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# ***ANNUAL REPORT***

OF

Albion Telephone Company, Inc.

**NAME**

225 West North Street Albion, ID 83311

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED December 31, 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: Albion Telephone Company, Inc.

Address of principal office: 225 West North Street. P.O. Box 98 Albion, ID 83311

Telephone Number (Area Code 208 673-5335)

Cities or towns served: Albion, Almo, Elba, Holbrook, Malta, Raft River, Malad,

Mackay, Moore, Arco, Howe; Idaho: Yost; Utah

Name and title of officer having custody of the general corporate books of account:

ODEen K. Redman, President

Address of office where corporate books are kept and phone number:

225 West North Street. P.O. Box 98 Albion, ID 83311

Organized under the laws of the State of: Idaho

Date of organization: 1929 - Incorporated September 11, 1953

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: Telsat Systems, Inc.

P.O. Box 98 Albion, ID 83311 Telephone Sales, Cable Television.

**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.

<b>Title</b>	<b>Name</b>	<b>Address</b>
President	ODEen K. Redman	P.O. Box 22 Albion, ID 83311
Vice-President	Richard L. Redman	P.O. Box 14 Albion, ID 83311
Secretary	Darla Redman	P.O. Box 22 Albion, ID 83311
Treasurer	Barry Redman	266 S. 950 E. Declo, ID 83323

**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.)

<b>Name and Address</b>	<b>Term Expired or Current Term Will Expire</b>	<b>Meetings Attended This year</b>	<b>Fees Paid During Year</b>
ODEen K. Redman	NA	1	3600
Richard L. Redman	NA	1	3600
Darla Redman	NA	1	3600
Barry Redman	NA	1	3600

Name of Chairman of the Board: \_\_\_\_\_  
 Name of Secretary (or Clerk) of Board: \_\_\_\_\_  
 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.)

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
ODEen K. Redman	President	212102
Richard L. Redman	Vice-President	160327



**BALANCE SHEET**  
**Assets and Other Debits**

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents	896985	1107216	210231
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances			
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	409904	408756	-1148
1181 Accts. Rec. Allow. -Telecommunications	-20495	-20438	57
1190 Other Accounts Receivable	472893	472305	-588
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	191484	150238	-41246
1280 Prepayments	76596	164141	87545
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies	90000	90000	0
1402 Investment in Nonaffiliated Companies	246795	286720	39925
1406 Nonregulated Investments	1321539	1784396	462857
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets			
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges	879193	1092368	213175
1500 Other Jurisdiction Assets - Net			
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	25158890	27328808	2169918
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	312766	201497	-111269
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill	4324455	4324455	0
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	-15382902	-17016938	-1634036
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	-1453998	-1453998	0
3600 Accumulated Amortization - Other			
<b>TOTAL ASSETS</b>	<b>17524105</b>	<b>18919526</b>	<b>1395421</b>

**BALANCE SHEET**  
**Liabilities & Stockholders' Equity**

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	132944	60639	-72305
4020 Notes Payable			
4030 Advance Billings and Payments	190756	151950	-38806
4040 Customer Deposits	500	5210	4710
4050 Current Maturities - Long -Term Debt	824109	825780	1671
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	5013	173031	168018
4080 Other Taxes - Accrued	67784	147356	79572
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities			
4130 Other Current Liabilities	339203	270203	-69000
<b>Long-Term Debt</b>			
4210 Funded Debt	6844155	6016117	-828038
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	1043864	1954237	910373
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities	172009	0	-172009
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	658168	337478	-320690
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
<b>Stockholders' Equity</b>			
4510 Capital Stock	40200	40200	0
4520 Additional Paid-In Capital			
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	7205400	8937325	1731925
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>17524105</b>	<b>18919526</b>	<b>1395421</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE**

**TOTAL Company Basis**

	<b>Balance Beginning of Year</b>	<b>Additions During year</b>	<b>Plant Retired or Sold</b>	<b>Transfers and Adjustments</b>	<b>Balance End of Year</b>
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	64813	0			64813
2112 Motor Vehicles	460085	0	-62142		397943
2113 Aircraft	362337	0			362337
2114 Special Purpose Vehicles	394367	0	-6110		388257
2115 Garage Work Equipment					
2116 Other Work Equipment	125280	0	-107411		17869
2121 Buildings	877886	45292			923178
2122 Furniture	87739	0			87739
2123 Office Equipment					
2124 General Purpose Computers	262531	23043			285574
2211 Analog Electronic Switching	15162	3546			18708
2212 Digital Electronic Switching	4408474	52138	-143		4460469
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	206680	2229	-30823		178086
2232 Circuit Equipment	4838105	971256	-173356		5636005
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56832	0			56832
2362 Other Terminal Equipment	35788	0			35788
2411 Poles	100677	0			100677
2421 Aerial Cable		0	-2559	224531	221972
2422 Underground Cable	223319	5546			228865
2423 Buried Cable	12374327	1726314	-299432		13801209
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0			19327
2431 Aerial Wire	245161	0		-202001	43160
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</b>	<b>25158890</b>	<b>2829364</b>	<b>-681976</b>	<b>22530</b>	<b>27328808</b>

**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	64813	0			64813
2112 Motor Vehicles	460085	0	-62142		397943
2113 Aircraft	362337	0			362337
2114 Special Purpose Vehicles	394367	0	-6110		388257
2115 Garage Work Equipment					
2116 Other Work Equipment	125280	0	-107411		17869
2121 Buildings	877886	45292			923178
2122 Furniture	87739	0			87739
2123 Office Equipment					
2124 General Purpose Computers	262531	23043			285574
2211 Analog Electronic Switching	15162	3546			18708
2212 Digital Electronic Switching	4408474	52138	-143		4460469
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	193707	2228	-30823		165112
2232 Circuit Equipment	4838105	971256	-173356		5636005
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56832	0			56832
2362 Other Terminal Equipment	35788	0			35788
2411 Poles	100677	0			100677
2421 Aerial Cable		0	-2559	224531	221972
2422 Underground Cable	223319	5546			228865
2423 Buried Cable	12330723	1722281	-299432		13753572
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0			19327
2431 Aerial Wire	245161	0		-202001	43160
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</b>	<b>25102313</b>	<b>2825330</b>	<b>-681976</b>		<b>27268197</b>



**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
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles	847157	0.250	150630	599844	397943
2113 Aircraft	106351	0.100	36225	-219761	362337
2114 Special Purpose Vehicles	254982	0.125	49665	-82519	387166
2115 Garage Work Equipment	71639	0.125	9726	63496	17869
2116 Other Work Equipment	451670	0.030	26377		478047
2121 Buildings	87739	0.125			87739
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers	260661	0.200	17513		278174
2211 Analog Electronic Switching	15162	0.125			15162
2212 Digital Electronic Switching	2601775	0.125	557689	77103	3082361
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	206680	0.200		30823	175857
2232 Circuit Equipment	2821108	0.100	453071	101884	3172295
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56833	0.230			56833
2362 Other Terminal Equipment	35788	0.200			35788
2411 Poles	100677	0.075			100677
2421 Aerial Cable			17463	-142063	159526
2422 Underground Cable	154405	0.065	14515		168920
2423 Buried Cable	7103166	0.065	882956	8365	7977757
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0.200			19327
2431 Aerial Wire	187782	0.086		144622	43160
2441 Conduit Systems					
<b>TOTAL</b>	15382902		2215830	581794	17016938

\*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	847157	0.250	150630	599844	397943
2113 Aircraft	106351	0.100	36225	-219761	362337
2114 Special Purpose Vehicles	254982	0.125	49665	-82519	387166
2115 Garage Work Equipment	71639	0.125	9726	63496	17869
2116 Other Work Equipment	451670	0.030	26377		478047
2121 Buildings	87739	0.125			87739
2122 Furniture		0.125			
2123 Office Equipment					
2124 General Purpose Computers	260661	0.200	17513		278174
2211 Analog Electronic Switching	15162	0.125			15162
2212 Digital Electronic Switching	2601775	0.125	557689	77103	3082361
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	193707	0.200		30823	162884
2232 Circuit Equipment	2821108	0.100	453071	101884	3172295
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges	56833	0.230			56833
2351 Public Telephone Terminal Equipment	35788	0.200			35788
2362 Other Terminal Equipment	100677	0.075			100677
2411 Poles			17463	-142063	159526
2421 Aerial Cable	154405	0.065	14515		168920
2422 Underground Cable	7076525	0.065	879906	8365	7948066
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0.200			19327
2431 Aerial Wire	187782	0.086		144622	43160
2441 Conduit Systems					
<b>TOTAL</b>	<b>15343288</b>		<b>2212780</b>	<b>581794</b>	<b>16974274</b>

\*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>
Telsat	_____	_____	90000
CoBank Patronage	_____	_____	286720
Rocky Mountain Wireless	_____	_____	148
Syringa Networks	_____	_____	861534
Internet	_____	_____	2242
Syringa Electronic Equip.	_____	_____	409255
Syringa Fiber	_____	_____	478624
Independent Cable Systems	_____	_____	22341
Spec Access Eq Non-Reg	_____	_____	10252
<b>Totals</b>	_____	_____	2161116

## 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	_____	388318
Qwest	_____	19542
CABS	_____	143896
NSF Checks	_____	421
NECA	_____	258611
Telsat	_____	273
Idaho USF	_____	42853
Misc.	_____	6709
<b>Totals</b>	_____	860623

**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>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Totals</b>	_____	_____	_____	_____

**ACCOUNTS PAYABLE**

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

<u>Name of Creditor</u>	<u>Amount</u>
Federal Excise Tax	15570
Misc	12590
AT&T	14844
Illuminet	6821
Subscriber	856
ATC Long Distance	6828
Sales Tax - Idaho	3130
_____	_____
_____	_____
<b>Totals</b>	<b>60639</b>

**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 &amp; 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	_____	1358313	_____	_____	2% to 5%	33996
CoBank	10-1996	12-2011	_____	5483584	_____	_____	Variable	235935
DL Evans Bank	Various	Various	_____	1954238	_____	_____	Variable	32821
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____	_____



## INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	7093459	7065629
Total Operating Expenses (from page 18)	5284802	5262972
7100 Other Operating Income and Expense	<u>                    </u>	<u>                    </u>
7210 Operating Investment Tax Credits-Net	-168839	-168839
7220 Operating Federal Income Taxes	531941	531941
7230 Operating State and Local Income Taxes	320	20
7240 Operating Other Taxes	137761	137761
7250 Provision for Deferred Operating Income Taxes-Net	-270508	-270508
7200           Operating Taxes (Total)	230675	230375
7310 Dividend Income		
7320 Interest Income	3484	3484
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	194218	194218
7360 Other Nonoperating Income	16377	16377
7370 Special Charges	<u>                    </u>	<u>                    </u>
7300           Nonoperating Income and Expense	214079	214079
7410 Nonoperating Investment Tax Credits-Net	<u>                    </u>	<u>                    </u>
7420 Nonoperating Federal Income Taxes	<u>                    </u>	<u>                    </u>
7430 Nonoperating State and Local Income Taxes	<u>                    </u>	<u>                    </u>
7440 Nonoperating Other Taxes	<u>                    </u>	<u>                    </u>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u>                    </u>	<u>                    </u>
7400           Nonoperating Taxes	<u>                    </u>	<u>                    </u>
7510 Interest on Funded Debt	302752	302752
7520 Interest Expense-Capital Leases	<u>                    </u>	<u>                    </u>
7530 Amortization of Debt Issuance Expense	<u>                    </u>	<u>                    </u>
7540 Other Interest Deductions	8543	8543
7500           Interest and Related Items	311295	311295
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>

## OPERATING REVENUES

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	1776750	1748920
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	162386	162386
5069 Other Local Exchange Settlements	_____	_____
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	393080	393080
5082 Switched Access Revenue (Interstate)	3621289	3621289
5083 Special Access Revenue	304213	304213
5084 State Access Revenue (Intrastate)	817846	817846
Long Distance Network Services Revenues	0	0
5100 Long Distance Message Revenue - All	_____	_____
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	_____	_____
5240 Rent Revenue	1200	1200
5250 Corporate Operations Revenue	_____	_____
5261 Special Billing Arrangements Revenue	_____	_____
5262 Customer Operations Revenue	820	820
5263 Plant Operations Revenue	_____	_____
5264 Other Incidental Regulated Revenue	_____	_____
5269 Other Revenue Settlements	_____	_____
5270 Carrier Billing & Collection Revenue	45961	45961
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	30086	30086
5302 Uncollectible Revenue - Other	_____	_____
<b>TOTAL OPERATING REVENUES</b>	<b>7093459</b>	<b>7065629</b>



**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses	-852	-852
6112 Motor Vehicle Expense		
6113 Aircraft Expense	19617	19617
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses	66908	62255
6121 Land and Building Expenses	63064	63064
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense		
6210 Central Office Switching Expenses	514677	514677
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	215693	215693
6231 Radio Systems Expense	8585	8585
6232 Circuit Equipment Expense		
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	1129763	1125365
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	5328	5328
6441 Conduit Systems Expense		
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>2022783</b>	<b>2013732</b>

**OPERATING REVENUES**

Item	Total Company 2022783	Idaho Only 2013732
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense		
6530 Network Operations Expense	110788	109571
6531 Power Expense		
6532 Network Administration Expense		
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense		
6540 Access Expense	30558	30558
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1889329	1886279
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	2030675	2026408
<b>Customer Operations Expense</b>		
6610 Marketing	32996	32996
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services	88112	88112
6621 Call Completion Services		
6622 Number Services		
6623 Customer Services	171974	170157
<b>Total Customer Operations Expense</b>	293082	291265
<b>Corporate Operations Expense</b>		
6710 Executive and Planning		
6711 Executive	366463	366463
6712 Planning		
6720 General and Administrative	168435	168435
6721 Accounting and Finance	393229	386534
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal	10135	10135
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative		
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	938262	931567
<b>TOTAL OPERATING EXPENSES</b>	5284802	5262972

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

Name of Central Office: Albion Telephone Company, Inc.  
Prefix (es): 349,638,645,673,698,824,827,527,554,588,766,767

Central Office Switch Type: Nortel DMS - 10

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

**Access Line Capacity**  
Design: 10244 \_\_\_\_\_ **Access Lines in Use**  
Customer Lines: 4799 \_\_\_\_\_  
(Include Centrex, PAL, Semi-Pub.)  
Installed/Equipped: 5742 \_\_\_\_\_ Public Telephone Lines 34 \_\_\_\_\_  
Company Official Lines 60 \_\_\_\_\_  
Company Test Lines 111 \_\_\_\_\_

**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		3830	3830			1037	1037	4867
New Connects		347	348			17	17	365
Disconnects		403	403			30	30	433
End of Year		3774	3775			1024	1024	4799

**Foreign Exchange:**  
Dial Tone from this C.O.: \_\_\_\_\_  
Dial Tone from another C.O.: \_\_\_\_\_

**Directory Listings:**  
Number of Customers with Nonpublished or Nonlisted: 284 \_\_\_\_\_

**Custom Calling:**  
Number of customers with at least one feature: 1666 \_\_\_\_\_  
Total number of features subscribed to: 18 \_\_\_\_\_

**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 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 ALL	4799			222362	335181	557543	116
2							
3							
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, 2003.

