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ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2010

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IDAHO PUBLIC
UTILITIES COMMISSIO

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: _____
Direct Communciations Cable, 150 South Main Rockland, Idaho 83271, Non-reg Telecommunications
Direct Communciations Cedar Valley, 150 South Main Rockland, Idaho 83271, ILEC

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 Rockland ID	May-11	12	
Marilyn May Rockland ID	May-11	12	
Garrin Bott Rockland ID	May-11	12	
Kip Wilson Rockland ID	May-11	12	
Jeremy Smith Rockland ID	May-11	12	
Scott Hendrickson Rockland ID	May-11	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	Information is Confidential
Marilyn May	Vice Pres. - Secretary	

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	644,744	471,208	(173,536)
1140 Special Cash Deposits	8,632	10,160	1,528
1150 Working Cash Advances	300	500	200
1160 Temporary Investments	102,858	102,897	40
1180 Telecommunications Accts. Receivable	84,623	92,881	8,258
1181 Accts. Rec. Allow. -Telecommunications	(3,500)	(6,000)	(2,500)
1190 Other Accounts Receivable	708,673	614,007	(94,666)
1191 Accounts Receivable Allow. - Other	(42,000)	(49,000)	(7,000)
1200 Notes Receivable	0		0
1201 Notes Receivable Allowance			0
1210 Interest & Dividends Receivable			0
1220 Material and Supplies	60,576	107,879	47,303
1280 Prepayments			0
1290 Prepaid Rents			0
1300 Prepaid Taxes	20,000	70,000	50,000
1310 Prepaid Insurance	20,597	23,108	2,511
1320 Prepaid Directory Expenses			0
1330 Other Prepayments			0
1350 Other Current Assets	30,000	30,000	0
Noncurrent Assets			
1401 Investment in Affiliated Companies	2,294,950	3,126,694	831,744
1402 Investment in Nonaffiliated Companies			0
1406 Nonregulated Investments	1,678	1,678	0
1407 Unamortized Debt Issuance Expense			0
1408 Sinking Funds			0
1410 Other Noncurrent Assets	9,787	9,787	0
1438 Deferred Maintenance & Retirements			0
1439 Deferred Charges	59,961	59,044	(917)
1500 Other Jurisdiction Assets - Net			0
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	27,324,861	29,525,947	2,201,086
2002 Prop. Held for Future Telecom. Use			0
2003 Telecom. Plant under Constr. - Short Term	89,078	88,149	(929)
2004 Telecom. Plant under Constr. - Long Term			0
2005 Telecom. Plant Adjustment			0
2006 Nonoperating Plant	1,241,866	1,241,866	0
2007 Goodwill			0
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	17,127,544	17,463,259	335,715
3200 Accum. Depre. - Held for Future Use			0
3300 Accumulated Depreciation - Nonoperating		1,161,164	1,161,164
3400 Accumulated Amortization - Tangible			0
3410 Accum. Amort. - Capitalized Leases			0
3420 Accum. Amort. - Leasehold Improvements			0
3500 Accumulated Amortization - Intangible			0
3600 Accumulated Amortization - Other			0
TOTAL ASSETS	15,530,140	16,896,383	2,527,407

