

ANNUAL REPORT

OF

FREMONT TELCOM

NAME

110 EAST MAIN ST., ST. ANTHONY, ID 83445-1543

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2001

ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING December 31, 2001

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IDAHO PUBLIC UTILITIES COMMISSION

COMPANY INFORMATION

Exact name of utility: Fremont Telcom
Address of principal office: 110 East Main Street, St Anthony, ID 83445-1543
Telephone Number (Area Code 208) 624-7300
Cities or towns served: St Anthony, Teton, Ashton, Island Park, Idaho

Name and title of officer having custody of the general corporate books of account:
James P. Bauchman, Vice President, General Manager

Address of office where corporate books are kept and phone number:
110 East Main Street, St Anthony, ID 83445-1543

Organized under the laws of the State of: Idaho

Date of organization: March 9, 1994

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

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: FairPoint Communications, 521 East Morehead,
Charlotte, NC 28202

Jana 509-962-0272

Names of affiliated companies. Give address and description of business: None

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
<u>See Attached Sheets</u>		

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
See attached sheets			None

Name of Chairman of the Board: Jack H. Thomas

Name of Secretary (or Clerk) of Board: Walter E. Leach Jr

Number of Meetings of the Board during the year: _____

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
James Bauchman	Vice President/General Manager	131433
John Bauchman	Assistant Manager	99970
Mike Dolezal	Controller	79521
Virgil Newton	Operations Manager	77381
Don Coleman	Plant Manager	68250
Rita Morton	Business Office Manager	45372

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	334129	385307	51178
1130 Cash	0	0	0
1140 Special Cash Deposits	0	0	0
1150 Working Cash Advances	525	525	0
1160 Temporary Investments	0	0	0
1180 Telecommunications Accts. Receivable	144461	193961	49500
1181 Accts. Rec. Allow. -Telecommunications	0	-2170	-2170
1190 Other Accounts Receivable	3243941	2174062	-1069879
1191 Accounts Receivable Allow. - Other	0	0	0
1200 Notes Receivable	0	0	0
1201 Notes Receivable Allowance	0	0	0
1210 Interest & Dividends Receivable	0	0	0
1220 Material and Supplies	120415	104629	-15786
1280 Prepayments	1697	0	-1697
1290 Prepaid Rents	0	1744	1744
1300 Prepaid Taxes	0	0	0
1310 Prepaid Insurance	0	0	0
1320 Prepaid Directory Expenses	0	0	0
1330 Other Prepayments	0	0	0
1350 Other Current Assets	0	0	0
Noncurrent Assets			
1401 Investment in Affiliated Companies	0	0	0
1402 Investment in Nonaffiliated Companies	224787	755705	530918
1406 Nonregulated Investments	92539	92539	0
1407 Unamortized Debt Issuance Expense	0	0	0
1408 Sinking Funds	0	0	0
1410 Other Noncurrent Assets	0	0	0
1438 Deferred Maintenance & Retirements	365378	198548	-166830
1439 Deferred Charges	0	0	0
1500 Other Jurisdiction Assets - Net	0	0	0
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	24860872	26132820	1271948
2002 Prop. Held for Future Telecom. Use	0	0	0
2003 Telecom. Plant under Constr. - Short Term	83477	169935	86458
2004 Telecom. Plant under Constr. - Long Term	0	0	0
2005 Telecom. Plant Adjustment	0	0	0
2006 Nonoperating Plant	0	0	0
2007 Goodwill	4102160	3998088	-104072
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	-10869035	-12751996	-1882961
3200 Accum. Depre. - Held for Future Use	0	0	0
3300 Accumulated Depreciation - Nonoperating	-64515	-73488	-8973
3400 Accumulated Amortization - Tangible	0	0	0
3410 Accum. Amort. - Capitalized Leases	0	0	0
3420 Accum. Amort. - Leasehold Improvements	0	0	0
3500 Accumulated Amortization - Intangible	0	0	0
3600 Accumulated Amortization - Other	0	0	0
TOTAL ASSETS	22640831	21380209	-1260622