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 2-2-03

Alternate method of notification \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 64

Category of complaints (if known):

Deposit Disputes \_\_\_\_\_

Charges on Bill X

Denial/Termination X

Quality or Availability  
of Service X

Carrier Selection/Assignment \_\_\_\_\_

Miscellaneous \_\_\_\_\_

Rev 3/02

CERTIFICATE

State of Idaho )  
 ) ss  
County of Cassia )

WE, the undersigned Richard L. Redman - Vice Pres & Darla Redman - Sec.  
of Albion Telephone Company, Inc. located at 225 W. North Street, Albion, ID 83311,  
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.

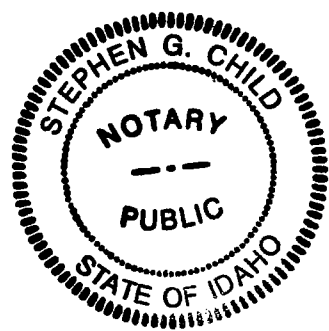
Richard L. Redman  
(Chief Officer)

Darla Redman  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 24 day of March, (Year) 2004.

Stephen G. Child  
Notary Public

My Commission expires April 16, (Year) 2007.



Rev 3/02

2002 FORM I INPUT MASTER		For The Year Ended: December 31, 2002		Separated Results of Idaho Operations			
COMPANY NAME: Albion Telephone Company, Inc.		Total Idaho Operations		Interstate Operation		Intrastate Operation	
FCC Account and Description	Note No.	Line No.	TOLL PLS		TOLL PLS		Total
			MTS & WATS Switched Access	Special Access	MTS & WATS Switched Access	Special Access	
		Subject To Separations					
<b>SUMMARY</b>							
Operating Revenues							
50XX Local -Billed	(1)	1.	1,943,684	0			1,943,684
-EAS Billed	(1)	2.	0	0			0
-EAS Settlement	(1)	3.	0	0			0
508X Access-SLC (End User)	(2)	4.	364,478	364,478			364,478
-Switched (TS+NTS)	(2)	5.	4,044,313	3346778	697535		697,535
-Special	(2)	6.	387,539	246907	140632		140,632
51XX Toll -Message	(3a)	7.	-214	-214			0
-Private Line	(3b)	8.	0	0			0
-Settlement	(3c)	9.	0	0			0
52XX Misc. -Billing & Collection	(4)	10.	53,749	20001	33748		33,748
-Directory Advertising		11.	0	0			0
-Operating Rents		12.	1,200	0			1,200
-Other Misc.		13.	1,346	0			1,346
530X Less: Uncollectible Rev. (-)		14.	-17,100	0			-17,100
<b>Total Revenues</b>		15.	<b>6,778,995</b>	<b>246,693</b>	<b>731,283</b>	<b>140,632</b>	<b>2,801,045</b>
<b>Operating Expenses</b>							
61XX-64XX Plant Specific Oper.	(5a)	16.	1,525,153	46,969	270,868	21,231	583,636
65XX Plant Nonspecific Operations	(5a)	17.	117,754	2,937	17,082	1,334	36,705
66XX Depreciation & Amortization	(5a)	18.	1,869,028	836,180	280,859	22,015	648,312
66XX Customer Operations	(5a)	19.	253,686	98,988	59,984	0	47,357
67XX Corporate Operations	(5a)	20.	925,337	373,550	164,636	10,551	337,459
---- Other Operating	(5a)	21.	0	0	0	0	0
<b>Total Expenses</b>	(5a)	22.	<b>4,690,958</b>	<b>1,21,963</b>	<b>793,429</b>	<b>55,131</b>	<b>1,653,469</b>
<b>Operating Taxes:</b>	(6)						
7240 General Taxes		23.	140,660	4,308	25,060	1,957	53,847
7230 State/Local Inc. Tax (Current)		24.	-1403	-42,96974264	-567	-19,519913	-537,0918598
7220 Federal Income Tax (Current)		25.	468871	13225	84877	5973	151935
7250 Net Deferred Income Taxes		26.	-46700	-1317	-8454	-595	-15133
7210 Net Investment Tax Credits		27.	21972	-1723	25668	-65	-1668
<b>Total Taxes</b>		28.	<b>583,400</b>	<b>16,031</b>	<b>126,901</b>	<b>7,251</b>	<b>188,444</b>
<b>Net Operating Income</b>		29.	<b>1,504,637</b>	<b>108,699</b>	<b>-189,047</b>	<b>78,250</b>	<b>87,217</b>
							<b>-165,295</b>

<b>SUMMARY (continued)</b>											
Average Rate Base											
2001 Telecom. Plant in Service	(5b)	1.	23,624,441	8,781,993	697,457	9,479,450	4,223,925	332,657	2,155,613	7,432,796	14,144,991
2005 Plant Acquisition Adjustment		2.	0	0	0	0	0	0	0	0	0
3100 Less: Accumulated Depr. (-)	(5c)	3.	-14,443,191	-5,426,177	-431,504	-5,857,681	-2,561,568	-198,278	-48,159	-5,777,505	-8,586,510
34xx-36xx Accumulated Amort. (-)	(5)	4.	0	0	0	0	0	0	0	0	0
4100-4340 Accum. Deferred Tax (-)		5.	-680,753	-263,055	-19842	-282,897	-118018	-9128	-14427	-256283	-397,856
1220 Materials and Supplies		6.	428237	113604	11608	125,212	95262	6501	15733	185529	303,025
Equal Access Equipment	(7)	7.	0	0	0	0	0	0	0	0	0
Other Rate Base		8.	977,720	378778	29280	408,058	179334	13273	20052	357003	569,662
<b>Total Average Rate Base</b>		9.	<b>9,906,454</b>	<b>3,585,143</b>	<b>286,999</b>	<b>3,872,142</b>	<b>1,818,935</b>	<b>145,025</b>	<b>2,128,812</b>	<b>1,941,540</b>	<b>6,034,312</b>



<b>PLANT IN SERVICE DETAIL</b>										
21XX	General Support Facilities									
1.		3,015,095	1,122,350	64,524	1,186,874	542,382	45,177	1,240,662		1,828,221
22XX	Central Office Equipment:									
	CAT 1-Operator Systems	0			0					0
	CAT 2-Tandem Switching (Alloc.)	0			0					0
	CAT 2-Tandem Switching (Assign.)	0			0					0
	CAT 3-Local Switching	3,298,268	2803528		2,803,528				494,740	494,740
	CAT 4.12 -Exch. Trunk (Joint Use)	477,854			0			477,854		477,854
	CAT 4.12 -Exch. Trunk (Ded. Use)	156,500		151,119	151,119		5381	0		5,381
	CAT 4.13 -Subscr. Line (Joint Use)	3,294,880	798796	59329	858,125	798796	40368		1597591	2,436,755
	CAT 4.13 -Subscr. Line (Ded. Use)	0			0					0
	CAT 4.23 -IX Trunk (Joint Use)	669,128	430613	74510	505,123	112871	51134		0	164,005
	CAT 4.23 -IX Trunk Ckt. (Ded. Use)	35,485		25482	25,482		10003			10,003
	CAT 4.3 -Host/Remote Trunk Ckt.	780,196	470630		470,630	123357			186209	309,566
	Other COE	0			0				0	0
	<b>Total COE</b>	<b>8,712,311</b>	<b>4,503,567</b>	<b>310,440</b>	<b>4,814,007</b>	<b>1,035,024</b>	<b>106,886</b>	<b>477,854</b>	<b>2,278,540</b>	<b>3,898,304</b>
23XX	Information Orig./Term. Equipment:									
	CAT 1-Regulated CPE	0			0					0
	Other IOT	0			0					0
	<b>Total IOT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
24XX	Cable & Wire Facilities:									
	CAT 1.3-Subscriber Line (Common)	10,251,631	2485359	184594	2,669,953	2485359	125600		4970719	7,581,678
	CAT 1.1,2-Subscriber Line (Ded.)	0			0					0
	CAT 2-Exch. Trunk (Joint Use)	437,097			0			437097		437,097
	CAT 2-Exch. Trunk (Ded. Use)	88,772		72632	72,632		16140	0		16,140
	CAT 3-IX Trunk (Joint Use)	321,850	206842	41946	248,788	39574	33488			73,062
	CAT 3-IX Trunk (Ded. Use)	28,687		23321	23,321		5366			5,366
	CAT 4-Host/Remote Trunk	768,998	463875		463,875	121586			183537	305,123
	Other C&WF	0			0					0
	<b>Total C&amp;WF</b>	<b>11,897,035</b>	<b>3,156,076</b>	<b>322,493</b>	<b>3,478,569</b>	<b>2,646,519</b>	<b>180,594</b>	<b>437,097</b>	<b>5,154,256</b>	<b>8,418,466</b>
26XX	Other Assets:									
	Capital Leases	0			0					0
	Leasehold Improvements	0			0					0
	Intangibles	0			0					0
	<b>Total Other Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Telecom. Plant in Service</b>	<b>23,624,441</b>	<b>8,781,993</b>	<b>697,457</b>	<b>9,479,450</b>	<b>4,223,925</b>	<b>332,657</b>	<b>2,155,613</b>	<b>7,432,796</b>	<b>14,144,991</b>
	(5b)									



<b>OPERATING EXPENSE DETAIL</b>											
61XX-64XX	Plant Specific Operations										
6110-20	General Support Facilities	106,301	39,507	3,265	42,772	18,989	1,483	2254	40803		63,529
621X	Central Office Switching	464,734	240,230	16,559	256,789	55,210	5,702		147,033		207,945
622X	Operator Systems										
623X	Central Office Transmission	150,273	77,679	5,355	83,034	17,852	1,844		47,543		67,239
63XX	Information Orig./Term. Equip.	0			0						0
64XX	Cable & Wire Facilities	803,845	213,246	21,790	235,036	17,887	12,202	29,533	34,825		568,809
	<b>Total Plant Specific</b>	<b>1,525,153</b>	<b>570,662</b>	<b>46,969</b>	<b>617,631</b>	<b>270,868</b>	<b>21,231</b>	<b>31,787</b>	<b>583,636</b>		<b>907,522</b>
65XX	Plant Nonspecific Operations										
6512	Provisioning	0	0	0	0	0	0		0		0
653X	Network Operations	95,626	35,540	2,937	38,477	17,082	1,334	2,028	36,705		57,149
6540	Access Paid to LECs	22,128	22,128		22,128						0
	<b>Total Plant Nonspecific</b>	<b>117,754</b>	<b>57,668</b>	<b>2,937</b>	<b>60,605</b>	<b>17,082</b>	<b>1,334</b>	<b>2,028</b>	<b>36,705</b>		<b>57,149</b>
656X	Depreciation & Amortization										
6561	General Support Facilities	212,504	78,979	6,526	85,505	37,961	2,964	4,507	81,567		126,999
6561	Central Office Switching	512,621	435,728		435,728	0			76,893		76,893
6561	Operator Systems	0			0						0
6561	Central Office Transmission	369,755	116,105	21,202	137,307	70,687	7,300		154,461		232,448
6561	Information Orig./Term. Equip.	0			0						0
6561	Cable & Wire Facilities	774,148	205,368	20,985	226,353	172,211	11,751	28,442	335,391		547,795
6563	Capital Leases	0			0						0
6563	Leasehold Improvements	0			0						0
6564	Intangibles	0			0						0
6565	Acquisition Adjustment	0			0						0
	<b>Total Depreciation &amp; Amortization</b>	<b>1,869,028</b>	<b>836,180</b>	<b>48,713</b>	<b>884,893</b>	<b>280,859</b>	<b>22,015</b>	<b>32,949</b>	<b>648,312</b>		<b>984,135</b>