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	162,674	160,535	(2,139)
4020 Notes Payable	0	0	0
4030 Advance Billings and Payments	27,580	29,693	2,113
4040 Customer Deposits	0	0	0
4050 Current Maturities - Long -Term Debt	1,465,220	1,621,529	156,309
4060 Current Maturities - Capital leases	0	0	0
4070 Income Taxes - Accrued	0	0	0
4080 Other Taxes - Accrued	23,663	35,000	11,336
4100 Net Current Defer. Oper. Income Taxes	0	0	0
4110 Net Current Defer. Nonoper. Income Taxes	0	0	0
4120 Other Accrued Liabilities	38,759	60,197	21,437
4130 Other Current Liabilities	0	0	0
Long-Term Debt			
4210 Funded Debt	9,271,574	8,552,538	(719,036)
4220 Premium on Long-Term Debt	0	0	0
4230 Discount on Long-Term Debt	0	0	0
4240 Reacquired Debt	0	0	0
4250 Obligations Under Capital Leases	0	0	0
4260 Advances from Affiliated Companies	0	0	0
4270 Other Long-Term Debt	698,782	1,342,468	643,686
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	0	0	0
4320 Unamort. Oper. Invest. Tax Credits - Net	0	0	0
4330 Unamort. Nonoper. Invest. Tax Credits - Net	0	0	0
4340 Net Noncurrent Defer. Oper. Income Taxes	1,159,982	1,422,135	262,153
4350 Net Noncur. Defer. Nonoper. Income Taxes	0	0	0
4360 Other Deferred Credits	0	0	0
4370 Other Juris. Liab. & Def. Credits - Net	0	0	0
Stockholders' Equity			
4510 Capital Stock	439,555	439,555	0
4520 Additional Paid-In Capital	0	0	0
4530 Treasury Stock	0	0	0
4540 Other Capital	0	0	0
4550 Retained Earnings	2,242,350	3,229,622	987,272
	0	0	0
TOTAL LIAB. & OTHER CREDITS	15,530,140	16,893,273	1,363,132

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	167,538	24,782			192,320
2112 Motor Vehicles	600,973	66,024	149,012		517,984
2113 Aircraft					
2114 Special Purpose Vehicles	118,080				118,080
2115 Garage Work Equipment	17,415				17,415
2116 Other Work Equipment	722,993	115,004	56,548		781,449
2121 Buildings	2,176,217	84,551			2,260,768
2122 Furniture	72,090				72,090
2123 Office Equipment	36,055				36,055
2124 General Purpose Computers	137,959	19,736	4,039		153,656
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	2,555,100	914,890	4,437		3,465,553
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	13,886				13,886
2232 Circuit Equipment	3,393,983	561,205			3,955,188
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	16,850,683	620,470			17,471,153
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements	1,241,866				1,241,866
2690 Intangibles	461,890	37,106	7,280		491,715
Non-regulated Telephone Plant					
TOTAL PLANT ACCOUNTS	28,104,838	2,406,661	214,036	0	30,789,178

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

	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					
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	506,075	25.0%	70,683	171,432	405,326
2113 Aircraft					0
2114 Special Purpose Vehicles	85,883	10.0%	8,621		94,504
2115 Garage Work Equipment	11,414	11.0%	1,081		12,495
2116 Other Work Equipment	620,422	12.5%	33,348	56,548	597,221
2121 Buildings	675,468	3.0%	65,498		740,966
2122 Furniture	68,796	12.5%	1,115		69,911
2123 Office Equipment	29,119	12.5%	2,596		31,715
2124 General Purpose Computers	120,931	20.0%	7,414	4,039	124,306
2211 Analog Electronic Switching					0
2212 Digital Electronic Switching	2,335,892	12.0%	250,942	4,474	2,582,359
2215 Electro-Mechanical Switching					0
2220 Operator Systems					0
2231 Radio Systems	13,887				13,887
2232 Circuit Equipment	1,808,049	10.0%	337,962		2,146,011
2311 Station Apparatus					0
2321 Customer Premises Wiring					0
2341 Large Private Branch Exchanges					0
2351 Public Telephone Terminal Equipment					0
2362 Other Terminal Equipment					0
2411 Poles					0
2421 Aerial Cable					0
2422 Underground Cable					0
2423 Buried Cable	9,506,813	6.5%	799,513		10,306,326
2424 Submarine Cable					0
2426 Intra-building Network Cable					0
2431 Aerial Wire					0
2441 Conduit Systems	265,969		75,526	3,263	338,232
Non-regulated Telephone Plant					0
TOTAL	15,782,749		1,578,772	239,757	17,463,259

*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
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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>
RTFC CERTIFICATES & NRTC	1993, 94, & 96		275,772
INDEPENDENT CABLE SYSTEM	2003		89,669
CEDAR VALLEY	2004		449,460
SYRINGA NETWORK	2000		1,429,420
ANPI & SOLEX	2002		17,800
NEWSTREETS, INC.	2002		20,000
SYRINGA WIRELESS	2006		844,574
Totals			3,126,694

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		92,881
INTEREXCHANGE CARRIERS AND OTHERS		614,007
Totals	0	706,888

2324950 (801,744)

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>
Totals				

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
SEE ATTACHED LISTING	
Totals	<u><u>0.00</u></u>

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.