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	5422669	1447036	-3975633
4020 Notes Payable	0	0	0
4030 Advance Billings and Payments	0	0	0
4040 Customer Deposits	393010	471229	78219
4050 Current Maturities - Long -Term Debt	0	0	0
4060 Current Maturities - Capital leases	0	0	0
4070 Income Taxes - Accrued	282614	157413	-125201
4080 Other Taxes - Accrued	7507	293	-7214
4100 Net Current Defer. Oper. Income Taxes	0	0	0
4110 Net Current Defer. Nonoper. Income Taxes	0	0	0
4120 Other Accrued Liabilities	84351	63349	-21002
4130 Other Current Liabilities	0	0	0
Long-Term Debt			
4210 Funded Debt	0	0	0
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	0	0	0
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	-12227	-12820	-593
4350 Net Noncur. Defer. Nonoper. Income Taxes	61574	168112	106538
4360 Other Deferred Credits	0	0	0
4370 Other Juris. Liab. & Def. Credits - Net	0	0	0
Stockholders' Equity			
4510 Capital Stock	6120	6120	0
4520 Additional Paid-In Capital	15599509	16275508	675999
4530 Treasury Stock	0	0	0
4540 Other Capital	-382958	0	382958
4550 Retained Earnings	1178661	2803969	1625308
	0	0	0
TOTAL LIAB. & OTHER CREDITS	22640830	21380209	-1260621

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	39420.54				39420.54
2112 Motor Vehicles	146681.75				146681.75
2113 Aircraft					0.00
2114 Special Purpose Vehicles					0.00
2115 Combined with 2116					0.00
2116 Other Work Equipment	42821.23	28039.91			70861.14
2121 Buildings	729122.33				729122.33
2122 Furniture					0.00
2123 Office Equipment	4775.98				4775.98
2124 General Purpose Computers	160956.91	13698.04		(1800.00)	172854.95
2211 Analog Electronic Switching					0.00
2212 Digital Electronic Switching	4274857.42	410820.04	60432.09	(1536462.24)	3088783.13
2212 Digital Switching Software		10335.25		1350980.76	1361316.01
2220 Operator Systems					0.00
2230 COE Trans Fiber	45346.71				45346.71
2231 Radio Systems	855561.26		4537.58		851023.68
2232 Circuit Equipment	4086580.82	358580.51	250069.69	176525.55	4371617.19
2311 Station Apparatus					0.00
2321 Customer Premises Wiring					0.00
2341 Large Private Branch Exchanges					0.00
2351 Public Telephone Terminal Equipment					0.00
2362 Other Terminal Equipment					0.00
2411 Poles	137145.27	3459.15	1724.99		138879.43
2421 Aerial Cable	354045.00				354045.00
2422 Underground Cable	1974969.70	358843.11			2333812.81
2423 Buried Cable	11684305.11	496652.03	80959.77		12099997.37
2424 Submarine Cable					0.00
2426 Intrabuilding Network Cable					0.00
2431 Aerial Wire	24948.62				0.00
2441 Conduit Systems	299333.59				24948.62
2681 Capital Leases					299333.59
2682 Leasehold Improvements					0.00
TOTAL PLANT ACCOUNTS	24860872.24	1680428.04	397724.12	(10755.93)	26132820.23

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

Analysis of Telecommunications Plant in Service	Balance Beginning of Year	Additions During Year Same as Total Company	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					

