
11. The OTH 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.

If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.
12. It is not necessary to manually or electronically "sign" the signature page. Do not file a hardcopy annual report printout with the Commission.

RULES FOR REPORTING

13. **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 file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

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

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

14. **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://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.

15. **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 13. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions.

RULES FOR REPORTING

Revisions to an annual report previously filed on a manual basis (i.e., using the Commission's ERF system) also require a new complete manual filing.

16. Municipalities authorized by the Commission as competitive local exchange carriers (CLECs) should report only the CLEC-related amounts in the OTH annual report.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: TDS METROCOM, LLC
Utility Location: 525 JUNCTION ROAD
MADISON, WI 53717

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

Date utility authorized to provide service in Wisconsin: 02/05/1997

State in which utility was organized: Delaware

Organization type: Limited Liability Co

New Utility Name:

Effective Date:

Telephone numbers for potential customers to contact company:

Business Customers: (877) 208 - 5111

Residential Customers: (877) 208 - 5111

Primary Address - Primary Utility Contact (located at utility address)

Name: JEAN PAUK
Title: MANAGER - STATE GOVERNMENT AFFAIRS
Firm/Company: TDS TELECOM
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4152
Email Address: jean.pauk@tdstelecom.com

Annual Report Address - Contact person for information contained in this annual report

Same as Primary Address

Name: JOHN R ERPENBACH
Title: DIRECTOR - ACCOUNTING
Firm/Company: TDS TELECOM
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519 Ext:
Telephone Number: (608) 664 - 4289 Ext:
Email Address: john.erpenbach@tdstelecom.com

IDENTIFICATION AND OWNERSHIP**Regulatory Contact - Contact person for Regulatory Inquiries and Complaints** **Same as Primary Address**

Name: JEAN PAUK
Title: MANAGER - STATE GOVERNMENT AFFAIRS
Firm/Company: TDS TELECOM
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
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 TELECOM, INC
Address: 525 JUNCTION ROAD
MADISON , WI 53717

Percent Interest Held: 100
Beneficial Owner: NONE

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

INCOME STATEMENT - WISCONSIN TOTAL OPERATIONS

Particulars (a)	Wisconsin Total % This Year (b)	This Year (000's) (c)	
Operating Revenues	60.00 %	106,623	1
OPERATING EXPENSES			
Access and Billing Expenses	57.00 %	6,621	2
Local Interconnection	63.00 %	2,953	3
Other Charges Imposed by Another Carrier	59.00 %	26,615	4
Communication System Operations	68.00 %	9,502	5
Depreciation and Amortization	68.00 %	14,305	6
Other	52.00 %	46,889	7
Total Operating Expenses	57.00 %	106,885	8
Net Operating Income	3.00 %	(262)	9
Total Nonoperating Income	9.00 %	(886)	10
Net Income	7.00 %	(1,148)	11

Income Statement - Wisconsin Total Operations Note:

Please state the bases upon which the Wisconsin total factors were developed and provide supporting calculations.

TOTAL COMPANY BALANCE SHEET

Particulars (a)	Balance--EOY (000's)(b)	
ASSETS		
TOTAL CURRENT ASSETS	63,667	1
TOTAL NONCURRENT ASSETS	6,813	2
TOTAL PLANT	82,848	3
TOTAL ASSETS AND OTHER DEBITS	153,328	
LIABILITIES AND CAPITAL		
TOTAL CURRENT LIABILITIES	312,547	4
TOTAL LONG-TERM DEBT	0	5
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	4,948	6
STOCKHOLDERS' EQUITY		
Retained Earnings	(245,240)	7
Other Stockholders' Equity	81,073	8
TOTAL STOCKHOLDERS' EQUITY	(164,167)	
TOTAL LIABILITIES AND OTHER CREDITS	153,328	

TOTAL COMPANY BALANCE SHEET - NOTES

Other information concerning the total company balance sheet.