OPERATING EXPENSE (continued)										
<b>66XX Customer Operations</b>										
661X Marketing	1.	0	0	0	0	0	0	0	0	0
662X Operator Services	2.	0	0	0	0	0	0	0	0	0
662X Directory Publishing-Alpha.	3.	0	0	0	0	0	0	0	0	0
662X Directory Publishing-Classified	4.	0	0	0	0	0	0	0	0	0
662X Directory Publishing-Foreign	5.	0	0	0	0	0	0	0	0	0
6623 Service Order Proc.-End User	6.	86,327	38,481	14,013	38,481	4,513	21,666.5	21,666.5	47,846	47,846
6623 Payment & Collection-End User	7.	43,917	14,013	8,342	14,013	8,788	10,558	10,558	29,904	29,904
6623 Billing Inquiry-End User	8.	26,145	8,342	192	8,342	5,232	6,285.5	6,285.5	17,803	17,803
6623 Service Order Proc.-CXR	9.	384	192	1,181	192	1,181			1,181	1,181
6623 Payment & Collection-CXR	10.	2,362	1,181	523	1,181	523			523	523
6623 Billing Inquiry-CXR	11.	1,046	523	0	523	0			0	0
6623 Coin Administration	12.	0	0	0	0	0			0	0
6623 Rev. Acctg.-Toll Ticket Proc.	13.	0	0	0	0	0			0	0
6623 Rev. Acctg.-Local Mess. Proc.	14.	24,936	10,698	17,694	10,698	14,238	8847	8847	14,238	14,238
6623 Rev. Acctg.-Other Bill & Coll.	15.	53,082	17,694	2,794	17,694	17,694			35,388	35,388
6623 Rev. Acctg.-SLC Billing	16.	2,794	2,794	5,070	2,794	5,070			5,070	5,070
6623 Rev. Acctg.-CXR B & C	(9)	10,140	5,070	0	5,070	0			0	0
6623 B & C Amts Paid to LECs	(9)	0	0	0	0	0			0	0
6623 Other Customer Service	19.	2,553	0	0	2,553	0			2,553	2,553
<b>Total Customer Operations</b>	(5a)	<b>253,686</b>	<b>98,988</b>	<b>0</b>	<b>98,988</b>	<b>59,984</b>	<b>47,357</b>	<b>47,357</b>	<b>154,698</b>	<b>154,698</b>
<b>67XX Corporate Operations:</b>										
671X Executive & Planning	21.	329,007	123,865	8,679	132,544	61,208	3,923	5,873	125,459	196,463
672X General & Administrative	22.	596,330	249,685	14,665	264,350	103,428	6,628	9,924	212,000	331,980
6728 EAS Settlement Expense	23.	0	0	0	0	0	0	0	0	0
<b>Total Corporate Operations</b>	(5a)	<b>925,337</b>	<b>373,550</b>	<b>23,344</b>	<b>396,894</b>	<b>164,636</b>	<b>10,551</b>	<b>15,797</b>	<b>337,459</b>	<b>528,443</b>
<b>Other Operating Expenses:</b>										
Equal Access Provision	(10)	0	0	0	0	0			0	0
Universal Service Fund	(11)	0	0	0	0	0			0	0
Lifeline Connection Assistance	(12)	0	0	0	0	0			0	0
<b>Total Other</b>	(5a)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Operating Expenses</b>	(5a)	<b>4,690,958</b>	<b>1,937,048</b>	<b>121,963</b>	<b>2,059,011</b>	<b>793,429</b>	<b>55,131</b>	<b>129,918</b>	<b>1,653,469</b>	<b>2,631,947</b>

<b>OPERATING TAXES DETAIL</b>												
7240	General Taxes											
	Property	140,285	52,138	4,308	56,446	250,60	1,957	2,975	53,847			83,839
	Gross Receipts	0			0							0
	PUC Fee	0			0							0
	Franchise Fees	0			0							0
	Other	375	375		375							0
	<b>Total General Taxes</b>	<b>140,660</b>	<b>52,513</b>	<b>4,308</b>	<b>56,821</b>	<b>25,060</b>	<b>1,957</b>	<b>2,975</b>	<b>53,847</b>			<b>83,839</b>
72XX	Income Taxes (Calculated)											
(13)	Net Income Before SIT & FIT	1,947,377	1,741,696	120,422	1,862,118	-87,206	83,544	-132,893	221,814			85,259
	Less Fixed Charges (-)	322,948	117,720	10,394	128,114	58,531	4,636	6,642	125,025			194,834
(14)	<b>Subtotal (lines 7-8)</b>	<b>1,624,429</b>	<b>1,623,976</b>	<b>110,028</b>	<b>1,734,004</b>	<b>-145,737</b>	<b>78,908</b>		<b>96,789</b>			<b>-109,575</b>
(15)	Other SIT Base Add/Ded. (+-)	0			0							0
	<b>SIT Taxable Inc. (lines 9+-10)</b>	<b>1,624,429</b>	<b>1,623,976</b>	<b>110,028</b>	<b>1,734,004</b>	<b>-145,737</b>	<b>78,908</b>		<b>96,789</b>			<b>-109,575</b>
(16)	7230 SIT-Current (at 8%)	47,771	36,119	1,836	37,955	8,989	827		0			9,816
(17)	Other FIT Base Add/Ded. (+-)	0			0							0
	<b>FIT Taxable Inc. (lines 9-12+-13)</b>	<b>1,576,658</b>	<b>1,587,857</b>	<b>108,192</b>	<b>1,696,049</b>	<b>-154,726</b>	<b>78,081</b>		<b>96,789</b>			<b>20,144</b>
	Gross FIT	170,335	128,814	6,546	135,360	32,029	2,946	0	0			34,975
	7210P Claimed ITC (-)	0	0	0	0	0	0		0			0
	Surtax Elimination (-)	0	0	0	0	0	0		0			0
(18)	<b>7220 FIT-Current (lines 15-16-17)</b>	<b>170,335</b>	<b>128,814</b>	<b>6,546</b>	<b>135,360</b>	<b>32,029</b>	<b>2,946</b>	<b>0</b>	<b>0</b>			<b>34,975</b>

2001 FORM 1 INPUT MASTER'		For The Year Ended: December 31, 2002		Separated Results of Idaho Operations		Intrastate		Operation			
COMPANY NAME: Albion Telephone Company, Inc.		Total Idaho		Interstate		Intrastate		EAS		Local (Other)	
Description		Note No.	Line No.	Operations Subject To Separations	Interstate Toll	Intrastate Toll	EAS				
Separation Parameters		(19)									
<b>Piant</b>											
SLU Minutes of Use (MOU)			1.	90,184,712	25347570	6592010	20387268	37857864			
SLU Factor			2.	1.000000	0.28106	0.0731	0.22606	0.41978			
Base SPF - January 1			3.	1.000000	0.25	0.25		0.5			
Base SPF - December 31			4.	1.000000	0.25	0.25		0.5			
Current Composite SPF	(20)		5.	1.000000	0.25	0.25		0.5			
1996 Weighted DEM			6.	1.000000	0.85			0.15			
1996 Unweighted DEM			7.	1.000000	0.31309	0.10419	0.13074	0.45198			
Current CAT 3 Dial Equipment Minutes	(21)		8.	90,184,713	25347648	6591933	20387268	37857864			
Current Composite DEM Factor			9.	1.000000	0.85			0.15			
Exchange Trunk - Joint Use MOU	(22)		10.	0							
Host/Remote MOU Kilometers	(23)		11.	90,184,713	25347648	6591933	20387268	37857864			
Equal Access MOU	(24)		12.	0							
Operator Standard Work Seconds	(25)		13.	0							
Tandem Switching MOU	(26)		14.	0							
IX Conversation MOU			15.	31,939,580	25306313	6633267					
IX Conversation Minute Kilometers			16.	190,191,538	159645592	30545946					
<b>Other Parameters</b>											
Access Lines			17.	5387							
Unseparated Loop Cost @ 11.1 ROR	(27)		18.	555,3039							
<b>Gross Billed Revenues</b>											
-Marketing Allocation Basis	(28a)		19.	0							
-Payment & Collection-End User	(28b)		20.	3,042,153	970696	608739		1462718			
-Payment & Collection-CXR	(28c)		21.	2,666	1333	1333					
<b>Service Order Contacts</b>											
-Service Order Proc.-End User	(29a)		22.	3,558	1586	186		1786			
-Service Order Proc.-CXR	(29b)		23.	433	216	217					
<b>Billing Inquiry Contacts</b>											
-Billing Inquiry-End User	(30a)		24.	3,042,153	970696	608739		1462718			
-Billing Inquiry-CXR	(30b)		25.	1,180	590	590					
SP+RC Toll Messages	(31)		26.	1,113,798	477663	636135					
EAS/Local Messages (Msg. Proc.)			27.	0							
'BIG 3' Expense Factor-Message	(32)		28.	1,672,860	633787	381162		657911			
-PLS & Special Access			29.	58,854	24728	34126					
Operator Services Expense -- Factor			30.	0							
Access Minutes of Use (End Office)			31.	27,440,344	20588525	6851819					

REVENUE REQUIREMENT SUMMARY

LN	DESCRIPTION	TOTAL OPERATING	INTERSTATE		INTRASTATE		EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE
			MESSAGE TOLL	SPECIAL ACCESS	MESSAGE TOLL	SPECIAL ACCESS			
	ALLOCATION BASIS		INTRALATA	INTERLATA	INTRALATA	INTERLATA			
1	REVENUE REQUIREMENT SUMMARY								
2	NET INVESTMENT FOR SETTLEMENTS	9,677,628	0	3,571,588	0	1,809,491	0	209,367	3,631,613
3	RATE OF RETURN	9,484,957	11.25000%	11.25000%	8.30000%	8.30000%	8.30000%	8.30000%	8.30000%
4	RETURN ON INVESTMENT	917,871	0	401,805	0	150,188	0	17,377	301,424
5	ALLOW FOR FUNDS USED DJUR CONSTR (Normalized)	0	0	0	0	0	0	0	0
6	NET RETURN FOR SETTLEMENTS	917,871	0	401,805	0	150,188	0	17,377	301,424
7	FEDERAL OPERATING INCOME TAX (OPTIONAL)	312,248	0	147,234	0	47,644	0	5,581	95,173
8	LESS: FEDERAL ITC AMORTIZATION	-4,524	0	-1,723	0	-828	0	-98	-1,668
9	NET FEDERAL INCOME TAX (OPTIONAL)	316,771	0	148,957	0	48,472	0	5,679	96,841
10	STATE AND LOCAL INCOME TAX	84,934	0	41,239	0	10,821	0	1,563	26,657
11	LESS: STATE ITC AMORTIZATION	26,496	0	0	0	26,496	0	0	0
12	NET STATE INCOME TAX	58,438	0	41,239	0	15,675	0	1,563	26,657
13	OPERATING EXPENSE AND TAX	4,544,585	0	1,989,123	0	818,277	0	85,512	1,468,368
14	OTHER ALLOWABLE EXPENSES	2,401	0	1,044	0	460	0	44	758
15	UNCOLLECTIBLES	-17,100	0	0	0	0	0	0	-17,100
16	NET BASIS FOR GROSS RECEIPTS TAX (GROSS UP)	5,822,965	0.00000%	2,582,166	0.00000%	1,001,722	0.00000%	110,176	1,876,948
17a	GROSS RECEIPTS TAX	0	0	0	0	0	0	0	0
17b	LESS: B-I LEAS CREDIT	0	0	0	0	0	0	0	0
18	TOTAL REVENUE REQUIREMENT	5,822,965	0	2,582,166	0	1,001,722	0	110,176	1,876,948
19									
20	OPTIONAL GROSS UP INCOME TAX CALC								
21	NET RETURN FOR SETTLEMENTS	917,871	0	401,805	0	150,188	0	17,377	301,424
22	INTEREST AND RELATED ITEMS EXCL NON-OPER	316,287	0	117,720	0	58,531	0	6,642	118,344
23	OTHER INCOME ADJUSTMENTS	316,287	0	117,720	0	58,531	0	6,642	118,344
24	TOTAL INCOME ADJUSTMENTS	-4,524	0	-1,723	0	-828	0	-98	-1,668
25	FEDERAL ITC AMORTIZATION	918,375	0	433,041	0	140,128	0	16,415	279,921
26	FEDERAL TAXABLE INCOME @ 34.00%	312,248	0	147,234	0	47,644	0	5,581	95,173
27	FEDERAL INCOME TAX	0	0	0	0	0	0	0	0
28	FEDERAL SURTAX ALLOC- OPERATING	312,248	0	147,234	0	47,644	0	5,581	95,173
29	NET FED INCOME TAX BEFORE ITC	26,496	0	0	0	26,496	0	0	0
30	STATE ITC AMORTIZATION	976,813	0	474,279	0	124,453	0	17,978	306,577
31	STATE TAXABLE INCOME @ 8.70%	84,934	0	41,239	0	10,821	0	1,563	26,657
32	STATE SURTAX EXEMPTION	0	0	0	0	0	0	0	0
33	NET STATE INCOME TAX BEFORE ITC TAX: A	84,934	0	41,239	0	10,821	0	1,563	26,657

NOTE A: INCLUDES NET TEL PLANT FROM SCH S-2 LN 36 LESS A/C'S 2006, 2007 AND 1402 OTHER THAN RTB STOCK.