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	30766.41	33.33	48889.06		79655.47
2113 Aircraft					0.00
2114 Special Purpose Vehicles					0.00
2115 Garage Work Equipment					
2116 Other Work Equipment	Combined with 2116				
2121 Buildings	20213.04	20	13253.42		33466.46
2122 Furniture	310546.21	5	36456.32		347002.53
2123 Other Communications Equipment	7.94	10	(7.94)		0.00
2124 General Purpose Computers	1971.61	20	955.20		2926.81
2212 Digital Electronic Switching	71019.05	33.33	55534.07		126553.12
2212 Digital Switching Software	186955.17	12	384157.30	167488.29	403624.18
2215 Electro-Mechanical Switching		33.33	350299.18	-92090.73	442389.91
2230 COE Circuit Equipment EXC					0.00
2231 Radio Systems	855560.90	20	0.36	4537.58	0.00
2232 Circuit Equipment	2882539.06	12.5	317981.71	251590.91	851023.68
2362 Other Terminal Equipment					2948929.86
2411 Poles	105651.53	12.5	17063.90	185.06	0.00
2421 Aerial Cable	168311.31	8.6	29585.74		122530.37
2421 Aerial Cable - Fiber	1553.96	6	601.56		197897.05
2422 Underground Cable	119698.30	10	18505.68	121240.44	2155.52
2422 Underground Cable - Fiber	15371.02	6	114359.68	-121240.44	16963.54
2423 Buried Cable	5699537.45	6.5	665645.16	80959.77	250971.14
2423 Buried Cable - Fiber	119539.16	6.7	42404.80		6284222.84
2423 Buried Cable - Line Extensions	137072.57	20	183483.70		161943.96
2431 Aerial Wire	24948.62	14.6			320556.27
2441 Conduit Systems	117771.81	5.5	16463.28		24948.62
TOTAL	10869035.12		2295632.18	412670.88	134235.09
					12751996.42

*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		Same as Total Company			
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					

*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>
CoBank Dividends	Dec-98	_____	229451
Internet, Lease, Payphone Equip	1997 -2000	_____	92539
Linktel	Oct-98	_____	38145
Fall River Elec Dividends	Mar-00	_____	3239
Syringa Network	2001	_____	484870
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Totals	_____	_____	848243

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	_____	191792
CABs	_____	161412
Idaho USF	_____	18347
NECA	_____	1221759
MJD Communications	_____	672218
Miscellaneous	_____	100326
_____	_____	_____
_____	_____	_____
Totals	_____	2365853

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>
Accounts Payable - Trade	680966
NECA	265747
MJD Communications	385243
Northland Maine	75450
Fretel Communications	39631
_____	_____
_____	_____
_____	_____
Totals	1447037

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	8497339.14	Same as
Total Operating Expenses (from page 17)	5260291.90	Total Compan
7100 Other Operating Income and Expense	_____	_____
7210 Operating Investment Tax Credits-Net	_____	_____
7220 Operating Federal Income Taxes	681873.00	_____
7230 Operating State and Local Income Taxes	174392.00	_____
7240 Operating Other Taxes	152195.31	_____
7250 Provision for Deferred Operating Income Taxes-Net	369999.00	_____
7200 Operating Taxes (Total)	1378459.31	_____
7310 Dividend Income	(36508.33)	_____
7320 Interest Income	(3991.52)	_____
7330 Income from Sinking and Other Funds	_____	_____
7340 Allowance for Funds Used During Construction	_____	_____
7350 Gains/Losses from the Disposition of Certain Property	_____	_____
7360 Other Nonoperating Income	128669.59	_____
7370 Special Charges	261.29	_____
7300 Nonoperating Income and Expense	88431.03	_____
7410 Nonoperating Investment Tax Credits-Net	_____	_____
7420 Nonoperating Federal Income Taxes	(26180.00)	_____
7430 Nonoperating State and Local Income Taxes	(6696.00)	_____
7440 Nonoperating Other Taxes	_____	_____
7450 Provision for Deferred Nonoperating Income Taxes-Net	107590.00	_____
7400 Nonoperating Taxes	74714.00	_____
7510 Interest on Funded Debt	_____	_____
7520 Interest Expense-Capital Leases	_____	_____
7530 Amortization of Debt Issuance Expense	_____	_____
7540 Other Interest Deductions	1809.67	_____
7500 Interest and Related Items	1809.67	_____
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	0.00	_____
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	_____	_____
7990 Nonregulated Net Income	(314633.15)	_____
AMOUNT TRANSFERRED TO RETAINED EARNINGS	2008266.38	_____