Class & Series of Obligation	Date of Issue	Date of Maturity	Fact Amount Authorized	Outstanding Year-End	Premium/ Discount		Interest for year	
					Total	Year Amortized	Rate	Amount
RTFC	1995	Varies	4,805,901	1,364,705		VARIES		114,866
RUS	1979	Varies	6,689,004	6,316,296		Varies		307,943
RTB	2002	2017	3,143,699	2,067,727		Varies		105,260
FORD CREDIT	2006	2012	50,986	15,829			8.94%	873
WESTERN STATES CAT	2008	2011	48,388	16,129			0.00%	0
TOYOTA	2008	2012	57,253	17,714			7.70%	913
GMAC	2008	2012	27,887	20,032			0.00%	0
ZIONS BANK	2006	2011	1,380,772	1,208,750		VARIES		21,813
CEDAR VALLEY	2009	2010	100,000	0			2.50%	0
FARM CREDIT LEASING	2009	2011	614,913	451,295		VARIES		29,072
LEONARD MAY	2010	2011	66024	38058			6%	918

CAPITAL STOCK

Report below the particulars called for concerning common and preferred stock at end of year, designating separate series of any general class. Show totals separately for common and preferred.

For each class of preferred stock, show the dividend rate and whether dividends are cumulative or noncumulative.

Show details in a footnote of capital stock sold during the year. Include number of shares, consideration received, premium or discount, and expenses incurred.

<u>Class & Series of Stock</u>	<u>Number of Shares Authorized</u>	<u>Par Value per Share</u>	<u>Outstanding per Balance Sheet</u>	
			<u>Shares</u>	<u>Amount</u>
COMMON VOTING STOCK	100,000		12,500	43,956
COMMON NONVOTING STOCK	900,000		112,500	395,600

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	4,569,132	
Total Operating Expenses (from page 17)	3,872,753	
7100 Other Operating Income and Expense		SAME
7210 Operating Investment Tax Credits-Net		AS
7220 Operating Federal Income Taxes		TOTAL
7230 Operating State and Local Income Taxes	10	
7240 Operating Other Taxes	51,086	
7250 Provision for Deferred Operating Income Taxes-Net	193,757	
7200 Operating Taxes (Total)	244,853	
7310 Dividend Income	(11,434)	
7320 Interest Income	(11,927)	
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	0	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	6,105	
7370 Special Charges	33,880	
7300 Nonoperating Income and Expense	16,624	
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		
7510 Interest on Funded Debt	528,068	
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	23,534	
7500 Interest and Related Items	551,602	
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		
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(1,103,973)	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	987,272	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	355,204	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	38,331	
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	97,512	
5082 Switched Access Revenue (Interstate)	3,734,034	
5083 Special Access Revenue		
5084 State Access Revenue (Intrastate)	335,136	
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	2,890	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	6,026	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications		
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	4,569,132	

Please identify the following revenues:

NECA USF \$ 691,740 . To what account were they booked? 5082.22

State USF \$ 200,781 . 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	_____ 0	SAME AS TOTAL
6113 Aircraft Expense	_____	
6114 Special Purpose Vehicles Expense	_____	
6115 Garage Work Equipment Expense	_____	
6116 Other Work Equipment Expense	_____ 1,927	
6120 General Support Expenses	_____	
6121 Land and Building Expenses	_____ 54,469	
6122 Furniture and Artworks Expense	_____ 4,611	
6123 Office Equipment Expense	_____	
6124 General Purpose Computers Expense	_____ 164,614	
6210 Central Office Switching Expenses	_____ 146,374	
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	_____ 1,158	
6232 Circuit Equipment Expense	_____ 274,123	
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	_____ 791,345	
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	_____ 1,438,621	_____

