

CAM-T

ANNUAL REPORT

OF

CAMBRIDGE TELEPHONE COMPANY

NAME

PO BOX 88, CAMBRIDGE, ID 83610

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2014

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Independent Accountants' Compilation Report

To the Board of Directors
Cambridge Telephone Company, Inc.
Cambridge, Idaho 83610

We have compiled the balance sheets of Cambridge Telephone Company, Inc. as of December 31, 2014 and 2013, and the related statement of income for the year ended December 31, 2014 included in the accompanying prescribed form. We have also compiled the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance. We have not audited or reviewed the financial statements and the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance is in accordance with the form prescribed by the Idaho Public Utilities Commission.

Management is responsible for the preparation and fair presentation of the financial statements and the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance in accordance with requirements prescribed by the Idaho Public Utilities Commission and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance.

These financial statements and the supplementary information presented in Company Information, Directors, Managers, Central Office Data, Number Calls Completed and Customer Relations Rules Compliance are presented in accordance with the requirements of the Idaho Public Utilities Commission, which differ from accounting principles generally accepted in the United States of America. This report is intended solely for the information and use of the Idaho Public Utilities Commission and is not intended to be and should not be used by anyone other than this specified party.

Kiesling Associates LLP

Kiesling Associates LLP
Madison, Wisconsin
April 8, 2015

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2014**

COMPANY INFORMATION

Exact name of utility: Cambridge Telephone Company
 Address of principal office: P.O. Box 69, Cambridge, ID 83610
 Telephone Number Area Code (208) 257-3314 Email address: rwwiggins@ctctele.com
 Cities or towns served: Cambridge, Council, Indian Valley, Cuprum, Lowman

Name and title of officer having custody of the general corporate books of account: _____
Richard Wiggins, General Manager/President
 Address of office where corporate books are kept and phone number: _____
P.O. Box 88, 130 Superior Street, Cambridge, ID 83610, (208) 257-3314
 Organized under the laws of the State of: Idaho
 Date of organization: 1966
 Form of organization (proprietorship, association, corporation): Corporation
 If a Subchapter S Corporation, please specify: N/A
 Name and address of controlling company, if any: N/A

Names of affiliated companies. Give address and description of business: CTC Construction, Inc.,
P.O. Box 88, Cambridge, ID 83610-Construction Services; CTC Telecom, Inc., P.O. Box 69, Cambridge, ID
83610-Telecommunications, Internet and Wireless (CLEC); InCom Telecom LLC, 130 N. Superior,
Cambridge, ID 83610, Telecommunications

OFFICERS

Report below the title, name and office address of each general officer of the utility at the end of the year. If there were any changes during the year, show the name, title, and address of the previous officer and the date of change.

Title	Name	Address
President	Richard Wiggins	P.O. Box 88, Cambridge, ID 83610
Vice President	Kermit Wiggins	P.O. Box 88, Cambridge, ID 83610
Secretary	Kristie Kanady	P.O. Box 353, Cambridge, ID 83610
Treasurer	Joana Wiggins	P.O. Box 88, Cambridge, ID 83610

SEE ACCOUNTANT'S COMPILATION REPORT

DIRECTORS

List the name of each person who was a member of the Board of Directors at any given time during the year: (Fees related to meetings only.)

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Kermit Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Richard Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Joana Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	
Karen Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	
Kristie Kanady P.O. Box 88, Cambridge, ID 83610	Indefinite	1	

Name of Chairman of the Board: Kermit Wiggins
 Name of Secretary (or Clerk) of Board: Kristie Kanady
 Number of Meetings of the Board during the year: 1

MANAGERS

List the name of each person who performed management duties for the Company during the year, and the total wages and bonuses paid to those persons: (Do not include Director fees in these amounts.)

Name	Title	Wages and Bonuses Paid
Richard Wiggins	President	150,000
Kristie Kanady	Secretary/Treasurer	57,850
Jerry Piper	Assistant Manager	86,000

NOTES TO THE FINANCIAL STATEMENTS

Please provide important information such as changes in accounting or depreciation practices, extensions or additions to the system; disposal of any substantial portion of the property of the utility; reorganization, mergers, or consolidations with other companies; leases executed; other contracts or agreements entered into; changes made in articles of incorporation or amendments; the occurrence of contingency losses or gains.

1 In 1998, CTC Telecom, Inc. (CTC), a wholly-owned subsidiary of Cambridge Telephone Company, was incorporated, with an initial investment of \$100,000. CTC operates as a Competitive Local Exchange Carrier in the state of Idaho. Additional capital investments of \$1,900,000 have been made through December 31, 2014.

2 Cambridge Telephone Company (Cambridge) is a member of Syringa Networks, LLC, an Idaho Limited Liability Company. Cambridge's investment in borrower as of December 31, 2014 was \$2,799,393 (equity method investment).

3 As of December 31, 2014, the Company has long-term debt to Rural Utilities Service (RUS) of \$5,258,181. These notes will be repaid in 2019. Total advances on all RUS notes were \$13,819,304 at December 31, 2014 and no funds remain unadvanced.

4 In 2014 the Company opened a line of credit with a local bank for \$600,000. Initial funds were used to pay subsidiary loan. Subsidiary receivable from CTC increased to account for fund transfer. Repayment from CTC expected to be similar to original loan repayment schedule.

5 As a result of changes in accounting standards for goodwill, Cambridge elected to amortize their remaining goodwill beginning in 2014. This resulted in amortization expense of \$169,166 in 2014. The accounting change is to be applied prospectively, resulting in no changes to prior year statements.