**TELECOMMUNICATIONS PLANT IN SERVICE & ACCUMULATED DEPRECIATION &
AMORTIZATION - WISCONSIN**

Plant Function (a)	Additions This Year (000's)(b)	Plant In Service EOY (000's)(c)	Acc. Depr. & Amortization EOY (000's)(d)	Net Plant In Service EOY (000's)(e)	
TOTAL GENERAL SUPPORT	475	8,830	6,667	2,163	1
TOTAL CENTRAL OFFICE	8,387	94,588	66,108	28,480	2
TOTAL INFORMATION ORIG./TERM.	0	0	0	0	3
TOTAL CABLE WIRE FACILITIES	439	23,984	12,279	11,705	4
TOTAL AMORTIZABLE	604	18,885	14,239	4,646	5
TOTAL PLANT IN SERVICE	9,905	146,287	99,293	46,994	

OPERATING REVENUES

Particulars (a)	Wisconsin- Based Intrastate (000's)(b)	Wisconsin- Based Interstate (000's)(c)	
LOCAL NETWORK SERVICES REVENUES			
End User Retail	54,735		1
Private Line & Special Access	17,022		2
Resale of Local Service	0		3
Enter Other Description Here			4
NETWORK INTERSTATE ACCESS SERVICE REVENUES			
End User Line Charge		0	5
Switched		1,534	6
Special		2,413	7
NETWORK INTRASTATE ACCESS SERVICE REVENUES			
Switched	5,462		8
Special	3,739		9
Enter Other Description Here			10
LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES			
Enter Description Here		9,506	11
MISCELLANEOUS REVENUES			
Reciprocal Compensation	2,599		12
Other Interconnection			13
Unbundled Network Elements (UNEs) and UNE Platform (UNE-P)			14
Video Distance Learning			15
Directory	1,731		16
Miscellaneous	2,763		17
NONREGULATED REVENUES			
Internet Revenue	5,119		18
GROSS OPERATING REVENUES	93,170	13,453	
UNCOLLECTIBLE REVENUES			
Enter Description Here			19
TOTAL UNCOLLECTIBLE REVENUES	0	0	
TOTAL OPERATING REVENUES	93,170	13,453	

OPERATING REVENUES (cont.)

Particulars (d)	Wisconsin- Based Total (000's)(e)	Total Company (000's)(f)	
LOCAL NETWORK SERVICES REVENUES			
End User Retail	54,735	92,600	1
Private Line & Special Access	17,022	25,452	2
Resale of Local Service	0	0	3
Enter Other Description Here	0	0	4
NETWORK INTERSTATE ACCESS SERVICE REVENUES			
End User Line Charge	0	0	5
Switched	1,534	2,642	6
Special	2,413	2,945	7
NETWORK INTRASTATE ACCESS SERVICE REVENUES			
Switched	5,462	10,239	8
Special	3,739	5,145	9
Enter Other Description Here	0	0	10
LONG DISTANCE NETWORK SERVICES MESSAGE REVENUES			
Enter Description Here	9,506	17,160	11
MISCELLANEOUS REVENUES			
Reciprocal Compensation	2,599	4,076	12
Other Interconnection	0	0	13
Unbundled Network Elements (UNEs) and UNE Platform (UNE-P)	0	0	14
Video Distance Learning	0	0	15
Directory	1,731	2,882	16
Miscellaneous	2,763	5,009	17
NONREGULATED REVENUES			
Internet Revenue	5,119	9,663	18
GROSS OPERATING REVENUES	106,623	177,813	
UNCOLLECTIBLE REVENUES			
Enter Description Here	0		19
TOTAL UNCOLLECTIBLE REVENUES	0	0	
TOTAL OPERATING REVENUES	106,623	177,813	

YEAR-END NUMBER OF LINES

Report voice grade and/or DS0 equivalent lines serving end users.

Local Telecommunications Line Type (a)	Wisconsin-Based Total (Actual No.) (b)	
Residential	98,018	1
Business	125,019	2
		3

NUMBER OF LIFELINE AND LINKUP CUSTOMERS

Number of Lifeline and Linkup Customers (a)	Wisconsin (Actual No.)(b)	
Number of Lifeline Customers in Wisconsin at December 31, 2006	178	1
Number of Linkup Customers in Wisconsin Connected During 2006	0	2