SUMMARY OF NET TELEPHONE PLANT, M&S AND WORKING CAPITAL

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL						SPECIAL ACCESS	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA					INTRALATA	INTERLATA
NET INVESTMENT SUMMARY																	
1	GENERAL SUPPORT FACILITIES	2110		2,983,880	S-3, LN 10	0	1,108,974	0	91,637	533,019	0	41,622	0	63,284	1,073,666	71,629	
2	CENTRAL OFFICE SWITCHING EQUIP	2210		3,296,268	S-4, LN 52	0	2,803,528	0	0	0	0	0	0	0	0	494,740	
3	OPERATOR SYSTEMS EQUIPMENT	2220		0	S-4, LN 41	0	0	0	0	0	0	0	0	0	0	0	
4	CENTRAL OFFICE TRANS EQUIP	2230		5,414,041	S-4, LN 78	0	1,700,038	0	310,439	1,095,023	0	108,896	0	0	2,261,655	0	
5	INFORMATION ORIG/TERM EQUIPMENT	2310		0	S-5, LN 17	0	0	0	0	0	0	0	0	0	0	0	
6	CABLE AND WIRE FACILITIES	2410		11,897,036	S-5, LN 42	0	3,156,076	0	322,493	2,646,520	0	180,594	0	437,037	5,154,256	0	
7	TANGIBLE ASSETS	2690		0	S-3, LN 29	0	0	0	0	0	0	0	0	0	0	0	
8	INTANGIBLE ASSETS	2690		0	S-3, LN 36	0	0	0	0	0	0	0	0	0	0	0	
9	TOTAL PLANT IN SERVICE A/C 2001			23,593,195		0	8,788,616	0	724,568	4,214,562	0	323,102	0	500,381	8,489,596	566,369	
10	% DISTRIBUTION			100.0000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%	
11	PROPERTY HELD FOR FUTURE USE	2002		0	S-6, LN 9	0	0	0	0	0	0	0	0	0	0	0	
12	PLANT UNDER CONSTRUCTION	2003		632,213	S-6, LN 15	0	234,987	0	19,416	112,935	0	8,819	0	13,408	227,491	15,177	
13	RESERVED FOR FUTURE USE	XXXX		0	S-6, LN 21	0	0	0	0	0	0	0	0	0	0	0	
14	TELEPHONE PLANT ADJUSTMENT	2005		0	S-6, LN 27	0	0	0	0	0	0	0	0	0	0	0	
15	NONOPERATING PLANT	2006		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
16	GOODWILL	2007		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
17	TOTAL PROPERTY, PLANT & EQUIPMENT			24,225,408		0	9,003,584	0	743,984	4,327,497	0	337,921	0	513,789	8,717,087	581,546	
18	% DISTRIBUTION			100.0000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%	
19	ACCUM DEPR - PLANT IN SERVICE	3100		14,443,190	S-7, LN 18	0	5,426,177	0	431,504	2,561,568	0	198,278	0	312,363	5,148,041	365,259	
20	ACCUM DEPR - FUTURE USE	3200		0	S-7, LN 19	0	0	0	0	0	0	0	0	0	0	0	
21	ACCUM AMORT - TANGIBLE PROPERTY	3400		0	S-7, LN 23	0	0	0	0	0	0	0	0	0	0	0	
22	ACCUM AMORT - INTANGIBLE PROPERTY	3500		0	S-7, LN 24	0	0	0	0	0	0	0	0	0	0	0	
23	ACCUM AMORT - TEL PLANT ADJ	3600		0	S-7, LN 25	0	0	0	0	0	0	0	0	0	0	0	
24	OPER. DEFERRED INCOME TAX - NET	VAR		680,753	S-7, LN 34	0	263,055	0	19,842	118,018	0	9,128	0	14,427	237,133	18,150	
25	CUSTOMER DEPOSITS	4040		455	/LN 9-DIRECT	0	169	0	14	81	0	6	0	10	164	11	
26	OTHER LT LIAB - POST RET BENEFITS	4310		0	S-7, LN 43	0	0	0	0	0	0	0	0	0	0	0	
27	OTHER DEFERRED CREDITS - NET	4360		9,101,010	S-7, LN 42	0	3,314,163	0	292,624	1,647,830	0	130,509	0	186,989	3,331,749	197,127	
28	NET TELEPHONE PLANT			100.0000%		0.0000%	36.4155%	0.0000%	3.2153%	18.1060%	0.0000%	1.4340%	0.0000%	2.0546%	36.6086%	2.1660%	
29	% DISTRIBUTION			100.0000%		0.0000%	36.4155%	0.0000%	3.2153%	18.1060%	0.0000%	1.4340%	0.0000%	2.0546%	36.6086%	2.1660%	
30	MATERIALS AND SUPPLIES	1220		428,238	S-6, LN 31	0	113,604	0	11,608	95,262	0	6,501	0	15,733	165,528	0	
31	INVESTMENT IN NONAFFILIATED CO'S	1402		0	S-6, LN 35	0	0	0	0	0	0	0	0	0	0	0	
32	NONCURRENT ASSETS-POST RET BENE	1410		0	S-6, LN 36	0	0	0	0	0	0	0	0	0	0	0	
33	EQUAL ACCESS EQUIPMENT	1439		0	S-6, LN 37	0	0	0	0	0	0	0	0	0	0	0	
34	OTHER JURISDICTIONAL ASSETS	1500		345,506	S-6, LN 38	0	143,811	0	9,864	66,399	0	4,454	0	6,644	114,335	0	
35	CASH WORKING CAPITAL	XXXX		9,874,754		0	3,571,588	0	314,086	1,809,491	0	141,463	0	209,357	3,631,613	197,127	
36	NET TEL PLANT, M&S AND CWC			100.0000%		0.0000%	36.1659%	0.0000%	3.1808%	16.3244%	0.0000%	1.4326%	0.0000%	2.1202%	36.7767%	1.9963%	
37	% DISTRIBUTION			100.0000%		0.0000%	36.1659%	0.0000%	3.1808%	16.3244%	0.0000%	1.4326%	0.0000%	2.1202%	36.7767%	1.9963%	



OTHER TELECOMMUNICATIONS PLANT

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER	
						MESSAGE TOLL	SPECIAL ACCESS	INTRALATA	MESSAGE TOLL	SPECIAL ACCESS	INTRALATA					
						INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA	INTRALATA					
BASIS FOR GENERAL SUPPORT FACILITIES																
1	- CLASS A SEPARATIONS			1,768,163		0	665,683	0	46,641	328,945	0	21,081	0	31,561	542,318	131,934
2	BIG THREE EXPENSES			100,000,000%		0.0000%	37.6483%	0.0000%	2.6378%	18.6038%	0.0000%	1.1923%	0.0000%	1.7850%	30.6713%	7.4616%
3	% DISTRIBUTION															
4	- CLASS B SEPARATIONS			20,609,345		0	7,659,642	0	692,931	3,681,543	0	287,480	0	437,087	7,415,910	494,740
5	COE, IOT AND C&WF			100,000,000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
6	% DISTRIBUTION															
LAND AND SUPPORT ASSETS																
7	CLASS A COMPANIES		2110	0	LN 3-DIRECT	0	0	0	0	0	0	0	0	0	0	0
8	CLASS B COMPANIES			2,983,850	LN 6-DIRECT	0	1,108,974	0	91,637	533,019	0	41,622	0	63,284	1,073,686	71,629
9	DIRECT ASSIGNED NON ACCESS			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
10	TOTAL LAND AND SUPPORT ASSETS			2,983,850		0	1,108,974	0	91,637	533,019	0	41,622	0	63,284	1,073,686	71,629
11	% DISTRIBUTION			100,000,000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
GEN SUPPORT ASSETS, COE, INFORMATION																
12	ORIG/TERM, AND C&WF			23,593,195		0	8,766,616	0	724,568	4,214,562	0	325,102	0	500,381	8,483,596	566,369
13	% DISTRIBUTION			100,000,000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
TANGIBLE ASSETS																
15	CAPITAL LEASES		2681	0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0
16	GENERAL SUPPORT			0	S-4, LN 81+DIR	0	0	0	0	0	0	0	0	0	0	0
17	CENTRAL OFFICE EQUIP			0	S-5, LN 18+DIR	0	0	0	0	0	0	0	0	0	0	0
18	INFORMATION ORIG/TERM			0	S-5, LN 43+DIR	0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE FACILITIES			0	LN 14+DIR	0	0	0	0	0	0	0	0	0	0	0
20	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0
21	SUBTOTAL CAPITAL LEASES			0		0	0	0	0	0	0	0	0	0	0	0
22	LEASEHOLD IMPROVEMENTS		2682	0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0
23	GENERAL SUPPORT			0	S-4, LN 81+DIR	0	0	0	0	0	0	0	0	0	0	0
24	CENTRAL OFFICE EQUIP			0	S-5, LN 18+DIR	0	0	0	0	0	0	0	0	0	0	0
25	INFORMATION ORIG/TERM			0	S-5, LN 43+DIR	0	0	0	0	0	0	0	0	0	0	0
26	CABLE AND WIRE FACILITIES			0	LN 14+DIR	0	0	0	0	0	0	0	0	0	0	0
27	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0
28	SUBTOTAL LEASEHOLD IMPROVEMENTS			0		0	0	0	0	0	0	0	0	0	0	0
29	TOTAL TANGIBLE ASSETS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
30	% DISTRIBUTION															
GEN SUPPORT ASSETS, COE, INFORMATION																
31	ORIG/TERM, CWF AND TANGIBLE ASSETS			23,593,195		0	8,766,616	0	724,568	4,214,562	0	325,102	0	500,381	8,483,596	566,369
32	% DISTRIBUTION			100,000,000%		0.0000%	37.1659%	0.0000%	3.0711%	17.8635%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
33																
INTANGIBLE ASSETS																
34	ALLOCATED		2690	0	LN 33	0	0	0	0	0	0	0	0	0	0	0
35	DIRECT ASSIGNMENT			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
36	TOTAL INTANGIBLES			0		0	0	0	0	0	0	0	0	0	0	0
37	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CENTRAL OFFICE EQUIPMENT SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE		INTRASTATE		EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA	MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA				
1	SEPARATION FACTORS												
2	- COMBINED TOLL AND LOCAL BOARDS			100.0000%		0.0000%	42.8837%	0.0000%	57.1163%	0.0000%	0.0000%	0.0000%	0.0000%
3	- SEPARATE TOLL BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4	- DSA BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	- DSB BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	- DIRECTORY ASSISTANCE BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	- TSPS COMPLEX			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	SERVICE OBSERVING TOLL MOU'S			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	PROCESSOR REAL TIME - RTA			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
10	PROCESSOR REAL TIME - TSPS COMPLEX			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	REL MOU'S - TANDEM SWITCHING			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
12	REL MOU'S - TANDEM SWITCH TRANSPORT			0.0000%		0.0000%	85.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
13	DIAL EQUIPMENT MOU'S (DEM)			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
14a	REL MOU'S - EXCHANGE TRUNK			100.0000%		0.0000%	79.2320%	0.0000%	20.7680%	0.0000%	0.0000%	0.0000%	0.0000%
14b	TOLL CONVERSATION MINUTES			100.0000%		0.0000%	60.3220%	0.0000%	15.8110%	0.0000%	0.0000%	0.0000%	0.0000%
15	HOST/REMOTE MOU MILES			100.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
16	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

COE BOOK COST													
LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE		INTRASTATE		EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA	MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA				
17	OPERATOR SYSTEMS EQUIPMENT												
18	MANUAL SWITCHBOARDS	2220	1.1	0	LN 2	0	0	0	0	0	0	0	0
19	COMBINED TOLL AND LOCAL			0	LN 3	0	0	0	0	0	0	0	0
20	SEPARATE TOLL SWBD			0	LN 4	0	0	0	0	0	0	0	0
21	SEPARATE DSA BOARDS			0	LN 5	0	0	0	0	0	0	0	0
22	SEPARATE DSB BOARDS			0	DIRECT	0	0	0	0	0	0	0	0
23	DIRECT ASSIGNMENT			0		0	0	0	0	0	0	0	0
24	SUBTOTAL MANUAL BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
25	% DISTRIBUTION												
26	AUXILIARY SWITCHBOARDS	2220	1.2	0	LN 6+DIR	0	0	0	0	0	0	0	0
27	DIRECTORY ASSISTANCE			0	SLU	0	0	0	0	0	0	0	0
28	INTERCEPT			0	LN 3+DIR	0	0	0	0	0	0	0	0
29	TOLL RATE AND ROUTE			0		0	0	0	0	0	0	0	0
30	SUBTOTAL AUXILIARY BOARDS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
31	% DISTRIBUTION												
32	SERVICE OBSERVING	2220	1.3	0	LN 8	0	0	0	0	0	0	0	0
33	TOLL			0	DIRECT	0	0	0	0	0	0	0	0
34	EXCHANGE			0	DIRECT	0	0	0	0	0	0	0	0
35	DIRECT ASSIGNMENT			0		0	0	0	0	0	0	0	0
36	SUBTOTAL SERVICE OBSERVING			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
37	% DISTRIBUTION												
38	TRAFFIC SERVICE POSITIONS	2220	1.4	0	LN 7+DIR	0	0	0	0	0	0	0	0
39	OPERATOR			0	LN 9+DIR	0	0	0	0	0	0	0	0
40	REMOTE TRUNK ARRANGEMENT			0	LN 10+DIR	0	0	0	0	0	0	0	0
41	OTHER			0		0	0	0	0	0	0	0	0
42	SUBTOTAL TSPS			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
43	% DISTRIBUTION												
44	TOTAL OPERATOR SYSTEMS EQUIPMENT			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
45	% DISTRIBUTION												