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents			
1130 Cash	203,548	244,824	41,276
1140 Special Cash Deposits	2,000	2,960	960
1150 Working Cash Advances			-
1160 Temporary Investments			-
1180 Telecommunications Accts. Receivable	232,325	280,021	47,696
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	445,372	667,000	221,628
1191 Accounts Receivable Allow. - Other			-
1200 Notes Receivable	49,637	49,637	-
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable	4,480	8,550	4,070
1220 Material and Supplies	77,865	72,807	(5,058)
1280 Prepayments			-
1290 Prepaid Rents			-
1300 Prepaid Taxes	6,897	40,049	33,152
1310 Prepaid Insurance	6,051	7,291	1,240
1320 Prepaid Directory Expenses			-
1330 Other Prepayments	18,715	19,629	914
1350 Other Current Assets			-
Noncurrent Assets			
1401 Investment in Affiliated Companies	1,166,453	1,278,294	111,841
1402 Investment in Nonaffiliated Companies	3,140,317	3,068,061	(72,256)
1406 Nonregulated Investments	101,930	-	(101,930)
1407 Unamortized Debt Issuance Expense	3,199	2,759	(440)
1408 Sinking Funds			-
1410 Other Noncurrent Assets	70,211	61,594	(8,617)
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges	1,470	1,470	-
1500 Other Jurisdiction Assets - Net			-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	19,956,490	20,123,372	166,882
2002 Prop. Held for Future Telecom. Use			-
2003 Telecom. Plant under Constr. - Short Term			-
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment			-
2006 Nonoperating Plant			-
2007 Goodwill	1,691,657	1,522,491	(169,166)
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	13,535,106	14,423,775	888,669
3200 Accum. Depre. - Held for Future Use			-
3300 Accumulated Depreciation - Nonoperating			-
3400 Accumulated Amortization - Tangible			-
3410 Accum. Amort. - Capitalized Leases			-
3420 Accum. Amort. - Leasehold Improvements			-
3500 Accumulated Amortization - Intangible			-
3600 Accumulated Amortization - Other			-
TOTAL ASSETS	13,643,511	13,027,034	(616,477)

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	298,900	196,221	(102,679)
4020 Notes Payable	-	247,729	247,729
4030 Advance Billings and Payments	101,390	97,259	(4,131)
4040 Customer Deposits	2,940	3,840	900
4050 Current Maturities - Long -Term Debt	1,287,300	1,185,200	(102,100)
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued	128,987	-	(128,987)
4080 Other Taxes - Accrued	23,526	19,869	(3,657)
4100 Net Current Defer. Oper. Income Taxes	(90,750)	(65,537)	25,213
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities	145,257	137,909	(7,348)
4130 Other Current Liabilities			-
Long-Term Debt			
4210 Funded Debt	5,121,582	4,069,021	(1,052,561)
4220 Premium on Long-Term Debt			-
4230 Discount on Long-Term Debt			-
4240 Recquired Debt			-
4250 Obligations Under Capital Leases			-
4260 Advances from Affiliated Companies			-
4270 Other Long-Term Debt			-
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			-
4320 Unamort. Oper. Invest. Tax Credits - Net	860,548	866,639	6,091
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	115,673	32,982	(82,691)
4350 Net Noncur. Defer. Nonoper. Income Taxes	352,733	395,760	43,027
4360 Other Deferred Credits	82,421	140,069	57,648
4370 Other Juris. Liab. & Def. Credits - Net			-
Stockholders' Equity			
4510 Capital Stock	30,000	30,000	-
4520 Additional Paid-In Capital			-
4530 Treasury Stock	(12,511)	(97,511)	(85,000)
4540 Other Capital			-
4550 Retained Earnings	5,195,515	5,767,584	572,069
TOTAL LIAB. & OTHER CREDITS	13,643,511	13,027,034	(616,477)

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land	102,302				102,302
2112 Motor Vehicles	357,744	53,037		(38,282)	372,499
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	-				-
2116 Other Work Equipment	606,763	15,265	(2,000)		620,028
2121 Buildings	2,258,388				2,258,388
2122 Furniture	61,387				61,387
2123 Office Equipment	43,513		(7,746)		35,767
2124 General Purpose Computers	77,665	10,825	(28,832)		59,658
2211 Analog Electronic Switching	-				-
2212 Digital Electronic Switching	1,333,300	18,317			1,351,617
2215 Electro-Mechanical Switching	-				-
2220 Operator Systems	-				-
2231 Radio Systems	504,433				504,433
2232 Circuit Equipment	1,869,156	79,738			1,948,894
2311 Station Apparatus	-				-
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	1,807		(1,807)		-
2362 Other Terminal Equipment	-				-
2411 Poles	21,888				21,888
2421 Aerial Cable	-				-
2422 Underground Cable	37,662				37,662
2423 Buried Cable	12,559,263	81,333	(12,966)		12,627,630
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	7,359				7,359
2431 Aerial Wire	-				-
2441 Conduit Systems	113,860				113,860
2681 Capital Leases	-				-
2682 Leasehold Improvements	-				-
2690 Intangibles	-				-
TOTAL PLANT ACCOUNTS	19,956,490	258,515	(53,351)	(38,282)	20,123,372

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land		SAME AS TOTAL COMPANY			
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
TOTAL PLANT ACCOUNTS					

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis				
	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	327,181	25.00%	19,672	(38,282)	308,571
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	-				-
2116 Other Work Equipment	383,342	10.00%	69,351	(2,000)	450,693
2121 Buildings	1,394,020	3.00%	67,752		1,461,772
2122 Furniture	52,944	12.50%	7,673		60,617
2123 Office Equipment	41,783	20.00%	1,730	(7,746)	35,767
2124 General Purpose Computers	61,599	20.00%	6,248	(28,832)	39,015
2211 Analog Electronic Switching	-				-
2212 Digital Electronic Switching	992,395	12.00%	136,185		1,128,580
2215 Electro-Mechanical Switching	-				-
2220 Operator Systems	-				-
2231 Radio Systems	215,152	10.00%	50,443		265,595
2232 Circuit Equipment	1,004,838	8.00%	151,397		1,156,235
2311 Station Apparatus	-				-
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	1,807			(1,807)	-
2362 Other Terminal Equipment	-				-
2411 Poles	21,888	6.50%			21,888
2421 Aerial Cable	-				-
2422 Underground Cable	37,662	6.50%			37,662
2423 Buried Cable	8,887,205	6.50%	462,316	(10,466)	9,339,055
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	3,986	6.50%	478		4,464
2431 Aerial Wire	-				-
2441 Conduit Systems	109,304	6.50%	4,557		113,861
TOTAL	13,535,106		977,802	(89,133)	14,423,775

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

Analysis of Entries in Accumulated Depreciation

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL					

SAME AS TOTAL COMPANY

*Please list individual depreciation rate for each account.

INVESTMENTS

Report below the investments in Accounts 1401, 1402 and 1406. Identify each investment as to the account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
CTC Telecom, Inc.	1998		1,278,294
Cash value life insurance			176,443
Coins			20,397
Land	Various		23,624
Syringa Networks, LLC	2000-2008		2,799,393
CoBank equity	1999-2004		14,047
NRTC	2003-2011		34,157
Totals		-	4,346,355

RECEIVABLES

Itemize amounts show in Accounts 1180, 1190 and 1200. For notes receivable list each note separately and include the maturity date and interest rate. Minor amounts in Account 1210 may be combined.