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	2034907.41	Same as Total Compa
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	192334.02	_____
5069 Other Local Exchange Settlements	1278501.00	_____
Network Access Services Revenues		
5081 End User Revenue (SLC)	287327.38	_____
5082 Switched Access Revenue (Interstate)	3603258.69	_____
5083 Special Access Revenue	379538.97	_____
5084 State Access Revenue (Intrastate)	474690.41	_____
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	0.58	_____
Miscellaneous Revenues		
5230 Directory Revenue	52936.76	_____
5240 Rent Revenue	13773.84	_____
5250 Corporate Operations Revenue	_____	_____
5260 Special Billing Arrangements Revenue	15976.52	_____
5262 Customer Operations Revenue	_____	_____
5263 Plant Operations Revenue	_____	_____
5264 Other Incidental Regulated Revenue	105728.70	_____
5269 Other Revenue Settlements	_____	_____
5270 Carrier Billing & Collection Revenue	63030.11	_____
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(2495.41)	_____
5302 Uncollectible Revenue - Other	(2169.84)	_____
TOTAL OPERATING REVENUES	8497339.14	_____

Please identify the following revenues:

NECA USF \$1,278,501. To what account were they booked? REVNS-5069-0100

State USF \$110,801. To what account were they booked? REVNS-5084-0100

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses	_____	Same as
6112 Motor Vehicle Expense	_____	Total Company
6113 Aircraft Expense	_____	_____
6114 Special Purpose Vehicles Expense	_____	_____
6115 Garage Work Equipment Expense	_____	_____
6116 Other Work Equipment Expense	192.59	_____
6120 General Support Expenses	_____	_____
6121 Land and Building Expenses	103311.39	_____
6122 Furniture and Artworks Expense	173.99	_____
6123 Office Equipment Expense	27040.55	_____
6124 General Purpose Computers Expense	134257.26	_____
6210 Central Office Switching Expenses	_____	_____
6211 Analog Electronic Expense	_____	_____
6212 Digital Electronic Expense	233352.25	_____
6215 Electro-Mechanical Expense	_____	_____
6220 Operators System Expense	_____	_____
6230 Central Office Transmission Expenses	_____	_____
6231 Radio Systems Expense	8523.11	_____
6232 Circuit Equipment Expense	82473.24	_____
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	8802.07	_____
6421 Aerial Cable Expense	14942.84	_____
6422 Underground Cable Expense	200.43	_____
6423 Buried Cable Expense	281196.92	_____
6424 Submarine Cable Expense	_____	_____
6425 Deep Sea Cable Expense	_____	_____
6426 Intra-building Network Cable Expense	_____	_____
6431 Aerial Wire Expense	_____	_____
6441 Conduit Systems Expense	_____	_____
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	894466.64	_____

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		Same as Total Company
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense	5008.40	
6530 Network Operations Expense		
6531 Power Expense	35885.47	
6532 Network Administration Expense		
6533 Testing Expense	31752.16	
6534 Plant Operations Administration Expense	249370.56	
6535 Engineering Expense	63928.37	
6540 Access Expense	119447.81	
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	2295632.18	
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		
Customer Operations Expense	2801024.95	
6610 Marketing		
6611 Product Management	(40.62)	
6612 Sales	(4719.39)	
6613 Product Advertising	945.00	
6620 Services		
6621 Call Completion Services	9110.47	
6622 Number Services	28107.69	
6623 Customer Services	316652.49	
Total Customer Operations Expense	350055.64	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	487628.56	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	625558.28	
6722 External Relations	31661.07	
6723 Human Resources	20250.45	
6724 Information Management		
6725 Legal	(7469.43)	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	57115.74	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1214744.67	
TOTAL OPERATING EXPENSES	5260291.90	

CENTRAL OFFICE DATA
as of December 31, 2001 (unless otherwise indicated)

Name of Central Office: Teton, Idaho
 Prefix (es): (208) 458

Central Office Switch _____ Type: Nortel Access Nodes

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

Access Line Capacity
 Design: Nortel Access Nodes
 Installed/Equipped: 864

Access Lines in Use
 Customer Lines: 658
 (Include Centrex, PAL, Semi-Pub.)
 Public Telephone Lines 1
 Company Official Lines _____
 Company Test Lines _____

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line 1-Party	Multi- Party	Multi- Line 1-Party	Single Line 1-Party	Multi- Party	
Beginning of Year	1	591	_____	45	22	_____	659
New Connects	_____	_____	_____	_____	_____	_____	_____
Disconnects	_____	_____	_____	_____	_____	_____	_____
End of Year	1	590	_____	41	26	_____	658

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

Directory Listings:
 Number of Customers with Nonpublished or Nonlisted: 20

Custom Calling:
 Number of customers with at least one feature: 301
 Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2001 (unless otherwise indicated)

Name of Central Office: Island Park, Idaho
 Prefix (es): (208) 558

Central Office Switch _____ Type: Nortel Access Nodes

Check all that apply:

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

Check one:
 Electronic X
 Electro-Mechanical _____
 Other: _____

Access Line Capacity

Design: Nortel Access Nodes

Installed/Equipped: 1632

Access Lines in Use

Customer Lines: 1280
 (Include Centrex, PAL, Semi-Pub.)

