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ANNUAL REPORT

OF

Direct Communications Rockland, Inc.

NAME

P.O. Box 269 Rockland, Idaho 83271

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 2003

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2003**

COMPANY INFORMATION

Exact name of utility: DIRECT COMMUNICATIONS ROCKLAND, INC
 Address of principal office: 150 South Main Rockland, Idaho 83271
 Telephone Number (Area Code 208) 548 - 2345
 Cities or towns served: Rockland, Arbon, Paris, Bloomington, St. Charles, & Fish Haven

Name and title of officer having custody of the general corporate books of account: _____
Leonard May, President

Address of office where corporate books are kept and phone number: _____
150 South Main Rockland, Idaho 83271 (208) 548 - 2345

Organized under the laws of the State of: Idaho

Date of organization: 1973

Form of organization (proprietorship, association, corporation): Corporation

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: _____

Names of affiliated companies. Give address and description of business: _____

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 - Treasurer	Leonard May	P.O. Box 269 Rockland, Idaho 83271
Vice Pres. - Secretary	Marilyn May	P.O. Box 269 Rockland, Idaho 83271

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
Leonard May P.O. Box 269 Rockland, Idaho 83271	May-04	12	
Marilyn May P.O. Box 269 Rockland, Idaho 83271	May-04	12	

Name of Chairman of the Board: Leonard May
 Name of Secretary (or Clerk) of Board: Marilyn May
 Number of Meetings of the Board during the year: 12

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
Leonard May	President - Treasurer	\$ 94,451.50
Marilyn May	Vice Pres. - Secretary	\$ 47,022.75

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	17,607	276,362	258,755
1140 Special Cash Deposits	6,586	299,440	292,854
1150 Working Cash Advances	300	300	0
1160 Temporary Investments	181,631	602,449	420,818
1180 Telecommunications Accts. Receivable	202,815	102,876	(99,939)
1181 Accts. Rec. Allow. -Telecommunications	(9,500)	(7,500)	2,000
1190 Other Accounts Receivable	772,925	493,815	(279,111)
1191 Accounts Receivable Allow. - Other	(32,658)	(2,342)	30,316
1200 Notes Receivable	49,397	0	(49,397)
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable	1,150	0	(1,150)
1220 Material and Supplies	287,044	207,757	(79,287)
1280 Prepayments			
1290 Prepaid Rents			
1300 Prepaid Taxes	20,410	7,803	(12,607)
1310 Prepaid Insurance	55,565	46,129	(9,436)
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies	923,510	985,327	61,817
1402 Investment in Nonaffiliated Companies			
1406 Nonregulated Investments			
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	9,787	9,787	0
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	20,032,058	22,097,847	2,065,790
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	159,746	226,428	66,683
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant	1,176,943	1,176,943	0
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	7,780,580	9,165,317	1,384,737
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	16,074,737	17,358,104	1,283,368

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	101,766	74,897	(26,869)
4020 Notes Payable			
4030 Advance Billings and Payments	34,782	34,311	(471)
4040 Customer Deposits	4,950	2,500	(2,450)
4050 Current Maturities - Long -Term Debt	2,404,559	1,598,129	(806,430)
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued		10	10
4080 Other Taxes - Accrued	68,728	73,475	4,747
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	75,817	93,229	17,412
4130 Other Current Liabilities			
Long-Term Debt			
4210 Funded Debt	10,897,884	12,621,464	1,723,580
4220 Premium on Long-Term Debt			
4230 Discount on Long-Term Debt			
4240 Reacquired Debt			
4250 Obligations Under Capital Leases			
4260 Advances from Affiliated Companies			
4270 Other Long-Term Debt	153,923	53,515	(100,408)
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	532,605	648,691	116,086
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	50,000	50,000	0
4520 Additional Paid-In Capital			
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	1,749,723	2,107,883	358,160
TOTAL LIAB. & OTHER CREDITS	16,074,737	17,358,104	1,283,367

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	109,564				109,564
2112 Motor Vehicles	253,133	88,792	86,553		255,372
2113 Aircraft					
2114 Special Purpose Vehicles	34,484	4,163			38,647
2115 Garage Work Equipment	114,778				114,778
2116 Other Work Equipment	653,401	44,753			698,153
2121 Buildings	1,517,778				1,517,778
2122 Furniture	65,179				65,179
2123 Office Equipment	144,758				144,758
2124 General Purpose Computers	206,073	23,837			229,911
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	1,522,746	1,008,413			2,531,159
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment	2,345,359	626,590			2,971,949
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	13,064,805	355,795			13,420,599
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles	1,176,943				1,176,943
TOTAL PLANT ACCOUNTS	21,209,001	2,152,343	86,553	0	23,274,790

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					
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					