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Due from customers		280,021
Interexchange carriers		255,617
CTC Telecom, Inc.		407,744
Incom Telecom		71
Other		3,568
R. & B. Crocket, 8.0%, due 2018	49,637	
Interest Receivable	8,550	
Totals	58,187	947,021

NOTES PAYABLE

For Notes Payable, list each note separately and include the maturity date and interest rate.

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
Zions Bank - Line of Credit				600,000
Zions Bank - LOC Available				(352,271)
Totals				247,729

ACCOUNTS PAYABLE

Report below all Accounts Payable amounting to more than \$100.00

<u>Name of Creditor</u>	<u>Amount</u>
NECA	79,535
CTC Construction	59,787
Fed Excise	2,744
Use & Sales Tax	1,047
USF	286
Adams County 911	2,055
Cable TV Franchise Fees	996
Action Medical Inc.	426
Adams County Record	181
B & W Fuels Inc.	130
Robert L. Williams	121
City of Cambridge	326
Cambridge Metal Works	330
Cascade Refrigeration	345
Carol Loux	120
Computer Technology Inc.	5,402
Farmers Supply Coop	587
City of Council	107
Delta Dental of Idaho Inc.	1,650
Hometown Motors Inc.	970
Idaho Business Forms Inc.	397
Idaho State Tax Commission	467
Idaho Department of Commerce	1,414
Idaho Power	6,289
Jerry's Auto Parts	1,464
Journal Communications	1,168
Jenna McClellan	2,250
Karen Wiggins	207
Moss Adams LLP	2,195
National Cable TV Coop	6,326
Neustar Inc.	248
Pitney Bowes Global Finance	1,495
Paul Shumway	226
Sinclair Fleet Track	2,328
TV Guide Network	145
Valley Repairs & Service	245
Vantage Point	300
V1 Propane	221
Wells Fargo	10,187
Other Miscellaneous	1,504
Totals	196,221

SEE ACCOUNTANT'S COMPILATION REPORT

LONG - TERM DEBT

Accounts 4210, 4240, 4250, 4260, 4270 and 4310

List the required data for each obligation included in these accounts, grouping them by account number and showing totals for each account. If any obligations mature serially or otherwise at various dates, give particulars in a note.

<u>Class & Series of Obligation</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Fact Amount Authorized</u>	<u>Outstanding Year-End</u>	<u>Premium/ Discount</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>
RUS Notes	various	various	2,442,000	133,593			2.00	3,673
RUS Notes	1985	2020	818,379	316,935			5.00	16,996
RUS Notes	2004	2019	10,528,925	4,807,653			various	236,128
Less RUS prepayment				(3,960)				
Less current maturities				(1,185,200)				
Total				4,069,021				256,797

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	3,770,144	<u>Same as</u>
Total Operating Expenses (from page 17)	<u>3,068,945</u>	<u>total company</u>
7100 Other Operating Income and Expense	<u> </u>	<u> </u>
7210 Operating Investment Tax Credits-Net	<u>77,722</u>	<u> </u>
7220 Operating Federal Income Taxes	<u>263,752</u>	<u> </u>
7230 Operating State and Local Income Taxes	<u>(33,365)</u>	<u> </u>
7240 Operating Other Taxes	<u>55,109</u>	<u> </u>
7250 Provision for Deferred Operating Income Taxes-Net	<u>(86,218)</u>	<u> </u>
7200 Operating Taxes (Total)	<u>277,000</u>	<u> </u>
7310 Dividend Income	<u>2,078</u>	<u> </u>
7320 Interest Income	<u>4,239</u>	<u> </u>
7330 Income from Sinking and Other Funds	<u> </u>	<u> </u>
7340 Allowance for Funds Used During Construction	<u> </u>	<u> </u>
7350 Gains/Losses from the Disposition of Certain Property	<u>(21,351)</u>	<u> </u>
7360 Other Nonoperating Income	<u>260,197</u>	<u> </u>
7370 Special Charges	<u>(9,289)</u>	<u> </u>
7300 Nonoperating Income and Expense	<u>235,874</u>	<u> </u>
7410 Nonoperating Investment Tax Credits-Net	<u> </u>	<u> </u>
7420 Nonoperating Federal Income Taxes	<u>3,005</u>	<u> </u>
7430 Nonoperating State and Local Income Taxes	<u>33,533</u>	<u> </u>
7440 Nonoperating Other Taxes	<u> </u>	<u> </u>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u>81,112</u>	<u> </u>
7400 Nonoperating Taxes	<u>117,650</u>	<u> </u>
7510 Interest on Funded Debt	<u>256,797</u>	<u> </u>
7520 Interest Expense-Capital Leases	<u>670</u>	<u> </u>
7530 Amortization of Debt Issuance Expense	<u>439</u>	<u> </u>
7540 Other Interest Deductions	<u>21</u>	<u> </u>
7500 Interest and Related Items	<u>257,927</u>	<u> </u>
7610 Extraordinary Income Credits	<u> </u>	<u> </u>
7620 Extraordinary Income Charges	<u> </u>	<u> </u>
7630 Current Income Tax Effect of Extraordinary Items-Net	<u> </u>	<u> </u>
7640 Provision for Deferred Income Tax Effect of	<u> </u>	<u> </u>
Extraordinary Items-Net	<u> </u>	<u> </u>
7600 Extraordinary Items	<u> </u>	<u> </u>
7910 Income Effect of Jurisdictional Ratemaking	<u> </u>	<u> </u>
Differences-Net	<u> </u>	<u> </u>
7990 Nonregulated Net Income	<u>287,573</u>	<u> </u>
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>572,069</u>	<u> </u>

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	538,999	Same as
5002 Optional Extended Area Revenue		total company
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue		
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	58,211	
5069 Other Local Exchange Settlements	837,972	
Network Access Services Revenues		
5081 End User Revenue (SLC)	200,691	
5082 Switched Access Revenue (Interstate)	1,475,891	
5083 Special Access Revenue	347,689	
5084 State Access Revenue (Intrastate)	300,536	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue	6,079	
5240 Rent Revenue	2,800	
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	115	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	15	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	1,146	
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	3,770,144	

Please identify the following revenues:

NECA USF \$ 844,789. To what account were they booked? 5069.1

State USF \$ 138,162. To what account were they booked? 5084.52

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		Same as
6112 Motor Vehicle Expense	47,082	total company
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses		
6121 Land and Building Expenses	93,733	
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense	366	
6124 General Purpose Computers Expense	83,862	
6210 Central Office Switching Expenses		
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	133,824	
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	27,000	
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	253,832	
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	155,477	
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	795,176	

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		Same as
6511 Property Held for Future Telecomm. Use Expenses		total company
6512 Provisioning Expense		
6530 Network Operations Expense		
6531 Power Expense		
6532 Network Administration Expense	115,879	
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	1,409	
6540 Access Expense	101,303	
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	977,802	
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible	169,166	
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,365,559	
Customer Operations Expense		
6610 Marketing	22,430	
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	13,881	
6623 Customer Services	185,454	
Total Customer Operations Expense	221,765	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	333,054	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	218,106	
6722 External Relations		
6723 Human Resources		
6724 Information Management	3,335	
6725 Legal	4,830	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	127,120	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	686,445	
TOTAL OPERATING EXPENSES	3,068,945	

CENTRAL OFFICE DATA
as of December 31, 2014 (unless otherwise indicated)

Name of Central Office: Council-Cuprum
Prefix (es): 253

Central Office Switch Type: DCO-RLS & Taqua T7000
Analog

Check all that apply:
Stand Alone **Check one:** Electronic X
Host X Digital X Electro-Mechanical
Remote Analog Other:

Access Line Capacity
Design: 1296
Installed/Equipped: 1296

Access Lines in Use
Customer Lines:
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines
Company Official Lines 11
Company Test Lines 0

Classification of Customer Access

	Residence		Business		Total Residence & Business
	Multi-Line 1-Party	Single Line Multi-Party	Multi-Line 1-Party	Single Line Multi-Party	
Beginning of Year		677		164	841
New Connects		180		10	190
Disconnects		184		18	202
End of Year		673		156	829

Foreign Exchange:
Dial Tone from this C.O.: 3
Dial Tone from another C.O.: 0

Custom Calling:
Number of customers with at least one feature: 493
Total number of features subscribed to: 14

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 273

CENTRAL OFFICE DATA
as of December 31, 2014 (unless otherwise indicated)

Name of Central Office: Indian Valley
Prefix (es): 256

Central Office Switch Type: DLC

Check all that apply:
Stand Alone **Check one:** Electronic X
Host Digital X Electro-Mechanical
Remote X Analog Other: Calix digital subscriber carrier (303 interface to Council)

Access Line Capacity
Design: 1200
Installed/Equipped: 288

Access Lines in Use
Customer Lines:
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines 0
Company Official Lines 7
Company Test Lines 0

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Business	
Beginning of Year		143	143		8	8	151
New Connects		24	24		0	0	24
Disconnects		24	24		0	0	24
End of Year		143	143		8	8	151

Foreign Exchange:
Dial Tone from this C.O.: 0
Dial Tone from another C.O.: 0

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 11

Custom Calling:
Number of customers with at least one feature: 83
Total number of features subscribed to: 12

CENTRAL OFFICE DATA
as of December 31, 2014 (unless otherwise indicated)

Name of Central Office: Cambridge
Prefix (es): 257
Central Office Switch Type: DCO AND TEKELEC T7000

Check all that apply:
Stand Alone _____ **Check one:** Electronic X
Host X _____ Digital X Electro-Mechanical _____
Remote _____ Analog _____ Other: _____

Access Line Capacity
Design: 1080 & 1536
Installed/Equipped: 810 & 768

Access Lines in Use
Customer Lines: _____
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines _____
Company Official Lines _____
Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line 1-Party	Multi- Line 1-Party	Multi- Line 1-Party	Single Line 1-Party	Multi- Party	
Beginning of Year		349			74		423
New Connects		72			6		78
Disconnects		77			9		86
End of Year		344			71		415
		Subtotal Residence			Subtotal Business		
		349			74		
		72			6		
		77			9		
		344			71		

Foreign Exchange:
Dial Tone from this C.O.: 5
Dial Tone from another C.O.: 0

Custom Calling:
Number of customers with at least one feature: 264
Total number of features subscribed to: 16

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 134

CENTRAL OFFICE DATA
as of December 31, 2014 (unless otherwise indicated)

Name of Central Office: Lowman
Prefix (es): 259

Central Office Switch Type: Tekelec T7000

Check all that apply:
Stand Alone **Check one:** Electronic X
Host X Digital X Electro-Mechanical
Remote Analog Other:

Access Line Capacity
Design: 1080
Installed/Equipped: 450

Access Lines in Use
Customer Lines:
(Include Centrex, PAL, Semi-Pub.)
Public Telephone Lines
Company Official Lines 10
Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line 1-Party	Multi- Line 1-Party	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Business	
Beginning of Year		216			31	31	247
New Connects		92			2	2	94
Disconnects		96			1	1	97
End of Year		212			32	32	244

Foreign Exchange:
Dial Tone from this C.O.: 2
Dial Tone from another C.O.: 0

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 52

Custom Calling:
Number of customers with at least one feature: 99
Total number of features subscribed to: 9

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2014

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 <u>253</u>	829			116,249	252,180	368,429	444
2 <u>256</u>	151			14,165	38,771	52,936	351
3 <u>257</u>	415			47,207	107,341	154,548	372
5 <u>259</u>	244			11,903	35,131	47,034	193
5 _____							
6 _____							
7 _____							
8 _____							
9 _____							
10 _____							
11 _____							
12 _____							
13 _____							
14 _____							
15 _____							
16 _____							
17 _____							
18 _____							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2014.

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes No

Included in directory Yes No

Date of notification 10/1/2014

Alternate method of notification N/A

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 8

Category of complaints (if known):

Deposit Disputes

Charges on Bill 1

Denial/Termination

Quality or Availability
of Service

Carrier Selection/Assignment

Miscellaneous 7

Rev 3/02

CERTIFICATE

State of Idaho)
) ss
County of Washington)

WE, the undersigned RICHARD WIGGINS

and _____

of the CAMBRIDGE TELEPHONE COMPANY, INC. utility,

on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

Richard Wiggins
(Chief Officer)

Richard Wiggins
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 15 day of April, (Year) 2015.

Dana Lynne Munden
Notary Public



My Commission expires 2-2, (Year) 2016.