CENTRAL OFFICE EQUIPMENT SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL						SPECIAL ACCESS	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA					INTRALATA	INTERLATA
43	TANDEM SWITCHING EQUIPMENT	2210	2.0	0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0	
44	ACCESS		2.1	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
45	NON ACCESS		2.2	0	LN 12+DIR	0	0	0	0	0	0	0	0	0	0	0	
46	TANDEM SWITCH TRANSPORT		2.3	0	LN 12+DIR	0	0	0	0	0	0	0	0	0	0	0	
47	SUBTOTAL TANDEM SWITCHING			0		0	0	0	0	0	0	0	0	0	0	0	
	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
48a	LOCAL SWITCHING EQUIPMENT	2210	3.0	3,298,268	LN 13+DIR	0	2,803,528	0	0	0	0	0	0	0	0	494,740	
48b	ACCESS - TS		3.11	0	LN 13+DIR	0	0	0	0	0	0	0	0	0	0	0	
48c	ACCESS - NTS		3.12	0	LN 13+DIR	0	0	0	0	0	0	0	0	0	0	0	
48d	EQUAL ACCESS		3.2	0	S-6, LN 3	0	0	0	0	0	0	0	0	0	0	0	
49	SS7 SWITCHING		3.3	0	LN 13+DIR	0	0	0	0	0	0	0	0	0	0	0	
50	SUBTOTAL LOCAL SWITCHING			3,298,268		0	2,803,528	0	0	0	0	0	0	0	0	494,740	
51	% DISTRIBUTION			100.0000%		0.0000%	85.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	15.0000%	
52	TOTAL SWITCHING EQUIPMENT			3,298,268		0	2,803,528	0	0	0	0	0	0	0	0	494,740	
53	% DISTRIBUTION			100.0000%		0.0000%	85.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	15.0000%	
CENTRAL OFFICE TRANS EQUIP																	
54	EXCHANGE CIRCUIT	2230	4.0	0	AL-1, LN10+DIR	0	0	0	0	0	0	0	0	0	0	0	
55	EXCHANGE LINE WIDEBAND		4.1	156,459	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
56	EXCH TRUNK - EAS		4.121	477,854	AL-1, LN12+DIR	0	0	0	0	0	0	0	0	0	0	477,854	
57	EXCH TRUNK - WIDEBAND		4.122	0	AL-1, LN14+DIR	0	0	0	0	0	0	0	0	0	0	0	
58	EXCH TRUNK - BASIC		4.123	0	LN 148+DIR	0	0	0	0	0	0	0	0	0	0	0	
59	EXCH TRUNK - SPECIAL		4.124	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
60	SUBSCRIBER LINE - BASIC		4.131	3,294,879	AL-1, LN 2+DIR	0	798,796	0	59,329	0	0	0	0	0	0	1,597,591	
61	SUBSCRIBER LINE - SPECIAL		4.132	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
62	SUBTOTAL EXCHANGE CIRCUIT			3,929,232		0	798,796	0	210,447	0	0	0	0	0	0	2,075,445	
63	% DISTRIBUTION			100.0000%		0.0000%	20.3296%	0.0000%	5.3559%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	52.8206%	
64	INTEREXCHANGE CIRCUIT		4.2	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
65	FURNISHED OTHERS - INTERSTATE		4.21	35,485	AL-1, LN14+DIR	0	0	0	0	0	0	0	0	0	0	0	
66	WIDEBAND		4.22	669,127	AL-1, LN6+DIR	0	430,613	0	25,482	0	0	0	0	0	0	0	
67a	OTHER - BASIC		4.231	0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0	
67b	OTHER - TANDEM MULTIPLEXING		4.232	0	LN 148+DIR	0	0	0	0	0	0	0	0	0	0	0	
67c	OTHER - VOICE GRADE MULTIPLEXING		4.233	0	AL-1, LN6+DIR	0	0	0	0	0	0	0	0	0	0	0	
68	OTHER - SS7		4.234	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
69	NON ACCESS		4.24	704,612		0	430,613	0	99,991	0	0	0	0	0	0	0	
70	SUBTOTAL INTEREXCHANGE CIRCUIT			100,000.00%		0.0000%	61.1134%	0.0000%	14.1910%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
71	% DISTRIBUTION			780,196		0	470,650	0	123,357	0	0	0	0	0	0	186,209	
72	HOST/REMOTE CIRCUIT		4.3	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
73	EXCLUDING WATS		4.31	780,196		0	470,650	0	25,482	0	0	0	0	0	0	0	
74	CLOSED END WATS		4.32	0		0	60,322.00	0.0000%	74,510	0	0	0	0	0	0	0	
75	SUBTOTAL HOST/REMOTE CIRCUIT			780,196		0	60,322.00	0.0000%	112,871	0	0	0	0	0	0	0	
76	% DISTRIBUTION			100.0000%		0.0000%	15.8110%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	23.8670%	
77	EQUIPMENT RENTED OTHERS			5,414,041	LN 16+DIR	0	1,700,038	0	310,439	0	0	0	0	0	0	2,261,555	
78	TOTAL TRANSMISSION EQUIPMENT			100,000.00%		0.0000%	31.4005%	0.0000%	5,734.0%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	41.7739%	
79	% DISTRIBUTION			8,712,309		0	4,503,566	0	310,439	0	0	0	0	0	0	494,740	
80	TOTAL CENTRAL OFFICE EQUIPMENT			100,000.00%		0.0000%	51.6920%	0.0000%	3,563.2%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	25.9593%	
81	% DISTRIBUTION			100,000.00%		0.0000%	11.8800%	0.0000%	1,226.9%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	5.6786%	

INFORMATION ORIGIN/TERM AND C&W SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL	SPECIAL ACCESS	INTRALATA	MESSAGE TOLL	SPECIAL ACCESS	INTRALATA				
1	SUBSCRIBER PLANT FACTOR (SPF)			100.0000%	INPUT	0.0000%	0.0000%	25.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	50.0000%	0.0000%
2	RELATIVE MOUS - COINLESS PAY TEL			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3	EQUIVALENT LOOPS - CWF			100.0000%	AL-1, LN 4	0.0000%	1.8006%	24.2435%	0.0000%	1.2252%	0.0000%	0.0000%	0.0000%	48.4871%	0.0000%
4	EQUIVALENT CHANNELS - EXCH WIDEBAND			0.0000%	AL-1, LN 12	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	EQUIVALENT CHANNELS - IX WIDEBAND			0.0000%	AL-1, LN 14	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	IX CIRCUIT MILES - CWF			100.0000%	AL-1, LN 8	0.0000%	13.0327%	12.2959%	0.0000%	10.4048%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%
7	REL MOUS - EXCHANGE TRUNK			100.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	23.8670%	0.0000%
8	HOST/REMOTE MOU MILES			100.0000%	INPUT	0.0000%	0.0000%	15.8110%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INFORMATION ORIGIN/TERMINATION															
2310															
10	OTHER IOT EQUIPMENT			0	0	0	0	0	0	0	0	0	0	0	0
11	PUBLIC INTEREST PAYSTATION EQUIP			0	S-11, LN 6	0	0	0	0	0	0	0	0	0	0
12	COINLESS PUBLIC TELEPHONE			0	LN 2-DIRECT	0	0	0	0	0	0	0	0	0	0
13	OTHER			0	LN 1-DIRECT	0	0	0	0	0	0	0	0	0	0
14	SUBTOTAL			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
15	% DISTRIBUTION			2.0	DIRECT	0	0	0	0	0	0	0	0	0	0
16	NEW CUSTOMER PREMISE EQUIPMENT			0		0	0	0	0	0	0	0	0	0	0
17	TOTAL INFO ORIGIN/TERM EQUIP			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
2410															
CABLE AND WIRE FACILITIES															
19	SUBSCRIBER LINE - JOINT			10,251,632	LN 3	0	184,594	2,485,359	0	125,600	0	0	0	4,970,719	0
20	SUBSCRIBER LINE - DIRECT			0	DIRECT	0	0	0	0	0	0	0	XXX	0	XXX
21	SUBTOTAL SUBSCRIBER LINE			10,251,632		0	184,594	2,485,359	0	125,600	0	0	0	4,970,719	0
22	EXCHANGE LINE WIDEBAND - JOINT			86,772	AL-1, LN 10	0	0	0	0	0	0	0	0	0	0
23	EXCHANGE LINE WIDEBAND - DIRECT			86,772	DIRECT	0	72,632	0	0	16,140	0	0	XXX	0	0
24	SUBTOTAL EXCHANGE WIDEBAND			173,544		0	72,632	0	0	16,140	0	0	0	0	0
25a	EXCHANGE TRUNK - JOINT			437,097	LN 7	0	0	0	0	0	0	0	0	0	0
25b	EXCHANGE TRUNK - DIRECT			437,097	DIRECT	0	0	0	0	0	0	0	437,097	0	0
26	SUBTOTAL EXCHANGE TRUNK			874,194	LN 4-DIRECT	0	0	0	0	0	0	0	437,097	0	0
27	INTEREXCHANGE WIDEBAND - JOINT			28,687	LN 5	0	0	0	0	0	0	0	0	0	0
28	INTEREXCHANGE WIDEBAND - DIRECT			28,687	DIRECT	0	23,321	0	0	5,366	0	0	XXX	0	0
29	SUBTOTAL INTEREXCHANGE WIDEBAND			57,374		0	23,321	0	0	5,366	0	0	0	0	0
30	IX TRUNK - ACCESS - JOINT			321,850	LN 6	0	41,946	39,574	0	33,488	0	0	0	0	0
31a	IX TRUNK - ACCESS - DIRECT			0	DIRECT	0	0	0	0	0	0	0	XXX	0	0
31b	IX TRUNK - ACCESS - SS7			0	LN 6-DIRECT	0	0	0	0	0	0	0	0	0	0
32	SUBTOTAL INTEREXCHANGE ACCESS			321,850		0	41,946	39,574	0	33,488	0	0	0	0	0
33	IX TRUNK - NON ACCESS - DIRECT			768,998	LN 8	0	0	0	0	0	0	0	XXX	0	0
34	HOST/REMOTE - JOINT			0	DIRECT	0	0	0	0	0	0	0	0	0	0
35	HOST/REMOTE - DIRECT			768,998	DIRECT	0	0	0	0	0	0	0	183,537	0	0
36	SUBTOTAL HOST/REMOTE EXCL WATS			768,998		0	0	0	0	0	0	0	183,537	0	0
37	HOST/REMOTE - CLOSED END WATS			0	DIRECT	0	0	0	0	0	0	0	0	0	0
38	EQUIPMENT FURNISHED OTHERS - JOINT			0	LN 9	0	0	0	0	0	0	0	0	0	0
39	EQUIPMENT FURNISHED OTHERS - DIRECT			0	DIRECT	0	0	0	0	0	0	0	0	0	0
40	SUBTOTAL EQUIP. FURNISHED OTHERS			0		0	0	0	0	0	0	0	0	0	0
41	TOTAL CABLE AND WIRE FACILITIES			11,897,036		0	322,493	2,646,520	0	180,594	0	0	437,097	5,154,256	0
42	% DISTRIBUTION			100.0000%		0.0000%	2.7107%	22.2452%	0.0000%	1.5180%	0.0000%	0.0000%	3.6740%	43.3239%	0.0000%

OTHER TELEPHONE PLANT AND DEFERRED CHARGES

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER	
						MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA	MESSAGE TOLL INTERLATA	MESSAGE TOLL INTRALATA	SPECIAL ACCESS INTRALATA	MESSAGE TOLL INTERLATA					
1	TELEPHONE PLANT IN SERVICE	2001		100.00000%	S-2, LN 10	0.00000%	37.1659%	0.00000%	0.00000%	1.3949%	0.00000%	0.00000%	2.1209%	35.9832%	2.40006%	
2	CABLE AND WIRE FACILITIES	2410		100.00000%	S-5, LN 43	0.00000%	26.5283%	0.00000%	0.00000%	1.5180%	0.00000%	0.00000%	3.6740%	43.3239%	0.00000%	
3	EQUAL ACCESS MOUS			0.00000%	INPUT	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	
OTHER TELECOMMUNICATIONS PLANT																
4	PROPERTY HELD FOR FUTURE USE	2002		0	S-3, LN 11	0	0	0	0	0	0	0	0	0	0	0
5	GENERAL SUPPORT FACILITIES			0	S-4, LN 81	0	0	0	0	0	0	0	0	0	0	0
6	CENTRAL OFFICE EQUIPMENT			0	S-5, LN 43	0	0	0	0	0	0	0	0	0	0	0
7	CABLE AND WIRE FACILITIES			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0
8	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0
9	PROPERTY HELD FOR FUTURE USE			0		0	0	0	0	0	0	0	0	0	0	0
10	PLANT UNDER CONSTRUCTION	2003		0	S-3, LN 11	0	0	0	0	0	0	0	0	0	0	0
11	GENERAL SUPPORT FACILITIES			0	S-4, LN 81	0	0	0	0	0	0	0	0	0	0	0
12	CENTRAL OFFICE EQUIPMENT			0	S-5, LN 43	0	0	0	0	0	0	0	0	0	0	0
13	CABLE AND WIRE FACILITIES			632.213	LN 1+DIRECT	0	234,967	19,416	112,935	8,819	0	0	13,408	227,491	15,177	
14	UNDISTRIBUTED			632.213		0	234,967	19,416	112,935	8,819	0	0	13,408	227,491	15,177	
15	TOTAL PLANT UNDER CONSTRUCTION					0	234,967	19,416	112,935	8,819	0	0	13,408	227,491	15,177	
16	RESERVED FOR FUTURE USE	XXXX		0		0	0	0	0	0	0	0	0	0	0	0
17	GENERAL SUPPORT FACILITIES			0	S-3, LN 11	0	0	0	0	0	0	0	0	0	0	0
18	CENTRAL OFFICE EQUIPMENT			0	S-4, LN 81	0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE FACILITIES			0	S-5, LN 43	0	0	0	0	0	0	0	0	0	0	0
20	UNDISTRIBUTED			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0
21	TOTAL			0		0	0	0	0	0	0	0	0	0	0	0
22	TELECOMMUNICATIONS PLANT ADJ	2005		0	S-3, LN 11	0	0	0	0	0	0	0	0	0	0	0
23	GENERAL SUPPORT FACILITIES			0	S-4, LN 81	0	0	0	0	0	0	0	0	0	0	0
24	CENTRAL OFFICE EQUIPMENT			0	S-5, LN 43	0	0	0	0	0	0	0	0	0	0	0
25	CABLE AND WIRE FACILITIES			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0
26	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0	0
27	TOTAL TEL PLANT ADJUSTMENT			0		0	0	0	0	0	0	0	0	0	0	0
28	TOTAL OTHER TELEPHONE PLANT			632.213		0	234,967	19,416	112,935	8,819	0	0	13,408	227,491	15,177	
MATERIALS AND SUPPLIES																
29	CPE	1220		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
30	OTHER			428,238	LN 2+DIRECT	0	113,604	11,608	95,262	6,501	0	0	15,733	185,529	0	
31	TOTAL			428,238		0	113,604	11,608	95,262	6,501	0	0	15,733	185,529	0	
32	% DISTRIBUTION			100.00000%		0.00000%	26.5283%	0.00000%	22.2452%	1.5180%	0.00000%	0.00000%	3.6740%	43.3239%	0.00000%	
INVESTMENT IN NONAFFILIATED CO.																
33	RTB STOCK	1402		0	LN 1	0	0	0	0	0	0	0	0	0	0	0
34	OTHER			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0
35	TOTAL			0		0	0	0	0	0	0	0	0	0	0	0
36	NONCURRENT ASSETS-POST RET BEVE	1410		0	S-3, LN 3	0	0	0	0	0	0	0	0	0	0	0
37	EQUAL ACCESS EQUIPMENT - NET	1439		0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0
38	OTHER JURISDICTIONAL ASSETS	1500		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0