SAME AS TOTAL
COMPANY

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	154,899	25.0%	60,869	(48,918)	166,850
2113 Aircraft					
2114 Special Purpose Vehicles	19,163	10.0%	2,833		21,996
2115 Garage Work Equipment	29,902	11.0%	10,681		40,583
2116 Other Work Equipment	387,981	12.5%	70,196		458,178
2121 Buildings	245,004	3.0%	45,533		290,537
2122 Furniture	17,328	12.5%	8,147		25,475
2123 Office Equipment	60,704	12.5%	24,147		84,851
2124 General Purpose Computers	136,290	20.0%	25,373		161,663
2211 Analog Electronic Switching	1,409,536	12.0%	137,780		1,547,316
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment	960,792	10.0%	270,103		1,230,895
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	3,868,716	6.5%	699,985		4,568,701
2424 Submarine Cable					
2426 Intra-building Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL	7,290,315		1,355,649	(48,918)	8,597,045

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

	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					
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>
CIT COMMUNICATIONS	1991	_____	160,861
RTFC CERTIFICATES	1993, 94, & 96	_____	185,160
INDEPENDENT CABLE SYSTEM	2003	_____	44,708
NRTC'S 220 MHZ WIRELESS	1999	_____	12,381
SYRINGA NETWORK	2000	_____	407,409
EAGLE MOUNTAIN	2003	_____	30,000
NEWSTREETS, INC. & ANPI & N	2002	_____	37,800
RTB STOCK	2002	_____	55,170
Totals		_____	933,489

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>
CUSTOMERS	_____	115,166
INTEREXCHANGE CARRIERS AND OTHERS	_____	471,683
_____	_____	_____
_____	_____	_____
_____	_____	_____
Totals	0	586,848

ACCOUNTS PAYABLE

<u>NAME OF CREDITOR</u>	<u>AMOUNT</u>
American Express	949.24
Bailey Law Group	505.50
City of Soda Springs	142.71
Codale Electric Supply	378.29
Computer Technology, Inc.	3,489.41
Dam Lumber	131.77
Direct Internet	6,292.10
Doug's Backhoe	940.00
Employee Flex Plan	1,852.78
Employee Long Term Disability	2,496.16
Federal Excise Tax	1,621.60
Givens & Pursley	1,214.00
Gundersen True Value	272.05
GVNW, Inc.	13,100.44
Idaho Sales Tax	12,822.95
Oregon Telephone, Inc.	1,022.00
P.P.S. Co. Inc.	490.50
Power County Clerk (E911)	398.07
Pro - Flame, Inc.	380.28
Qwest	453.62
Schmidt Oil	1,766.93
Unbilled Toll	19,790.00
Universal Service Administration	1,118.55
Valley Office Systems	101.54
Wiggins & Co.	1,825.90
Zions Bankcard Center	1,180.41
All others under \$100	160.26
	<hr/>
	<u>74,897.06</u>

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	4,765,967	
Total Operating Expenses (from page 18)	3,874,927	
7100 Other Operating Income and Expense		SAME
7210 Operating Investment Tax Credits-Net	(22,292)	AS
7220 Operating Federal Income Taxes	26,167	TOTAL
7230 Operating State and Local Income Taxes	22,302	
7240 Operating Other Taxes	146,950	
7250 Provision for Deferred Operating Income Taxes-Net	116,086	
7200 Operating Taxes (Total)	289,213	
7310 Dividend Income	(52,390)	
7320 Interest Income	(6,062)	
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	(16,766)	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	(2,405)	
7370 Special Charges	2,726	
7300 Nonoperating Income and Expense	(74,898)	
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes		
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net		
7400 Nonoperating Taxes	0	
7510 Interest on Funded Debt	669,457	
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	2,120	
7500 Interest and Related Items	671,577	
7610 Extraordinary Income Credits		
7620 Extraordinary Income Charges		
7630 Current Income Tax Effect of Extraordinary Items-Net		
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net		
7600 Extraordinary Items	0	
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(353,012)	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	358,160	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	422,933	SAME AS TOTAL
5002 Optional Extended Area Revenue		
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	43,418	
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	115,244	
5082 Switched Access Revenue (Interstate)	3,854,599	
5083 Special Access Revenue		
5084 State Access Revenue (Intrastate)	272,703	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue		
5240 Rent Revenue		
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	2,528	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	17,850	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	36,693	
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	4,765,967	

Please identify the following revenues:

NECA USF \$ 435,164 . To what account were they booked? 5082.22

State USF \$ 221,847 . To what account were they booked? 5084.60

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	3,737	
6113 Aircraft Expense		SAME AS TOTAL
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses		
6121 Land and Building Expenses	109,869	
6122 Furniture and Artworks Expense	5,178	
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	148,112	
6210 Central Office Switching Expenses	153,832	
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	177,433	
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense	321	
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	763,679	
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	1,362,162	