ANNUAL REPORT
OF
IDAHO SEPARATED RESULTS OF OPERATIONS
(Telecommunications Utilities Form I)

OF

Name of Respondent

TO THE
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 38720
BOISE, ID 83720-0074

Notes to Separated Results of Idaho Operations

- 1 Local service revenue is separated between billed (accrued) and EAS net settlements. The EAS billed amount represents EAS surcharges and measured EAS services. The EAS net settlements amount equals the contracted amount of EAS settlement payments to the independents. Note: EAS settlement expense is recorded in expense account 6728. Some portion of local billing is assigned to the interstate jurisdiction. See FCC Part 36.212.
- 2 Account 508X is for access charges. Split the account between customer access line charges (CALC), switched and special.
- 3 Account 51XX applies to interstate and intrastate billed toll.
 - a. The intraLATA gross billed toll should equal the billed toll combined.
 - b. The private line amount should equal the ITC's private line toll.
 - c. The settlement amount is the operator surcharge revenues billed and retained by the ITCs and recorded as a debit to 5100 MTS Toll Revenue accounts.
- 4 Accounts 5270 and 5280 cover billing and collection access revenues for interstate and intrastate respectively.
- 5 Summary and Detail accounts:
 - a. Operating Expenses - The summary (page 1) should agree with the details (pages 5 and 6).
 - b. Telecom Plant in Service - The summary (page 2) should agree with the totals (page 3).
 - c. Depreciation & Amortization Reserves - The summaries (page 2) should agree with the totals (page 4).
- 6 Details of general taxes and the computation of state and federal income taxes are found on page 7.
- 7 The Equal Access Equipment is determined as defined in FCC Part 36.191.
- 8 Account 6511 Property Held for Future Use Expenses and Account 6562 Amortization Expenses Associated with Property Held for Future Use are not "above-the-line" items in Idaho.

Notes to Separated Results of Idaho Operations
(Continued)

- 9 Account 6540 includes access charges and B & C expenses paid to LECs. See FCC Part 36.354. Carrier access charge B & C expenses in account 6623 are expenses associated with the billing and collecting of access charges to interexchange carriers. See FCC Part 36.381.
- 10 Equal Access Provision expenses are determined as defined in FCC Part 36.421.
- 11 Universal Service Fund expenses adjustment is determined as defined in FCC Part 36.631. The expense adjustment is added to interstate expenses and deducted from state expenses. The effect is zero on total Idaho operations.
- 12 Lifeline Connection Assistance expense adjustment is determined as defined in FCC Part 36.741. The expense adjustment is added to interstate expenses and deducted from state expenses. The effect is zero on total Idaho operation.
- 13 Line 7 = revenues - expenses - general taxes (excluding SIT).
- 14 Line 9 is the basis for all income tax separations. See FCC Part 36.412.
- 15 Line 10 = SIT Base Miscellaneous Adds and Deducts. This may be obtained from tax workpapers or, if multi-state operation, backed into by dividing the current SIT by .08 then subtracting line 9. If the "backed into" approach is used, make sure prior year adjustments are first removed from current SIT.
- 16 Current SIT should reflect the removal of all prior period adjustments.
- 17 Line 13 = FIT Base Miscellaneous Adds and Deducts. This may be obtained from tax workpapers or backed into by taking the current FIT plus claimed ITC, dividing the effective FIT rate and then subtracting line 12 and line 9. If the "backed into" approach is used, make sure prior year adjustments are first removed from current FIT.
- 18 Current FIT should reflect the removal of all prior period adjustments.

Notes to Separated Results of Idaho Operations
(Continued)

- 19 Separation Parameters drive the allocation of certain plant and expense costs to operation and services. The parameters are designed to perform validity tests on separation studies and provide a basis to forecast future test year separations. All parameters reflect study area annual totals.
- 20 Current Composite SPF - It represents a composite of the pre and post-conversion SPF for those companies involved in toll route conversions to EAS during the year.
- 21 COE Cat 3 - See FCC Part 36.125 and PUC Order 93-1133, Appendix A.
- 22 Exchange Trunk MOU - See FCC Part 36.155.
- 23 Host/Remote MOU Kilometers - See FCC Part 36.157.
- 24 Equal Access MOU - See FCC Part 36.191.
- 25 Operator Standard Work Seconds - Used to separate operator services expenses if different from those used for COE Cat. 1 plant.
- 26 Tandem Switching MOU - See FCC Part 36.124.
- 27 Unseparated Loop Cost - See FCC Part 36.621.
- 28 Gross Billed Revenues are defined differently for the following expenses:
 - a. Marketing - See FCC Part 36.372
 - b. Payment and Collection, End User - See FCC Part 36.377(a)(2).
 - c. Payment and Collection, CXR - See FCC Part 36.377(a)(5).
- 29 Service Order Contacts:
 - a. Service Order Processing, End User - See FCC Part 36.377(a)(1).
 - b. Service Order Processing, CXR - See FCC Part 36.377(a)(4).

Notes to Separated Results of Idaho Operations
(Continued)

30 Billing Inquiry Contacts:

- a. Billing Inquiry, End User - See FCC Part 36.377(a)(3).
- b. Billing Inquiry, CXR - See FCC Part 36.377(a)(6).

31 SP and RC Messaging - These messages are used to separate Account 6623, Revenue Accounting - Toll Ticket Processing expenses - See FCC Part 36.379.