ACCUMULATED DEPRECIATION/AMORTIZATION SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE		INTRASTATE		EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		MESSAGE TOLL							
						INTRALATA	INTERLATA	INTRALATA	INTERLATA						
1	GENERAL SUPPORT FACILITIES	2110		100,000,000%	S-3, LN 11	0.00000%	37,1659%	0.00000%	3,0711%	17,8635%	0.00000%	1,3949%	0.00000%	35,9932%	2,4006%
2	CENTRAL OFFICE EQUIPMENT	2230		100,000,000%	S-4, LN 11	0.00000%	51,6920%	0.00000%	0.00000%	11,8800%	0.00000%	1,2266%	0.00000%	25,9593%	5,6785%
3	INFORMATION ORIGTERM EQUIPMENT	2310		0.00000%	S-5, LN 18	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
4	CABLE & WIRE FACILITIES	2410		100,000,000%	S-5, LN 43	0.00000%	26,5283%	0.00000%	2,7107%	22,2452%	0.00000%	1,5180%	0.00000%	43,3238%	0.00000%
5	GEN SUPPORT, COE, IOT AND C&F	2681		100,000,000%	S-3, LN 14	0.00000%	37,1659%	0.00000%	3,0711%	17,8635%	0.00000%	1,3949%	0.00000%	35,9932%	2,4006%
6	CAPITAL LEASES	2682		0.00000%	S-3, LN 21	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
7	LEASEHOLD IMPROVEMENTS	2682		0.00000%	S-3, LN 28	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
8	TANGIBLE ASSETS	2880		0.00000%	S-3, LN 30	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
9	PLANT HELD FOR FUTURE USE	2002		0.00000%	S-6, LN 9	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
10	TELECOMMUNICATIONS PLANT ADJ	2005		0.00000%	S-6, LN 27	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
	ACCUM DEPR - PLANT IN SERVICE	3100													
11	GENERAL SUPPORT			2,270,714	LN 1+DIRECT	0	843,931	0	69,736	405,628	0	31,674	0	817,076	54,510
12	CENTRAL OFFICE SWITCHING EQUIP			2,071,660	S-4, LN 53+DIR	0	1,760,911	0	0	0	0	0	0	0	310,749
13	OPERATOR SERVICES EQUIPMENT			0	S-4, LN 2+DIR	0	0	0	0	0	0	0	0	0	0
14	CENTRAL OFFICE TRANSMISSION			2,909,619	S-4, LN 79+DIR	0	913,636	0	166,636	556,243	0	57,443	0	1,215,461	0
15	UNDISTRIBUTED COE			0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0
16	INFORMATION ORIGTERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0
17	CABLE AND WIRE FACILITIES			7,191,197	LN 4+DIRECT	0	1,907,699	0	194,932	1,599,697	0	109,161	0	3,115,504	0
18	TOTAL ACCUM DEP - PLANT IN SERVICE			14,443,190		0	5,426,177	0	431,504	2,561,568	0	196,278	0	5,148,041	365,259
19	ACCUM DEPRECIATION - FUTURE USE	3200		0	LN 9+DIRECT	0	0	0	0	0	0	0	0	0	0
	ACCUMULATED AMORTIZATION	3400													
20	TANGIBLE ASSETS			0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0
21	CAPITAL LEASES			0	LN 7+DIRECT	0	0	0	0	0	0	0	0	0	0
22	LEASEHOLD IMPROVEMENTS			0	LN 8+DIRECT	0	0	0	0	0	0	0	0	0	0
23	UNDISTRIBUTED			0		0	0	0	0	0	0	0	0	0	0
24	TOTAL ACCUM AMORT-TANGIBLE ASSETS	3500		0	S-3, LN 37+DIR	0	0	0	0	0	0	0	0	0	0
25	INTANGIBLE ASSETS	3600		0	LN 10+DIRECT	0	0	0	0	0	0	0	0	0	0
26	TELECOMMUNICATIONS PLANT ADJ			0		0	0	0	0	0	0	0	0	0	0
	NET OPERATING DEFERRED INC TAX	4100 & 4340													
27	GENERAL SUPPORT			86,097	LN 1+DIRECT	0	31,999	0	2,844	15,380	0	1,201	0	30,980	2,087
28	CENTRAL OFFICE SWITCHING EQUIP			113,885	S-4, LN 53+DIR	0	96,802	0	0	0	0	0	0	0	17,083
29	OPERATOR SERVICES EQUIPMENT			0	S-4, LN 2+DIR	0	0	0	0	0	0	0	0	0	0
30	CENTRAL OFFICE TRANSMISSION			137,797	S-4, LN 79+DIR	0	43,269	0	7,901	26,343	0	2,720	0	57,563	0
31	INFORMATION ORIGTERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0
32	CABLE AND WIRE FACILITIES			342,974	LN 4+DIRECT	0	90,995	0	9,297	76,295	0	5,206	0	148,590	0
33	UNDISTRIBUTED			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0
34	TOTAL NET DEFERRED INCOME TAX			680,753		0	263,055	0	19,842	118,018	0	9,128	0	237,133	19,150

ACCUMULATED DEPRECIATION/AMORTIZATION SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE				INTRASTATE				EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL		SPECIAL ACCESS					
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
	OTHER DEFERRED CREDITS - NET		4360														
35	GENERAL SUPPORT			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
36	CENTRAL OFFICE SWITCHING EQUIPMENT			0	S-4.LN63+DIR	0	0	0	0	0	0	0	0	0	0	0	0
37	OPERATOR SERVICES EQUIPMENT			0	S-4.LN42+DIR	0	0	0	0	0	0	0	0	0	0	0	0
38	CENTRAL OFFICE TRANSMISSION			0	S-4.LN79+DIR	0	0	0	0	0	0	0	0	0	0	0	0
39	INFORMATION ORIG/TERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
40	CABLE AND WIRE FACILITIES			0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
41	UNDISTRIBUTED			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
42	TOTAL OTHER DEFERRED CREDITS			0		0	0	0	0	0	0	0	0	0	0	0	0
43	OTHER LT LIAB - POST RET BENEFIT		4310	0	S-3.LN 3	0	0	0	0	0	0	0	0	0	0	0	0

SUMMARY OF OPERATING EXPENSE AND TAX

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL						SPECIAL ACCESS	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA					INTRALATA	INTERLATA
1	OPERATING EXPENSE AND TAX SUMMARY																
2	NETWORK SUPPORT EXPENSE	6110		23,447	S-9, LN 7	0	8,714	0	720	0	4,188	0	327	0	497	563	
3	GENERAL SUPPORT EXPENSE	6120		82,854	S-9, LN 8	0	30,793	0	2,545	0	14,801	0	1,156	0	1,757	1,989	
4	CENTRAL OFFICE EXPENSE	6210		615,007	S-9, LN 15	0	317,909	0	21,914	0	73,063	0	7,545	0	0	34,924	
5	INFORMATION ORIG/TERM EXPENSE	6310		0	S-9, LN 21	0	0	0	0	0	0	0	0	0	0	0	
6	CABLE AND WIRE FACILITIES EXPENSE	6410		803,846	S-9, LN 25	0	213,246	0	21,790	0	178,817	0	12,202	0	29,533	346,257	
7	OTHER PLANT EXPENSE	6510		0	S-10, LN 11	0	0	0	0	0	0	0	0	0	0	0	
8	NETWORK OPERATIONS EXPENSE	6530		95,626	S-10, LN 13	0	35,540	0	2,937	0	17,082	0	1,334	0	2,028	2,296	
9	ACCESS CHARGE EXPENSE	6540		22,128	S-10, 14a+14b	0	22,128	0	0	0	0	0	0	0	0	0	
10	MARKETING EXPENSE	6610		0	S-11, LN 12	0	0	0	0	0	0	0	0	0	0	0	
11	SERVICES EXPENSE	6620		253,684	S-11, LN 44	0	98,987	0	0	0	59,983	0	0	0	0	94,714	
12	EXECUTIVE AND PLANNING EXPENSE	6710		329,006	S-12, LN 8+9	0	123,865	0	8,679	0	61,208	0	3,923	0	5,873	24,549	
13	GENERAL AND ADMINISTRATIVE EXP	6720		596,329	S-12, LN 11+12	0	249,665	0	14,665	0	103,428	0	6,628	0	9,924	41,483	
14	SUBTOTAL OPERATING EXPENSES			2,821,927		0	1,100,868	0	73,249	0	512,569	0	33,115	0	49,612	200,518	
15	% DISTRIBUTION			100.0000%		0.0000%	39.0112%	0.0000%	2.5857%	0.0000%	18.1638%	0.0000%	1.1735%	0.0000%	1.7581%	7.1057%	
16	DEPRECIATION AND AMORTIZATION	6560		1,869,029	S-10, LN 24+31	0	836,190	0	48,713	0	280,859	0	22,015	0	32,949	81,984	
17	OTHER OPERATING TAX	7240		140,660	S-12, LN 33	0	52,513	0	4,308	0	25,060	0	1,957	0	2,975	3,366	
18	EQUAL ACCESS EXPENSE	7260		0	S-12, LN 15	0	0	0	0	0	0	0	0	0	0	0	
19	INTEREST ON CUSTOMER DEPOSITS	5240		-1,200	S-12, LN 17	0	7	0	1	0	4	0	0	0	0	0	
20	RENT REVENUE			4,830,436	S-10, LN 47	0	-446	0	-37	0	-214	0	-17	0	-25	-29	
21	% DISTRIBUTION			100.0000%		0.0000%	1,989,123	0	126,233	0	818,277	0	57,071	0	85,512	285,851	
22	NON OPERATING EXPENSE	7370		0		0	41,1790%	0.0000%	2.6133%	0.0000%	16.9400%	0.0000%	1.1615%	0.0000%	1.7703%	5.9177%	
23	ABANDONED CONSTRUCTION CONTRIBUTIONS			2,585	S-2, LN 10	0	0	0	0	0	0	0	0	0	0	0	
24	OTHER NON OPERATING EXPENSE			183,037	S-12, LN 14	0	1,044	0	65	0	460	0	29	0	44	184	
25	TOTAL NON OPERATING EXPENSE			185,622	DIRECT	0	1,044	0	65	0	460	0	29	0	44	183,221	
26	% DISTRIBUTION			100.0000%		0.0000%	0.5622%	0.0000%	0.0351%	0.2478%	0.0000%	0.0159%	0.0000%	0.0238%	0.4085%	98.7065%	
27	UNCOLLECTIBLES			-17,100	DIRECT	0	0	0	0	0	0	0	0	0	0	-17,100	
28	END USER MSG TOLLS	5310		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
29	END USER COMMON LINE	5320		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
30	IX CARRIER	5330		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
31	TOTAL UNCOLLECTIBLES			-17,100		0	0	0	0	0	0	0	0	0	0	-17,100	
32	ALLOW. FOR FUNDS USED DUR. CONST.	7340		0	S-12, LN 3	0	0	0	0	0	0	0	0	0	0	0	