Public Telephone Lines 18

Company Official Lines _____

Company Test Lines _____

Classification of Customer Access

	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	_____	1060	1060	147	75	222	1282
New Connects	_____	_____	_____	_____	_____	_____	_____
Disconnects	_____	_____	_____	_____	_____	_____	_____
End of Year	_____	1051	1051	146	83	229	1280

Foreign Exchange:

Dial Tone from this C.O.: _____
 Dial Tone from another C.O.: _____

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 77

Custom Calling:

Number of customers with at least one feature: 327
 Total number of features subscribed to: 39

CENTRAL OFFICE DATA
as of December 31, 2001 (unless otherwise indicated)

Name of Central Office: St Anthony, Idaho
Prefix (es): (208) 624

Central Office Switch Type: Nortel DMS 500

Check all that apply:

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

Check one:
Electronic X
Electro-Mechanical _____
Other: _____

Access Line Capacity

Design: Nortel DMS 500

Installed/Equipped: 3264

Access Lines in Use

Customer Lines: 2679
(Include Centrex, PAL, Semi-Pub.)

Public Telephone Lines 22

Company Official Lines 45

Company Test Lines 198

Classification of Customer Access

	Residence			Business				Total Residence & Business	
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Multi- Line 1-Party	Centrex N.A.R.	1-Party	Multi- Party		Subtotal Business
Beginning of Year		2140	2140	34	427	50		511	2651
New Connects									
Disconnects									
End of Year		2164	2164	34	383	98		515	2679

Foreign Exchange:

Dial Tone from this C.O.: _____
Dial Tone from another C.O.: _____

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 148

Custom Calling:

Number of customers with at least one feature: 1409
Total number of features subscribed to: 40

CENTRAL OFFICE DATA
as of December 31, 2001 (unless otherwise indicated)

Name of Central Office: Ashton, Idaho
Prefix (es): (208) 652

Central Office Switch _____ Type: Nortel Access Nodes

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

Access Line Capacity
Design: Nortel Access Nodes
Access Lines in Use
Customer Lines: 1217
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1632
Public Telephone Lines 15
Company Official Lines _____
Company Test Lines _____

Classification of Customer Access

	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	_____	934 _____	934 _____	_____	229 _____	275 _____	1209 _____
New Connects	_____	_____	_____	_____	46 _____	_____	_____
Disconnects	_____	_____	_____	_____	_____	_____	_____
End of Year	_____	923 _____	923 _____	_____	82 _____	294 _____	1217 _____

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

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 57

Custom Calling:
Number of customers with at least one feature: 449
Total number of features subscribed to: 44

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2001.

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	
458 - Teton	660	Not Availabl		28970	195010	223980	339
558 - Island Park	1445			61356	521203	582559	403
624 - St Anthony	2670			173370	910147	1083517	406
652 - Ashton	1249			71434	493088	564522	452
5_____							
6_____							
7_____							
8_____							
9_____							
10_____							
11_____							
12_____							
13_____							
14_____							
15_____							
16_____							
17_____							
18_____							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2001.

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 March 1, 2001

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 3

Category of complaints (if known):

Deposit Disputes 1

Charges on Bill _____

Denial/Termination _____

Quality or Availability
of Service _____

Carrier Selection/Assignment 1

Miscellaneous 1

CERTIFICATE

State of Idaho)
) ss
County of Fremont)

WE, the undersigned James Bauchman

and _____

of the Fremont Telcom utility,

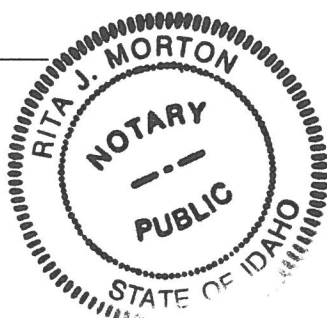
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered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

James Bauchman
(Chief Officer)

(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 27 day of March, (Year) 2002.