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)	
Rate Center Name	FOX VALLEY	MADISON	WAUKESHA		1
Central Office (Switch) CLLI Code	APLWIFBDS1	MDSNWKWDSO	NWBLWICYDS0		2
Switch Location	FOX VALLEY	MADISON	WAUKESHA		3
Manufacturer of COE	SIEMENS	SIEMENS	SIEMENS		4
Type of Equipment	EWSD	EWSD	EWSD		5
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	S	S	S		6
Remote Host Rate Center Name					7
Remote Host Switch CLLI Code					8
COE Generic Software Release No.	20	20	20		9
SS7?	Yes	Yes	Yes		10
9-1-1?	Yes	Yes	Yes		11
Access Lines - In Use	42,256	54,336	74,154		12
Trunks - In Use	12,345	27,276	16,084		13
ISDN Available?	Yes	Yes	Yes		14
ISDN Lines - In Use (BRI)	103	590	175		15
- In Use (PRI)	4,080	11,568	10,206		16
DSL Service Available?	Yes	Yes	Yes		17
- In Use (# lines)	5,730	9,727	8,561		18
End User VoIP Available?	N	N	N		19
Digital Service Available: DS-1 - In Use	3,177	5,256	5,905		20
DS-3 - In Use	156	258	265		21
OC-3 - In Use	3	4	4		22
Advanced Data Service Available:					23
Packet Switching?	No	No	No		24
Frame Relay?	No	No	No		25
ATM (Asynchronous Trans. Mode)?	Yes	Yes	Yes		26
Fiber Transmission Facilities:					27
No. of fiber strands entering C.O.	396	624	566		28
No. of fiber strands working (LIT) in C.O.	44	154	56		29
No. of fiber strands for interoffice use	0	0	0		30
Miles of fiber sheath in wire center	70	70	182		31
Access Tandem Serving this C.O.:					32
- Central Office Name	MAIN	MADISON MAIN	AETNA CT		33
- Central Office CLLI Code	APPLWI0171T	MDSNWI1171T	MILWWI126T		34
Does this C.O. do access tandem switching?	No	No	No		35

ASSESSABLE REVENUES

Description (a)	This Year (000's)(b)
Calculation of Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	
Gross Operating Revenues--Wisconsin (including interstate revenues)	106,623 1
Less: Inbound Interstate 800 and Collect Revenues billed to customers outside of Wisconsin and included on line 1 (exclusive of uncollectible and nonregulated revenue)	840 2
Less : Current Year Write-offs of Uncollectible Revenues	946 3
Plus: Current Year Collection of Operating Revenues Previously Written Off	373 4
Less : Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)	5,119 5
Plus: Nonregulated Net Write Off Amount (included on Lines 3 and 4)	28 6
Total Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	100,119 7

Assessable Revenues for Universal Service Fund Assessment Purposes

Wisconsin Gross Intrastate Operating Telecommunications Service Revenue	93,170 8
Less: Reciprocal Compensation	2,599 9
Less: Other Interconnection Revenues	0 10
Less: Unbundled Network Elements (UNEs) and UNE Platform (UNE-P) Revenues	0 11
Less: Directory Revenues	1,731 12
Less: Nonregulated Revenues	5,119 13
Less: Other revenues not assessable for USF purposes (list)	
Enter description here	0 14
Enter description here	0 15
Enter description here	0 16
Total assessable revenues for USF purposes	83,721 17

Explanation of significant variances in assessable revenues.

If line 7 or line 8 represents an increase or decrease of more than 20 percent and \$200,000 from last year, please provide a brief explanation here. If variance is less than these thresholds, enter NONE. 18

Notes

"Gross Operating Revenues--Wisconsin" are revenues before consideration of uncollectible revenues. These revenues include revenues from inbound interstate 800 and collect calls billed to customers in Wisconsin.

"Outbound interstate revenues" are service operations revenues received from communications originating at points within Wisconsin and terminating at points outside the state.

"Inbound interstate 800 and collect revenues" are revenues from interstate 800 and collect calls originating outside of Wisconsin and terminating within Wisconsin, but billed to customers outside of Wisconsin.

"Gross" means revenue before consideration of uncollectible amounts. Access expenses may not be netted against assessable revenues.

"Intrastate" means telecommunications service originating and terminating within the State of Wisconsin. Intrastate revenue does not include interstate access revenue.

ASSESSABLE REVENUES

Description (a)	This Year (000's)(b)
<p>"Operating" means provision of telecommunications services.</p> <p>"Telecommunications service revenue" for the purpose of this assessment does not include cable television service, broadcast service, rents, directory revenue, carrier billing and collection revenue, nonregulated customer premises equipment revenue, or other miscellaneous or nonregulated revenue. However, it does include video distance learning revenue and payphone revenue (the latter which was deregulated in 1997).</p>	

OTHER INFORMATION

Additional or other information concerning this annual report.