PLANT SPECIFIC OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE		INTRASTATE		MESSAGE TOLL		SPECIAL ACCESS		EXCHANGE		OTHER	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA		PVT LINE
1	ALLOCATION FACTORS																
2	GENERAL SUPPORT ASSETS	2110		100.0000%	S-3, LN 11	0.0000%	37.1659%	0.0000%	0.0000%	17.8635%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
3	CENTRAL OFFICE EQUIPMENT	VAR		100.0000%	S-4, LN 81	0.0000%	51.6320%	0.0000%	0.0000%	11.8500%	0.0000%	1.2268%	0.0000%	0.0000%	0.0000%	25.9593%	5.6786%
4	PUBLIC SERVICE TELEPHONE EQUIP	2310		0.0000%	S-5, LN 11	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	COINLESS PUBLIC TELEPHONE EQUIP	2310		0.0000%	S-5, LN 12	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	OTHER IOT EQUIPMENT	2310		0.0000%	S-5, LN 13	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	CABLE AND WIRE FACILITIES	2410		100.0000%	S-5, LN 43	0.0000%	26.5283%	0.0000%	0.0000%	22.2452%	0.0000%	1.5180%	0.0000%	0.0000%	3.6740%	43.3239%	0.0000%
8	GENERAL SUPPORT EXPENSE	6110		23.447	LN 1+DIRECT	0	6,714	0	720	4,188	0	327	0	0	497	8,437	563
9	GENERAL SUPPORT	6120		82,854	LN 1+DIRECT	0	30,793	0	2,545	14,801	0	1,156	0	0	1,757	28,814	1,989
10	% DISTRIBUTION			106.301		0	39,508	0	3,265	18,989	0	1,483	0	0	2,255	38,251	2,552
				100.0000%		0.0000%	37.1659%	0.0000%	0.0000%	17.8635%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
11	CENTRAL OFFICE EXPENSE	6210		464,734	LN 2+DIRECT	0	240,230	0	16,559	55,210	0	5,702	0	0	0	120,642	26,391
12	CENTRAL OFFICE SWITCHING EXPENSE	6220		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
13	OPERATOR SYSTEMS EXPENSE	6230		150,273	LN 2+DIRECT	0	77,679	0	5,355	17,852	0	1,844	0	0	0	39,010	8,533
14	COE EXPENSE - SS7 LEASE	6230		615,007	LN 2+DIRECT	0	317,909	0	21,914	73,063	0	7,545	0	0	0	159,652	34,924
15	TOTAL CENTRAL OFFICE EXPENSE			100.0000%		0.0000%	51.6320%	0.0000%	3.5632%	11.8800%	0.0000%	1.2268%	0.0000%	0.0000%	0.0000%	25.9593%	5.6786%
16	% DISTRIBUTION																
17	INFORMATION ORIG/TERM EXPENSE	6310		0	LN 3	0	0	0	0	0	0	0	0	0	0	0	0
18	IOT EXP - PUBLIC INTEREST PAY TEL			0	LN 4	0	0	0	0	0	0	0	0	0	0	0	0
19	IOT EXP - COINLESS PAY TEL			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
20	IOT EXP - CPE			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
21	TOTAL INFORMATION ORIG/TERM EXP			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	% DISTRIBUTION																
23	CABLE AND WIRE FACILITIES EXPENSE	6410		803,846	LN 6	0	213,246	0	21,790	178,817	0	12,202	0	0	29,533	348,257	0
24a	CWF EXP - UNDISTRIBUTED			0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
24b	CWF EXP - SS7 LEASE			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
25	CWF EXP - DIRECT ASSIGNED			803,846		0	213,246	0	21,790	178,817	0	12,202	0	0	29,533	348,257	0
26	TOTAL CWF EXPENSE			100.0000%		0.0000%	26.5283%	0.0000%	2.7107%	22.2452%	0.0000%	1.5180%	0.0000%	0.0000%	3.6740%	43.3239%	0.0000%
27	% DISTRIBUTION																
28	TOTAL PLANT SPECIFIC EXPENSE			1,525,154		0	570,663	0	46,968	270,869	0	21,230	0	0	31,788	546,159	37,476
29	% DISTRIBUTION			100.0000%		0.0000%	37.4166%	0.0000%	3.0796%	17.7601%	0.0000%	1.3920%	0.0000%	0.0000%	2.0842%	35.8101%	2,457.2%
30	PLANT SPECIFIC EXP EXCLUDING OSF			1,418,853		0	531,156	0	43,704	251,860	0	19,747	0	0	29,533	507,909	34,924
	% DISTRIBUTION			100.0000%		0.0000%	37.4356%	0.0000%	3.0902%	17.7524%	0.0000%	1.3918%	0.0000%	0.0000%	2.0815%	35.7971%	2,461.4%

PLANT NONSPECIFIC OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL						SPECIAL ACCESS	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA					INTRALATA	INTERLATA
1	TELEPHONE PLANT IN SERVICE	2001		100,000%	S-2, LN 10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	2.1205%	35,9832%	2.4006%		
2	CAPITAL LEASES	2681		0.0000%	S-7, LN 6	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
3	LEASEHOLD IMPROVEMENTS	2682		0.0000%	S-7, LN 7	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
4	TANGIBLE PROPERTY	2680		0.0000%	S-3, LN 30	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
5	INTANGIBLE PROPERTY	2690		0.0000%	S-3, LN 37	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
6	TELEPHONE PLANT ADJUSTMENT	2005		0.0000%	S-7, LN 10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
7	COE, IOT AND C&WF	2005		100,000%	S-3, LN 7	0.0000%	37,1659%	0.0000%	3,0711%	17,8635%	0.0000%	0.0000%	2.1205%	35,9832%	2.4006%		
8	OTHER PROPERTY PLANT & EQUIP EXP.	6510		0	LN 1*-DIRECT	0	0	0	0	0	0	0	0	0	0		
9	UNDISTRIBUTED	6511		0	LN 1*-DIRECT	0	0	0	0	0	0	0	0	0	0		
10	PROPERTY HELD FOR FUTURE USE	6511		0	LN 1*-DIRECT	0	0	0	0	0	0	0	0	0	0		
11	MATERIALS & SUPPLIES PROVISIONING	6512		0	LN 1*-DIRECT	0	0	0	0	0	0	0	0	0	0		
12	TOTAL OTHER PROP PLANT & EQUIP EXP. % DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		
13	NETWORK OPERATIONS EXPENSE	6530		95,626	LN 7*-DIRECT	0	35,540	0	2,937	17,082	0	1,334	0	2,028	34,409	2,295	
14a	ACCESS CHARGE EXPENSE	6540	1.0	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
14b	FEDERAL SUPPORT CHARGES	6540	2.0	22,128	DIRECT	0	22,128	0	0	0	0	0	0	0	0	0	
15	DEPRECIATION EXPENSE	6560		212,504	S-3, LN 11	0	78,979	0	6,526	37,961	0	2,964	0	4,507	76,466	5,101	
16	GENERAL SUPPORT	6563		512,621	S-4, LN 53	0	435,728	0	0	0	0	0	0	0	0	76,893	
17	CENTRAL OFFICE SWITCHING EQUIPMENT	6563		0	S-4, LN 53	0	0	0	0	0	0	0	0	0	0	0	
18	OPERATOR SYSTEMS EQUIPMENT	6563		369,755	S-4, LN 42	0	116,105	0	21,202	70,687	0	7,300	0	154,461	0		
19	CENTRAL OFFICE TRANSMISSION	6564		0	S-4, LN 79	0	0	0	0	0	0	0	0	0	0	0	
20	UNDISTRIBUTED COE	6565		0	S-4, LN 81	0	0	0	0	0	0	0	0	0	0	0	
21	INFORMATION ORIGTERM	6565		774,149	S-5, LN 18	0	205,368	0	20,985	172,211	0	11,751	0	28,442	335,391	0	
22	CABLE AND WIRE FACILITIES	6565		1,869,029	S-5, LN 43	0	836,190	0	48,713	280,659	0	22,015	0	32,949	566,318	81,994	
23	TOTAL DEP EXP - PLANT IN SERVICE			1,869,029		0	836,190	0	48,713	280,659	0	22,015	0	32,949	566,318	81,994	
24	PROPERTY HELD FOR FUTURE USE			0	LN 1*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
25	TOTAL DEPRECIATION EXPENSE % DISTRIBUTION			100,000%		0.0000%	44,7387%	0.0000%	2,6063%	15,0270%	0.0000%	1,1779%	0.0000%	1,7629%	30,3001%	4,3670%	
26	AMORTIZATION EXPENSE	6563		0	LN 2*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
27	CAPITAL LEASE	6563		0	LN 3*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
28	LEASEHOLD IMPROVEMENTS	6563		0	LN 4*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
29	UNDISTRIBUTED	6564		0	LN 5*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
30	INTANGIBLE ASSETS	6564		0	LN 6*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
31	OTHER - TPA	6565		0	LN 6*-DIRECT	0	0	0	0	0	0	0	0	0	0	0	
32	TOTAL AMORTIZATION EXPENSE % DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
33	RENT REVENUES	5240		1,200	S-3, LN 11*-DIR	0	446	0	37	214	0	17	0	25	432	29	
34	GEN SUPPORT ASSETS	5240		0	S-4, LN 81*-DIR	0	0	0	0	0	0	0	0	0	0	0	
35	CENTRAL OFFICE EQUIPMENT	5240		0	S-5, LN 43*-DIR	0	0	0	0	0	0	0	0	0	0	0	
36	CABLE & WIRE FACILITIES	5240		0	S-2, LN 10*-DIR	0	0	0	0	0	0	0	0	0	0	0	
37	UNDISTRIBUTED	5240		0	S-5, LN 3*-DIR	0	0	0	0	0	0	0	0	0	0	0	
38	UNBUNDLED INTERCONNECTION:	5240		0	S-4, LN 42*-DIR	0	0	0	0	0	0	0	0	0	0	0	
39	- UNBUNDLED LOOP	5240		0	S-4, LN 47*-DIR	0	0	0	0	0	0	0	0	0	0	0	
40	- OPERATOR SYSTEMS	5240		0	S-4, LN 51*-DIR	0	0	0	0	0	0	0	0	0	0	0	
41	- TANDEM SWITCHING	5240		0	AL-1, LN 8*-DIR	0	0	0	0	0	0	0	0	0	0	0	
42	- LOCAL SWITCHING	5240		0	AL-1, LN 8*-DIR	0	0	0	0	0	0	0	0	0	0	0	
43	- TRANSPORT TERMINATION	5240		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
44	- TRANSPORT FACILITY	5240		0	S-11, LN 45*-DIR	0	0	0	0	0	0	0	0	0	0	0	
45	- SS7/800 DATABASE	5240		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
46	- OSS	5240		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
47	MISCELLANEOUS RENT REVENUE	5240		0	DIRECT	0	446	0	37	214	0	17	0	25	432	29	
	TOTAL RENT REVENUES			1,200		0	446	0	37	214	0	17	0	25	432	29	

PART 36 SEPARATIONS

CUSTOMER OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE				INTRASTATE				EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL		SPECIAL ACCESS					
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
1	SMS - OPERATOR SERVICES EXCL DA			100.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	
2	SMS - DIRECTORY ASSISTANCE BOARDS			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
3	SUBSCRIBER LINE USE (SLU)			100.0000%	INPUT	0.0000%	28.1060%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	64.5840%	48.0315%	
4	END USER BILLED REVENUE INCL CCL			100.0000%	INPUT	0.0000%	31.9082%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
5	IX CARRIER BILLED REVENUE			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
6	PUBLIC INTEREST PAYSTATION REVENUE			100.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
7	BUSINESS OFFICE CONTACTS			100.0000%	INPUT	0.0000%	44.5757%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
8	BILLING INQUIRY CONTACTS			100.0000%	INPUT	0.0000%	31.9077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
9	IX CARRIER SVC ORDER CONTACTS			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	50.1968%	
10	IX CARRIER BILLING INQUIRY CONTACTS			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	48.0804%	
11	CARRIER ACCESS BILLING FACTOR			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
CUSTOMER OPERATIONS EXPENSES																	
12	MARKETING			0	INPUT	0	0	0	0	0	0	0	0	0	0	0	0
13	TELEPHONE OPERATOR SERVICES			0	LN 1-DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
14	- CALL COMPLETION INCL DA			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
15	- OPERATOR SERV. UNDER CONTRACT			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
16	PUBLISHED DIRECTORY LISTINGS			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
17	- CLASSIFIED			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
18	- TWX			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
19	- ALPHA			0	LN 3	0	0	0	0	0	0	0	0	0	0	0	0
20	- FOREIGN			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
21	SUBTOTAL			0		0	0	0	0	0	0	0	0	0	0	0	0
22	LOCAL BUSINESS OFFICE			6623	1.0												
23	- END USER SVC ORDER PROCESSING			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
24	- PRESUBSCRIPTION			0	LN 7	0	38,481	0	0	0	0	0	0	0	0	0	43,333
25	- OTHER			66,327	LN 4	0	14,013	0	0	0	0	0	0	0	0	0	21,116
26	- END USER PAYMENT & COLLECTION			43,918	LN 8	0	9,342	0	0	0	0	0	0	0	0	0	12,571
27	- END USER BILLING INQUIRY			26,145	LN 9	0	192	0	0	0	0	0	0	0	0	0	0
28	- IX CARRIER SVC ORDER PROCESSING			383	LN 5	0	1,181	0	0	0	0	0	0	0	0	0	0
29	- IX CARRIER PAYMENT & COLLECTION			2,361	LN 10	0	523	0	0	0	0	0	0	0	0	0	0
30	- IX CARRIER BILLING INQUIRY			1,045	LN 6-DIR	0	62,731	0	0	0	0	0	0	0	0	0	0
31	- COIN COLLECT AND ADMIN - PUB INT			180,179		0		0	0	0	0	0	0	0	0	0	0
32	SUBTOTAL LOCAL BUSINESS OFFICE			180,179		0		0	0	0	0	0	0	0	0	0	0
33	CUSTOMER SERVICES (REV ACCTG)			6623	2.0												
34	- MESSAGE PROCESSING			24,936	AL-1, LN16+DIR	0	10,698	0	0	0	0	0	0	0	0	0	0
35	- TOLL TICKET PROCESSING			0	DIRECT	0	17,694	0	0	0	0	0	0	0	0	0	17,694
36	- LOCAL MESSAGE PROCESSING			53,082	AL-1, LN16+DIR	0	2,794	0	0	0	0	0	0	0	0	0	0
37	- OTHER BILLING & COLLECTION			2,794	DIRECT	0	5,070	0	0	0	0	0	0	0	0	0	0
38	- END USER COMMON LINE			10,140	LN 11	0	36,255	0	0	0	0	0	0	0	0	0	0
39	- CARRIER ACCESS BILLING (CABS)			90,952	LN 11	0	98,987	0	0	0	0	0	0	0	0	0	0
40	SUBTOTAL CUSTOMER SERVICES			251,131	LN 32+LN 40	0	39,416	0	0	0	0	0	0	0	0	0	0
41	TOTAL CAT 1 AND CAT 2			100.0000%		0.0000%	39,416	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
42	% DISTRIBUTION			2,553	LN 42+DIRECT	0	98,987	0	0	0	0	0	0	0	0	0	0
43	ALL OTHER CUSTOMER SERVICE			253,684		0	39,019	0	0	0	0	0	0	0	0	0	0
44	TOTAL SERVICES EXPENSE			100.0000%		0.0000%	39,019	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
45	% DISTRIBUTION			253,684	LN 12+LN 44	0	59,983	0	0	0	0	0	0	0	0	0	0
46	TOTAL CUSTOMER OPERATIONS EXP.			100.0000%		0.0000%	39,019	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
47	% DISTRIBUTION			100.0000%		0.0000%	39,019	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