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	5,802	
6530 Network Operations Expense		
6531 Power Expense	41,396	
6532 Network Administration Expense	39,176	
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	102,841	
6540 Access Expense	24,748	
6560 Depreciation and Amortization Expenses	78,006	
6561 Depreciation Expense-Telecom. Plant in Service	1,310,191	
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	1,602,160	
Customer Operations Expense		
6610 Marketing		
6611 Product Management	23,797	
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	1,560	
6623 Customer Services	192,864	
Total Customer Operations Expense	218,221	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	256,703	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	257,084	
6722 External Relations		
6723 Human Resources		
6724 Information Management	9,797	
6725 Legal	1,444	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	88,723	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	613,751	
TOTAL OPERATING EXPENSES	3,872,753	

CENTRAL OFFICE DATA
as of December 31, 2010 (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 X
Host
Remote X

Check one:
Electronic X
Electro-Mechanical
Other:

Access Line Capacity
Design: 300
Access Lines in Use
Customer Lines: 101
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 100
Public Telephone Lines 0
Company Official Lines 2
Company Test Lines 0

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		94	94		6	3	9
New Connects		5	5		0	2	2
Disconnects		8	8		1	0	1
End of Year		91	91		5	5	10

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

Custom Calling:
Number of customers with at least one feature: 61
Total number of features subscribed to: 34

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 9

CENTRAL OFFICE DATA
as of December 31, 2010 (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: 2000
Access Lines in Use: 724
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1000
Public Telephone Lines 0
Company Official Lines 7
Company Test Lines 0

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			650		75	17	732
New Connects			41		2	19	62
Disconnects			47		13	10	70
End of Year			644		64	26	724

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: 46

Custom Calling:
Number of customers with at least one feature: 380
Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2010 (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 Digital Electronic
Remote Analog Electro-Mechanical
Other:

Access Line Capacity
Design: 400
Access Lines in Use
Customer Lines: 243
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 300
Public Telephone Lines 0
Company Official Lines 11
Company Test Lines 0

Classification of Customer Access

	Residence			Business			Total
	Multi-Line 1-Party	Multi-Line Party	Subtotal Residence	Multi-Line 1-Party	Multi-Line Party	Subtotal Business	
Beginning	180	14	180	54	9	63	243
New Connects	14	12	14	0	3	3	17
Disconnects	12	182	12	5	0	5	17
End of Year	182	14	182	49	12	61	243

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: 9

Custom Calling:

Number of customers with at least one feature: 135
Total number of features subscribed to: 34

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2010

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	93			2,715	8,157	10,872	117
2 ROCKLAND	176			4,079	14,635	18,714	106
3 PARIS	639			5,912	43,712	49,624	78
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

**ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2010**

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 x

Date of notification Jan-10

Alternate method of notification Letter included w/January statements

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 41

Category of complaints (if known):

Deposit Disputes 0

Charges on Bill 23

Denial/Termination 1

Quality or Availability
of Service 9

Carrier Selection/Assignment 5

Miscellaneous 3

CERTIFICATE

State of Idaho)
) ss
County of)

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.

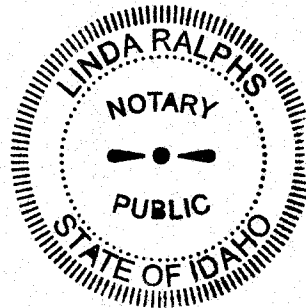
Leonard May
(Chief Officer)

Bruce Steed
(Officer in-Charge of Accounts)

Subscribed and Sworn to Before Me this 15 day of April, 2011.

Linda Ralphs
Notary Public

My Commission expires 1-24, (Year) 2014.



Rev 3/02