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		SAME AS TOTAL
6512 Provisioning Expense	13,205	
6530 Network Operations Expense	149	
6531 Power Expense	25,630	
6532 Network Administration Expense	19,509	
6533 Testing Expense	21	
6534 Plant Operations Administration Expense		
6535 Engineering Expense	117,742	
6540 Access Expense	6,515	
6560 Depreciation and Amortization Expenses	78,006	
6561 Depreciation Expense-Telecom. Plant in Service	1,346,991	
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,607,768	
Customer Operations Expense		
6610 Marketing	12,746	
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	2,791	
6623 Customer Services	203,520	
Total Customer Operations Expense	219,056	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	252,065	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	281,576	
6722 External Relations	626	
6723 Human Resources	50,536	
6724 Information Management		
6725 Legal	74,290	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	26,849	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	685,941	
TOTAL OPERATING EXPENSES	3,874,927	

CENTRAL OFFICE DATA
as of December 31, 2003 (unless otherwise indicated)

Name of Central Office: ARBON
 Prefix (es): 335

Central Office Switch Type: SIEMENS EWSD - RLS 1000

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

Access Line Capacity
 Design: 180
Access Lines in Use
 Customer Lines: 103
 (Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 138
 Public Telephone Lines 1
 Company Official Lines 3
 Company Test Lines 4

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Single Line Multi- Party	
Beginning of Year		99	99			10	109
New Connects		2	2			0	2
Disconnects		8	8			0	8
End of Year		93	93			10	103

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: 7

Custom Calling:
 Number of customers with at least one feature: 61
 Total number of features subscribed to: 6

CENTRAL OFFICE DATA
as of December 31, 2003 (unless otherwise indicated)

Name of Central Office: PARIS
Prefix (es): 945

Central Office Switch Type: SIEMENS EWSD ONE - UP

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

Access Line Capacity
Design: 1520
Access Lines in Use
Customer Lines: 932
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1442
Public Telephone Lines 0
Company Official Lines 3
Company Test Lines 6

Classification of Customer Access

	Residence			Business			Total Residence & Business	
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Single Line Multi- Party		Subtotal Business
Beginning of Year		873	873			112	112	985
New Connects		45	45			0	0	45
Disconnects		96	96			2	2	98
End of Year		822	822			110	110	932

Foreign Exchange:
Dial Tone from this C.O.: 1
Dial Tone from another C.O.: 0

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 28

Custom Calling:
Number of customers with at least one feature: 403
Total number of features subscribed to: 20

CENTRAL OFFICE DATA
as of December 31, 2003 (unless otherwise indicated)

Name of Central Office: ROCKLAND
Prefix (es): 548

Central Office Switch Type: SIEMENS EWSD ONE - UP REMOTE

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

Access Line Capacity
Design: 735
Access Lines in Use
Customer Lines: 306
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 663
Public Telephone Lines 0
Company Official Lines 9
Company Test Lines 13

Classification of Customer Access

	Residence		Business		Total
	Multi-Line	Single Line	Multi-Line	Single Line	
	1-Party	1-Party	1-Party	1-Party	Residence & Business
Beginning	236	236	75	75	311
New Connects	15	15	2	2	17
Disconnects	22	22	0	0	22
End of Year	229	229	77	77	306
		Subtotal		Subtotal	
		Residence		Business	
		236		75	
		15		2	
		22		0	
		229		77	

Foreign Exchange:

Dial Tone from this C.O.: 0
Dial Tone from another C.O.: 1
Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 6

Custom Calling:

Number of customers with at least one feature: 144
Total number of features subscribed to: 12

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2003

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 ARBON	103			4,905	25,969	30,874	300
2 ROCKLAND	306			19,260	122,306	141,566	463
3 PARIS	932			24,533	374,878	399,411	429
4							
5							
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18							

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

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 X

Included in directory Yes X No _____

Date of notification Paris in January, Rockland & Arbon in June

Alternate method of notification Local newspaper annually

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 203

Category of complaints (if known):

Deposit Disputes 1

Charges on Bill 196

Denial/Termination _____

Quality or Availability
of Service 19

Carrier Selection/Assignment 13

Miscellaneous 5

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CERTIFICATE

State of Idaho)
County of) ss
)

WE, the undersigned Leonard May

and Bruce Steed

of the Direct Communications Rockland, 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.

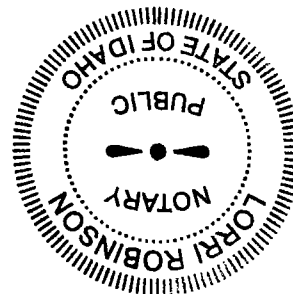
Leonard May
(Chief Officer)

Bruce A. Steed
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 14 day of April, (Year) 2004.

Lorri Robinson
Notary Public

My Commission expires 7-23, (Year) 2004.



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