Rita J. Morton
Notary Public



My Commission expires ~~May 14, 2007.~~
10-2-2007

What If A Deposit Is Required?

If we require a deposit or deny you service, you may request a written explanation and will be given a chance to discuss that decision with us. If you pay a deposit you have the right to a receipt. Interest will be paid from the date the deposit is taken and until refunded or applied. Deposits, with interest, will be refunded promptly when you maintain good credit for twelve consecutive months. If a deposit is required, you have two alternatives available. You can either pay the deposit in cash or present a guarantee from a third party.

The amount of the deposit shall not exceed two (2) months charges for basic local telephone service plus two (2) months estimated or average charges for long distance service.

Guarantee in Lieu of Deposit

If you cannot pay the deposit, we will accept a guarantee from another customer who has twelve months of good credit. This third party must guarantee and is liable for an amount equal to the deposit that would otherwise be required. The guarantor is released from this obligation when you have established good credit.

Complaint Procedure

You may, at any time, file a complaint and request a conference with us. After we receive a complaint, we will start an investigation immediately. The results will be given to you and you will be given the opportunity to discuss the results. If you are still dissatisfied, a complaint may be taken to the Idaho Public Utilities Commission for review. Service will not be turned off during any part of this complaint procedure IF ALL UNDISPUTED BILLS ARE PAID.

Important Notice Concerning Purchase of Goods And Services

By Telephone

You have important rights under the Idaho Telephone Solicitation Act. Under this Act it is illegal for persons attempting to sell you goods or services by telephone (telephone solicitors):

- To intimidate or harass you in connection with the attempted sale.
- To refuse to hang up and free your telephone line immediately once you request them to do so.
- To misstate the price, quality, or availability of goods or services, or to fail to reveal all material terms relating to the sale of goods or services.

- To advertise, represent or imply that they have the endorsement of any government office or agency when they do not.
- To advertise, represent or imply that they have a valid registration number with the Attorney General when they do not.
- To use any unfair method of competition or unfair or deceptive practice.

Any person not yet 18 years old who purchases goods or services pursuant to a telephone solicitation may cancel the purchase within a reasonable time after the purchase is made. No parent or legal guardian having custody of a person not yet 18 years old is liable for the purchase of goods or services by a person not yet 18 years old pursuant to telephone solicitation.

When you agree to purchase goods or services over the telephone, you may have a right to reconsider and cancel your agreement for three business days after receiving a written confirmation of the sale.

A person whose rights are violated by telephone solicitors may have the right to declare a contract of purchase null and void or invoke other remedies under the Idaho Consumer Protection Act.

If you believe that a telephone solicitor has done any unlawful acts, you may contact the Attorney General's office for assistance and information at:

1-800-432-3545 (toll free) or
334-2424 (Boise area)

Idaho Telecommunications

Relay Service

The Idaho Telecommunications Relay Service allows individuals with a speech and/or hearing disability and hearing individuals to communicate via the telephone. Calls may be initiated by either text telephone or voice customers. Twenty-four hours a day and seven days a week, the Idaho Telecommunications Relay Service is ready to provide you with efficient, confidential communications services. If you would like more information about the Idaho Telecommunications Relay Service, please call 1-800-368-6185 (Voice or TT)

To Access the Relay Toll-Free Dial:

1-800-377-3529 (TT)
1-800-377-1363 (Voice)

March

CONSUMER Information

The Residential Service

This is a summary of the Idaho Public Utility Commission's rules and regulations regarding customer relations.

It is intended for your information only. We hope it will make you aware of your rights as a FREMONT TELCOM customer and will better acquaint you with some of our operating procedures. This is only a summary. Should you need any detailed information, the Idaho FREMONT TELCOM office has a copy of the complete rules available for your use. Please contact us if you have any questions.

FREMONT TELCOM

110 E. Main St.
St. Anthony, ID 83445
(208) 624-7300