SCHEDULE AND REPORT NOTES

General Footnote

Schedule Footnotes

SERVICES OFFERED

1	Does the company currently offer basic local telecommunications service (voice grade) to new customers in one or more Wisconsin locations to Residential customers?	Yes
2	Does the company currently offer basic local telecommunications service (voice grade) to new customers in one or more Wisconsin locations to Business customers?	Yes
3	Does the company currently offer basic local telecommunications service (voice grade) to new residential and/or business customers in all of AT&T Wisconsin (formerly SBC) service territory?	No
4	Does the company currently offer basic local telecommunications service (voice grade) to new residential and/or business customers in all of Verizon North's Wisconsin service territory?	No

Does the company currently offer the following services in one or more Wisconsin locations:

5	Company calling cards	Yes
6	Long distance service	Yes
7	Operator services	Yes
8	Dial-up Internet services	Yes
9	DSL	Yes
10	Cable modem Internet access	No
11	Wireless Internet	Yes
12	Voice over Internet protocol (VoIP)	No
13	Dark fiber	No
14	Fiber to the Premise	Yes
15	Digital TV	No
16	Wholesale	Yes
17	Other	No

Communities where Basic Local Service is offered to New Customers as of April 1, 2007

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Brown	ALLOUEZ	Village	1
Outagamie	APPLETON	City	2
Brown	ASHWAUBENON	Village	3
Brown	BELLEVUE	Village	4
Rock	BELOIT	City	5
Dane	BLOOMING GROVE	Town	6
Waukesha	BROOKFIELD	City	7
Waukesha	BROOKFIELD	Town	8
Outagamie	BUCHANAN	Town	9
Dane	BURKE	Town	10
Waukesha	BUTLER	Village	11
Racine	CALEDONIA	Town	12
Milwaukee	CUDAHY	City	13
Brown	DE PERE	City	14
Waukesha	ELM GROVE	Village	15
Dane	FITCHBURG	City	16
Fond du Lac	FOND DU LAC	City	17
Milwaukee	FRANKLIN	City	18
Washington	GERMANTOWN	Village	19
Outagamie	GRAND CHUTE	Town	20
Brown	GREEN BAY	City	21
Milwaukee	GREENDALE	Village	22
Milwaukee	GREENFIELD	City	23
Outagamie	GREENVILLE	Town	24
Milwaukee	HALES CORNERS	Village	25
Rock	HARMONY	Town	26
Brown	HOWARD	Village	27
Rock	JANESVILLE	City	28
Outagamie	KAUKAUNA	City	29
Kenosha	KENOSHA	City	30
Brown	LAWRENCE	Town	31
Outagamie	LITTLE CHUTE	Village	32
Dane	MADISON	City	33
Dane	MADISON	Town	34
Dane	MAPLE BLUFF	Village	35
Winnebago	MENASHA	City	36

Communities where Basic Local Service is offered to New Customers as of April 1, 2007

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Winnebago	MENASHA	Town	37
Waukesha	MENOMONEE FALLS	Village	38
Dane	MIDDLETON	City	39
Dane	MIDDLETON	Town	40
Milwaukee	MILWAUKEE	City	41
Dane	MONONA	City	42
Racine	MOUNT PLEASANT	Village	43
Winnebago	NEENAH	City	44
Winnebago	NEENAH	Town	45
Waukesha	NEW BERLIN	City	46
Milwaukee	OAK CREEK	City	47
Outagamie	ONEIDA	Town	48
Winnebago	OSHKOSH	City	49
Winnebago	OSHKOSH	Town	50
Waukesha	PEWAUKEE	City	51
Waukesha	PEWAUKEE	Village	52
Kenosha	PLEASANT PRAIRIE	Village	53
Dane	PLEASANT SPRINGS	Town	54
Racine	RACINE	City	55
Dane	RUTLAND	Town	56
Dane	SHOREWOOD HILLS	Village	57
Kenosha	SOMERS	Town	58
Milwaukee	SOUTH MILWAUKEE	City	59
Dane	STOUGHTON	City	60
Racine	STURTEVANT	Village	61
Dane	SUN PRAIRIE	City	62
Outagamie	VANDENBROEK	Town	63
Winnebago	VINLAND	Town	64
Waukesha	WAUKESHA	City	65
Waukesha	WAUKESHA	Town	66
Milwaukee	WAUWATOSA	City	67
Milwaukee	WEST ALLIS	City	68
Racine	YORKVILLE	Town	69