32 Big Three Expense Facto - See FCC Part 36.392.

2012 FORM I INPUT MASTER		For The Year Ended: December 31, 2013												Separated Results of Idaho Operations	
COMPANY NAME: Cambridge Telephone Company															
FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations			Interstate Operation			Intrastate Operation			Local (other)	Total		
			MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total				
SUMMARY															
Operating Revenues															
50XX Local -Billed	(1)	1.	603,709											603,709	
-EAS Billed	(1)	2.	-											-	
-EAS Settlement	(1)	3.	-											-	
508X Access-SLC (End User)	(2)	4.	1,362,103			198,867							172,954	933,460	1,163,236
-Switched (TS+NTS)	(2)	5.	1,286,774			1,148,612								138,162	138,162
-Special	(2)	6.	509,640			509,640								-	-
51XX Toll -Message	(3a)	7.	-			-								-	-
-Private Line	(3b)	8.	-			-								-	-
-Settlement	(3c)	9.	-			-								-	-
52XX Misc.-Billing & Collection	(4)	10.	6,741			-								6,741	6,741
-Directory Advertising		11.	-			-								-	-
-Operating Rents		12.	-			-								-	-
-Other Misc.		13.	-			-								-	-
530X Less: Uncollectible Rev. (-)		14.	1,046			-								1,046	1,046
Total Revenues		15.	3,770,013			1,347,479	509,640	1,857,120	56,822	172,954	1,683,118	1,046	1,912,894		
Operating Expenses															
61XX-64XX Plant Specific Oper.	(5a)	16.	780,760			230,759	170,030	400,790	127,189	23,494	2,893		226,394	379,970	
65XX Plant Nonspecific Operations	(5a)	17.	120,450			79,251	6,646	85,897	11,770	2,192	280		20,311	34,553	
66XX Depreciation & Amortization	(5a)	18.	954,980			284,895	145,754	430,649	186,982	27,925	6,652		302,772	524,331	
66XX Customer Operations	(5a)	19.	213,519			78,251	1,998	80,249	59,197	1,208	-		72,865	133,270	
67XX Corporate Operations	(5a)	20.	649,842			232,612	111,078	343,690	112,514	13,828	1,578		178,231	306,152	
---- Other Operating	(5a)	21.	-			-	-	-	-	-	-		-	-	
Total Expenses	(5a)	22.	2,719,562			905,769	435,506	1,341,275	497,652	68,647	11,403	800,574	1,378,276		
Operating Taxes:															
7240 General Taxes	(6)	23.	43,682			12,302	5,064	17,366	8,967	1,670	214		15,475	26,326	
7230 State/Local Inc. Tax (Current)	24.	24.	67,628			55,509	(21,641)	33,868	(40,127)	8,043	3,271		62,573	33,760	
7220 Federal Income Tax (Current)	25.	25.	228,667			187,689	(73,174)	114,515	(135,678)	27,196	11,061		211,573	114,152	
7250 Net Deferred Income Taxes	26.	26.	27,897			22,898	(8,927)	13,971	(16,552)	3,318	1,349		25,812	13,926	
7210 Net Investment Tax Credits	27.	27.	-			-	-	-	-	-	-		-	-	
Total Taxes		28.	367,884			276,398	(98,678)	179,720	(183,390)	40,227	15,895	315,433	188,164		
Net Operating Income		29.	682,578			163,312	172,812	336,125	(257,440)	64,080	(27,299)	567,112	346,453		

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total		
SUMMARY (continued)											
Average Rate Base											
2001 Telecom. Plant in Service	(5b)	1.	20,683,694	5,823,821	2,397,032	8,220,853	4,245,077	790,753	101,151	7,325,861	12,462,841
2005 Plant Acquisition Adjustment		2.	-	-	-	-	-	-	-	-	-
3100 Less: Accumulated Depr. (-)	(5c)	3.	(13,293,720)	(3,517,510)	(1,238,379)	(4,755,889)	(2,718,662)	(595,151)	(42,971)	(5,181,047)	(8,537,831)
34xx-36xx Accumulated Amort. (-)	(5)	4.	-	-	-	-	-	-	-	-	-
4100-4340 Accum. Deferred Tax (-)		5.	(169,250)	(47,655)	(19,614)	(67,269)	(34,736)	(6,471)	(828)	(59,946)	(101,981)
1220 Materials and Supplies		6.	77,370	21,076	3,803	24,879	18,025	3,370	438	30,658	52,491
4040 Customer Deposits		7.	(2,791)	(786)	(323)	(1,109)	(573)	-	(14)	(988)	(1,682)
4310 Other Long Term Liabilities		8.	-	-	-	-	-	-	-	-	-
Equal Access Equipment	(7)	9.	-	-	-	-	-	-	-	-	-
Other Rate Base		10.	292,901	119,642	29,272	148,914	23,256	10,549	2,653	107,529	143,987
Total Average Rate Base		11.	7,588,204	2,398,588	1,171,791	3,570,379	1,532,387	202,943	60,429	2,222,067	4,017,825
PLANT IN SERVICE DETAIL											
21XX General Support Facilities		1.	3,117,932	877,903	381,337	1,239,240	639,918	119,201	15,248	1,104,326	1,878,692
22XX Central Office Equipment:											
CAT 1-Operator Systems		2.	-	-	-	-	-	-	-	-	-
CAT 2-Tandem Switching (Alloc.)		3.	-	-	-	-	-	-	-	-	-
CAT 3-Local Switching		4.	-	-	-	-	-	-	-	-	-
CAT 4.12 -Exch. Trunk (Joint Use)		5.	835,662	710,313	-	710,313	-	-	9,664	125,349	125,349
CAT 4.12 -Exch. Trunk (Ded. Use)		6.	9,664	-	-	-	-	-	-	-	9,664
CAT 4.13 -Subscr. Line (Joint Use)		7.	80,300	389,943	23,566	392,450	380,943	56,744	-	761,886	56,744
CAT 4.13 -Subscr. Line (Ded. Use)		8.	1,541,033	-	11,507	-	-	5,754	-	-	-
CAT 4.23 -IX Trunk (Joint Use)		9.	-	184,870	7,544	192,414	86,726	8,173	-	-	94,899
CAT 4.23 -IX Trunk Ckt. (Ded. Use)		10.	277,401	-	262,541	262,541	-	14,860	-	-	14,860
CAT 4.3 -Host/Remote Trunk Ckt.		11.	12,343	5,289	5,289	1,069,380	3,426	-	-	3,628	7,054
Other COE		12.	1,069,380	-	1,069,380	-	-	-	-	-	-
Total COE		13.	4,113,096	1,281,415	1,374,528	2,655,943	471,095	85,531	9,664	890,863	1,457,153
23XX Information Orig./Term. Equipment:											
CAT 1-Regulated CPE		15.	-	-	-	-	-	-	-	-	-
Other IOT		16.	-	-	-	-	-	-	-	-	-
Total IOT		17.	-	-	-	-	-	-	-	-	-

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations		Interstate Operation			Intrastate Operation				
			MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total			
										Total	Total	Total
24XX Cable & Wire Facilities:												
CAT 1.3-Subscriber Line (Common)		18.	10,661,344	2,665,336	80,514	2,665,336	2,665,336	5,330,672			7,996,008	
CAT 1.1.2-Subscriber Line (Ded.)		19.	120,771			80,514	80,514	40,257			40,257	
CAT 2-Exch. Trunk (Joint Use)		20.	82,328		6,089	6,089	6,089	76,239			76,239	
CAT 2-Exch. Trunk (Ded. Use)		21.	572,879		165,062	165,062	165,062	407,817			407,817	
CAT 3-IX Trunk (Joint Use)		22.	1,620,894	999,167	132,663	1,131,830	1,131,830	468,728			489,064	
CAT 3-IX Trunk (Ded. Use)		23.	394,450		276,839	276,839	276,839	117,611			117,611	
CAT 4-Host/Remote Trunk		24.	-									
Other C&WF		25.	-									
Total C&WF		26.	13,452,666	3,664,503	661,167	4,325,670	4,325,670	3,134,064	76,239	586,021	5,330,672	9,126,996
26XX Other Assets:												
Capital Leases		27.	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements		28.	-	-	-	-	-	-	-	-	-	-
Intangibles		29.	-	-	-	-	-	-	-	-	-	-
Total Other Assets		30.	-	-	-	-	-	-	-	-	-	-
Total Telecom. Plant in Service	(5b)	31.	20,683,694	5,923,821	2,397,032	8,220,853	8,220,853	4,245,077	101,151	790,753	7,325,861	12,462,841
Depreciation & Amortization												
Accumulated Depreciation Detail												
311X General Support Facilities		1.	(2,009,751)	(565,877)	(232,910)	(798,787)	(798,787)	(412,477)	(9,828)	(76,834)	(711,825)	(1,210,964)
312X Central Office Switching		2.	(603,754)	(513,191)		(513,191)					(90,563)	(90,563)
312X Operator Systems		3.	-									
312X Central Office Transmission		4.	(1,837,883)	(349,874)	(630,758)	(980,632)	(980,632)	(300,702)	(4,517)	(37,499)	(514,533)	(857,251)
313X Information Orig./Term. Equip.		5.	-									
314X Cable & Wire Facilities		6.	(8,842,332)	(2,088,568)	(374,711)	(2,463,279)	(2,463,279)	(2,005,483)	(28,626)	(480,818)	(3,864,126)	(6,379,053)
Total Accumulated Depreciation	(5c)	7.	(13,293,720)	(3,517,510)	(1,238,379)	(4,755,889)	(4,755,889)	(2,718,662)	(42,971)	(695,151)	(5,181,047)	(8,537,831)
Accumulated Amortization Detail												
3410 Capital Leases		8.	-	-	-	-	-	-	-	-	-	-
3420 Leasehold Improvements		9.	-	-	-	-	-	-	-	-	-	-
3500 Intangibles		10.	-	-	-	-	-	-	-	-	-	-
3600 Acquisition Adjustment		11.	-	-	-	-	-	-	-	-	-	-
Total Accumulated Amortization	(5c)	12.	-	-	-	-	-	-	-	-	-	-

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS		MTS & WATS Switched Access	TOLL PLS			
					Special Access	Total		Special Access	Total		
OPERATING EXPENSE DETAIL											
61XX-64XX Plant Specific Operations											
6110-20 General Support Facilities		1.	195,431	55,027	22,648	77,675	40,110	7,471	956	69,219	117,756
621X Central Office Switching		2.	133,226	41,505	44,522	86,028	15,259	2,770	313	28,856	47,198
6220 Operator Systems		3.	-	-	-	-	-	-	-	-	-
623X Central Office Transmission		4.	282,914	88,140	94,545	182,685	32,404	5,883	665	61,277	100,229
63XX Information Orig./Term. Equip.		5.	-	-	-	-	-	-	-	-	-
64XX Cable & Wire Facilities		6.	169,189	46,087	8,315	54,402	39,416	7,370	959	67,042	114,787
Total Plant Specific	(5a)	7.	780,760	230,759	170,030	400,790	127,189	23,484	2,893	226,394	379,970
65XX Plant Nonspecific Operations											
6512 Provisioning	(8)	8.	-	-	-	-	-	-	-	-	-
653X Network Operations		9.	57,346	16,147	6,646	22,793	11,770	2,192	280	20,311	34,553
6540 Access Paid to LECs	(9)	10.	63,103	63,103	-	63,103	-	-	-	-	-
Total Plant Nonspecific	(5a)	11.	120,450	79,251	6,646	85,897	11,770	2,192	280	20,311	34,553
656X Depreciation & Amortization											
6561 General Support Facilities	(8)	12.	115,088	32,405	13,338	45,743	23,620	4,400	563	40,762	69,345
6561 Central Office Switching		13.	56,167	47,742	-	47,742	-	-	-	8,425	8,425
6561 Operator Systems		14.	-	-	-	-	-	-	-	-	-
6561 Central Office Transmission		15.	302,790	62,548	100,416	163,064	51,068	6,266	717	81,675	139,726
6561 Information Orig./Term. Equip.		16.	-	-	-	-	-	-	-	-	-
6561 Cable & Wire Facilities		17.	480,935	142,100	32,000	174,100	112,294	17,259	5,372	171,910	306,835
6563 Capital Leases		18.	-	-	-	-	-	-	-	-	-
6563 Leasehold Improvements		19.	-	-	-	-	-	-	-	-	-
6564 Intangibles		20.	-	-	-	-	-	-	-	-	-
6565 Acquisition Adjustment		21.	-	-	-	-	-	-	-	-	-
Total Depreciation & Amortization	(5a)	22.	954,980	284,895	145,754	430,649	186,982	27,925	6,652	302,772	524,331

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Total	
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	EAS		Local (other)
OPERATING EXPENSE (continued)											
66XX Customer Operations											
661X Marketing		1.	22,722	8,620	1,998	10,618	4,331	1,208	6,565	12,104	
662X Operator Services		2.	-	-	-	-	-	-	-	-	
662X Directory Publishing-Alpha		3.	9,589	3,082	-	3,082	1,996	-	4,511	6,507	
662X Directory Publishing-Classified		4.	-	-	-	-	-	-	-	-	
662X Directory Publishing-Foreign		5.	-	-	-	-	-	-	-	-	
6623 Service Order Proc.-End User		6.	39,091	15,901	-	15,901	1,255	-	21,934	23,189	
6623 Payment & Collection-End User		7.	29,317	7,981	-	7,981	8,049	-	13,286	21,336	
6623 Billing Inquiry-End User		8.	29,317	7,981	-	7,981	8,049	-	13,286	21,336	
6623 Service Order Proc.-CXR		9.	-	-	-	-	-	-	-	-	
6623 Payment & Collection-CXR		10.	-	-	-	-	-	-	-	-	
6623 Billing Inquiry-CXR		11.	-	-	-	-	-	-	-	-	
6623 Coin Administration		12.	-	-	-	-	-	-	-	-	
6623 Rev. Acctg.-Toll Ticket Proc.		13.	-	-	-	-	-	-	-	-	
6623 Rev. Acctg.-Local Mess. Proc.		14.	13,215	3,569	-	3,569	9,646	-	13,282	9,646	
6623 Rev. Acctg.-Other Bill & Coll.		15.	37,855	11,290	-	11,290	13,282	-	13,282	26,565	
6623 Rev. Acctg.-SLC Billing		16.	1,992	1,992	-	1,992	-	-	-	-	
6623 Rev. Acctg.-CXR B & C		17.	25,174	12,587	-	12,587	12,587	-	-	12,587	
6623 B & C Amts Paid to LECs	(9)	18.	-	-	-	-	-	-	-	-	
6623 Other Customer Service	(9)	19.	5,247	5,247	-	5,247	-	-	-	-	
Total Customer Operations	(5a)	20.	213,519	78,251	1,998	80,249	59,197	1,208	72,865	133,270	
67XX Corporate Operations:											
671X Executive & Planning		21.	309,848	97,758	56,464	154,222	57,194	7,029	90,600	155,626	
672X General & Administrative		22.	339,994	134,854	54,614	189,468	55,320	6,799	87,631	150,526	
6728 EAS Settlement Expense		23.	-	-	-	-	-	-	-	-	
Total Corporate Operations	(5a)	24.	649,842	232,612	111,078	343,690	112,514	13,828	178,231	306,152	
Other Operating Expenses:											
Equal Access Provision	(10)	25.	-	-	-	-	-	-	-	-	
Universal Service Fund	(11)	26.	-	-	-	-	-	-	-	-	
Lifeline Connection Assistance	(12)	27.	-	-	-	-	-	-	-	-	
Total Other	(5a)	28.	-	-	-	-	-	-	-	-	
Total Operating Expenses	(5a)	29.	2,719,552	905,769	435,506	1,341,275	497,652	68,647	800,574	1,378,276	

FCC Account and Description	Line No.	Note No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation				
				MTS & WATS Switched Access	TOLL PLS		MTS & WATS Switched Access	TOLL PLS			
					Special Access	Total		Special Access	Total		
OPERATING TAXES DETAIL											
7240 General Taxes											
7240 Property	1.		43,692	12,302	5,064	17,366	8,967	1,670	214	15,475	26,326
7240 Gross Receipts	2.		-	-	-	-	-	-	-	-	-
7240 PUC Fee	3.		-	-	-	-	-	-	-	-	-
7240 Franchise Fees	4.		-	-	-	-	-	-	-	-	-
7240 Other	5.		-	-	-	-	-	-	-	-	-
Total General Taxes	6.		43,692	12,302	5,064	17,366	8,967	1,670	214	15,475	26,326
72XX Income Taxes (Calculated)											
Net Income Before SIT & FIT	(13)		1,006,770	429,408	69,070	498,478	(449,797)	102,637	(11,617)	867,069	508,292
Less Fixed Charges (-)	8.		180,826	56,485	28,316	84,801	37,406	4,770	1,432	52,417	96,025
Subtotal (lines 7-8)	9.		825,944	372,923	40,754	413,677	(487,203)	97,867	(13,049)	814,652	412,267
Other SIT Base Add/Ded. (+/-)	(15)		-	-	-	-	-	-	-	-	-
SIT Taxable Inc. (lines 9+-10)	11.		825,944	372,923	40,754	413,677	(487,203)	97,867	(13,049)	814,652	412,267
7230 SIT-Current (at 4%)	(16)		57,238	14,917	2,824	28,668	(33,763)	6,782	-	56,455	28,570
Other FIT Base Add/Ded. (+/-)	(17)		-	-	-	-	-	-	-	-	-
FIT Taxable Inc. (lines 9-12+-13)	14.		768,706	358,006	37,930	385,009	(453,440)	91,085	-	758,197	395,842
Gross FIT at 25.62%	15.		200,054	91,721	9,718	98,639	(116,171)	23,336	-	194,250	101,415
7210P Claimed ITC (-)	16.		-	-	-	-	-	-	-	-	-
Surtax Elimination (-)	17.		-	-	-	-	-	-	-	-	-
7220 FIT-Current (lines 15-16-17)	(18)		200,054	91,721	9,718	98,639	(116,171)	23,336	-	194,250	101,415

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation		Intrastate Operation		Total
				MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	
2010 FORM INPUT MASTER								
For The Year Ended: December 31, 2010								
COMPANY NAME: Cambridge Telephone Company								
Separated Results of Idaho Operations								
Description			Total Idaho Operations Subject To Separations	Interstate Toll	Intrastate Toll	Operation	Local (Other)	
Separation Parameters								
Plant (2000 Frozen Factors)								
		1.	5,586,686	1,851,407	1,241,457	1,483,712	1,010,110	
		2.	1,226,060	0.45865	0.34985	0.22606	0.1915	
		3.	1,000,000	0.25	0.25		0.5	
		4.	1,000,000	0.25	0.25		0.5	
	(20)	5.	1,000,000	0.25	0.25		0.5	
		6.	1,000,000	0.85			0.15	
		7.	1,000,000	0.331396	0.222217	0.26558	0.180807	
	(21)	8.	5,586,686	1,851,407	1,241,457	1,483,712	1,010,110	
		9.	1,000,000	0.85			0.15	
	(22)	10.	-					
	(23)	11.	-					
	(24)	12.	-					
	(25)	13.	-					
	(26)	14.	-					
		15.	2,716,426	1,626,070	1,090,356			
		16.	-					
Other Parameters								
		17.	1,682					
		18.	2,065,918					
Unseparated Loop Cost @ 11.1 ROR								
Gross Billed Revenues								
	(28a)	19.	346,383	87,913	34,351		224,129	
	(28b)	20.	327,679	101,068	112,911		113,700	
	(28c)	21.	300	100	200			
Service Order Contacts								
	(29a)	22.	8,199	1,714	351		6,134	
	(29b)	23.	-					
Billing Inquiry Contacts								
	(30a)	24.	327,679	101,068	112,911		113,700	
	(30b)	25.	300	100	200			
	(31)	26.	166,552	29,947	136,605			
	(32)	27.	0	0	0			
	(32)	28.	79,508,000%	31,550,300%	18,458,700%		29,240,100%	
		29.	20,492,000%	18,223,300%	2,268,700%			
		30.	0					
		31.	440,360	351,654	88,706			