OTHER OPERATING EXPENSE AND TAX SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER		
						MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL						SPECIAL ACCESS	
						INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA					INTRALATA	INTERLATA
SEPARATION FACTORS																	
1	BIG THREE EXPENSES			100.0000%	S-3, LN 3	0.0000%	37.6483%	0.0000%	2.6378%	18.6038%	0.0000%	0.0000%	0.0000%	1.7650%	30.6713%	7.4616%	
2	TELEPHONE PLANT IN SERVICE	2001		100.0000%	S-2, LN 10	0.0000%	37.1669%	0.0000%	3.0711%	17.8635%	0.0000%	0.0000%	0.0000%	2.1205%	35.9832%	2.4006%	
3	PLANT UNDER CONSTRUCTION	2003		100.0000%	S-4, LN 15	0.0000%	37.1669%	0.0000%	3.0711%	17.8635%	0.0000%	0.0000%	0.0000%	2.1205%	35.9832%	2.4006%	
4	CAPITAL LEASES	2680		0.0000%	S-3, LN 21	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
5	EQUAL ACCESS INVESTMENT			0.0000%	S-6, LN 3	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	
6	NET TELEPHONE PLANT EXCL 4040,4310			100.0000%	S-2, LN 29	0.0000%	37.2218%	0.0000%	3.2865%	18.5069%	0.0000%	0.0000%	0.0000%	2.1001%	37.4190%		
CORPORATE OPERATIONS EXPENSE																	
7	EXECUTIVE AND PLANNING	6710		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
8	DIRECT ASSIGNED			329,005	LN 1	0	123,865	0	8,679	61,208	0	3,923	0	5,873	100,910	24,549	
9	OTHER			0		0	0	0	0	0	0	0	0	0	0	0	
10	GENERAL & ADMINISTRATIVE	6720		40,380	DIRECT	0	40,380	0	0	0	0	0	0	0	0	0	
11	DIRECT ASSIGNED			555,949	LN 1	0	209,305	0	14,665	103,428	0	6,628	0	9,924	170,517	41,483	
12	OTHER			0		0	373,560	0	23,343	164,635	0	10,551	0	15,766	271,427	66,032	
13	TOTAL CORPORATE OPERATIONS EXP			100.0000%		0.0000%	40.3692%	0.0000%	2.5227%	17.7919%	0.0000%	0.0000%	0.0000%	1.7071%	28.3328%	7.1360%	
14	% DISTRIBUTION																
15	EQUAL ACCESS EXPENSE			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
INTEREST AND RELATED ITEMS																	
16	CAPITAL LEASES	7500		0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
17	CUSTOMER DEPOSITS			20	LN 6+DIRECT	0	7	0	1	4	0	0	0	0	0	0	
18	OTHER FIXED CHARGES - OPERATING		97.93%	316,267	LN 6	0	117,720	0	10,394	56,531	0	4,636	0	6,642	118,344	7	
19	OTHER FIXED CHARGES - NON OPERATING		2.07%	6,681	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
20	TOTAL		100.00%	322,968		0	117,728	0	10,395	56,535	0	4,636	0	6,642	118,352	6,681	
BASIS FOR ACTUAL INCOME TAX ALLOC.																	
21	TOTAL OPERATING REVENUES			4,529,885	VARIOUS	0	1,990,167	0	126,299	816,737	0	57,100	0	85,556	1,452,027	0	
22	LESS: OPERATING EXPENSE AND TAX			0	LN 16	0	0	0	0	0	0	0	0	0	0	0	
23	: INTEREST - CAPITAL LEASE			316,267	LN 17	0	117,720	0	10,394	58,531	0	4,636	0	6,642	118,344	0	
24	: OPERATING FIXED CHARGES			0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
25	: OTHER INCOME ADJ BASED ON PLANT			-4,845,153	LN 1+DIRECT	0	-2,107,867	0	-136,693	-877,269	0	-61,736	0	-92,199	-1,570,371	0	
26	: OTHER INCOME ADJ BASED ON EXP			100.0000%		0.0000%	43.4961%	0.0000%	2.9206%	18.1024%	0.0000%	1.2739%	0.0000%	1.9025%	32.4045%	0	
27	NET TAXABLE INCOME																
28	% DISTRIBUTION																
OPERATING TAXES																	
29	FEDERAL ITC AMORTIZATION	7210		4,695	LN 2+DIRECT	0	1,723	0	142	828	0	65	0	98	1,668	111	
30	STATE ITC AMORTIZATION	7210		-26,496	LN 2+DIRECT	0	0	0	0	-26,496	0	0	0	0	0	0	
31	OPERATING FEDERAL INCOME TAX	7220		468,871	LN 28	0	203,941	0	13,225	84,877	0	5,973	0	8,920	151,935	0	
32	OPERATING STATE & LOCAL INC. TAX	7230		-1,403	LN 28	0	-610	0	-40	-254	0	-18	0	-27	-455	0	
33	OPERATING TAXES - OTHER	7240		140,285	LN 2+DIRECT	0	52,138	0	4,308	25,060	0	1,957	0	2,975	50,479	3,368	
34	OPERATING TAXES - DIRECT ASSIGN	7243		375	DIRECT	0	375	0	0	0	0	0	0	0	0	0	
35	TOTAL OPERATING TAXES			586,267		0	257,566	0	17,636	84,015	0	7,977	0	11,967	203,628	3,479	

PART 36 SEPARATIONS

DEVELOPMENT OF ALLOCATION RATIOS

LN	ALLOCATION RATIOS	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE				INTRASTATE				EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
				MESSAGE TOLL		SPECIAL ACCESS		MESSAGE TOLL		SPECIAL ACCESS					
				INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
1	ALLOCATED LOOPS - COE	5,387	SPF	0	1,306	0	97	0	66	0	0	0	0	2,612	0
2	PERCENT DISTRIBUTION	100.0000%		0.0000%	24.2435%	0.0000%	1.8006%	0.0000%	1.2252%	0.0000%	0.0000%	0.0000%	0.0000%	48.4871%	0.0000%
3	ALLOCATED LOOPS - CWF	5,387	SPF	0	1,306	0	97	0	66	0	0	0	0	2,612	0
4	PERCENT DISTRIBUTION	100.0000%		0.0000%	24.2435%	0.0000%	1.8006%	0.0000%	1.2252%	0.0000%	0.0000%	0.0000%	0.0000%	48.4871%	0.0000%
5	ALLOCATED CIRCUIT TERM - COE	458	TOLL MOU	0	295	0	51	0	35	0	0	0	0	0.0000%	0.0000%
6	PERCENT DISTRIBUTION	100.0000%		0.0000%	64.3544%	0.0000%	11.1354%	0.0000%	7.6419%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	ALLOCATED CIRCUIT MILES - CWF	2816.00	CMM	0.00	1609.75	0.00	387.00	0.00	293.00	0.00	0.00	0.00	0.00	0.00	0.00
8	PERCENT DISTRIBUTION	100.0000%		0.0000%	64.2666%	0.0000%	13.0327%	0.0000%	10.4045%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	ALLOCATED EXCH WIDEBAND LOOPS	0	WB MOU	0	0	0	0	0	0	0	0	0	0	0	0
10	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	ALLOC EXCH WIDEBAND CHAN (MOU's)	0	WB MOU	0	0	0	0	0	0	0	0	0	0	0	0
12	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
13	ALLOC IX WIDEBAND CHAN (MOU MILES)	0	WB MOU MI	0	0	0	0	0	0	0	0	0	0	0	0
14	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
15	ALLOCATED TOLL MESSAGES (SP + RC)	1,000	DIRECT	0	429	0	571	0	0	0	0	0	0	0	0
16	PERCENT DISTRIBUTION	100.0000%		0.0000%	42.9000%	0.0000%	57.1000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17	ALLOCATED USERS	0		0	0	0	0	0	0	0	0	0	0	0	0
18	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CASH WORKING CAPITAL WORKSHEET

CWC-1

CWC-1

LN	DESCRIPTION	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE			INTRASTATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE
				MESSAGE TOLL	SPECIAL ACCESS	INTRALATA	MESSAGE TOLL	SPECIAL ACCESS	INTRALATA			
1	PLANT SPECIFIC EXPENSES	1,487,678	S-9, LN 27	0	46,968	0	270,869	0	21,230	0	31,788	546,159
2	PLANT NON SPECIFIC EXP EXCL DEP & AMORT	115,458	VARIOUS	0	2,937	0	17,082	0	1,334	0	2,028	34,409
3	CUSTOMER OPERATIONS EXP - MARKETING	159,970	S-11, LN 12	0	0	0	0	0	0	0	0	0
4	CUSTOMER OPERATIONS EXP - SERVICES	859,303	S-11, LN 44	0	99,987	0	59,983	0	0	0	0	0
5	CORPORATE OPERATIONS EXPENSE	0	S-12, LN 13	0	373,550	0	164,635	0	10,551	0	15,796	271,427
6	EQUAL ACCESS EXPENSE	0	S-12, LN 15	0	0	0	0	0	0	0	0	0
7	OTHER EXPENSE - CONTRIBUTIONS	2,401	S-12, LN 14	0	1,044	0	460	0	29	0	44	758
8	INTEREST ON CUSTOMER DEPOSITS	20	S-12, LN 17	0	7	0	4	0	0	0	0	7
9	FEDERAL INCOME TAX (ACTUAL)	468,871	S-12, LN 31	0	203,841	0	84,877	0	5,973	0	8,920	151,935
10	STATE INCOME TAX (ACTUAL)	-1,403	S-12, LN 32	0	-610	0	-254	0	-18	0	-27	-455
11	OTHER OPERATING TAX	136,917	S-12, LN 33	0	52,138	0	25,060	0	1,957	0	2,975	50,479
12	OTHER OPERATING TAX - DIRECT ASSIGN	375	S-12, LN 34	0	375	0	0	0	0	0	0	0
13	GROSS RECEIPTS TAX (ACTUAL)	0	RECORDS	0	0	0	0	0	0	0	0	0
14	INTEREST ON CAPITAL LEASES	0	S-12, LN 16	0	0	0	0	0	0	0	0	0
15	OTHER FIXED CHARGES - OPERATING	316,267	S-12, LN 18	0	117,720	0	58,531	0	4,636	0	6,642	118,344
16	TOTAL CASH WORKING CAPITAL EXPENSES	3,544,857	RECORDS	0	1,475,463	0	681,247	0	45,683	0	68,167	1,173,065
17	CASH WORKING CAPITAL RATIO	0	RECORDS	0.09742	0.09742	0.09742	0.09742	0.09742	0.09742	0.09742	0.09742	0.09742
18	CASH WORKING CAPITAL	345,356	/LN 16	0	143,748	0	66,370	0	4,452	0	6,641	114,285
19	MINIMUM BANK BALANCE	150	/LN 15	0	62	0	29	0	2	0	3	50
20	WORKING CASH ADVANCES	0		0	0	0	0	0	0	0	0	0
21	TOTAL CASH WORKING CAPITAL	345,506		0	143,811	0	66,399	0	4,454	0	6,644	114,335

ALLOCATION RATIOS	A/C #	TOTAL	INTERSTATE			INTRASTATE			EXCHANGE			OTHER		
			MESSAGE		SPECIAL ACCESS		MESSAGE		SPECIAL ACCESS		PVT LINE		EAS	EXCHANGE MESSAGE
			INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
NET INVESTMENT SUMMARY														
GENERAL SUPPORT FACILITIES	2110	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	17.8653%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
CENTRAL OFFICE SWITCHING EQUIP	2210	100.0000%	0.0000%	85.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	15.0000%
OPERATOR SYSTEMS EQUIPMENT	2220	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CENTRAL OFFICE TRANSMISSION EQUIP	2230	100.0000%	0.0000%	31.4005%	0.0000%	5.7340%	19.1174%	0.0000%	1.9742%	0.0000%	0.0000%	0.0000%	41.7739%	0.0000%
INFORMATION ORIG/TERM EQUIPMENT	2310	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES	2410	100.0000%	0.0000%	26.5283%	0.0000%	2.7107%	22.2452%	0.0000%	1.5180%	0.0000%	0.0000%	3.6740%	43.3238%	0.0000%
TANGIBLE ASSETS	2680	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INTANGIBLE ASSETS	2690	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	17.8653%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
TOTAL PLANT IN SERVICE A/C 2001														
PROPERTY HELD FOR FUTURE USE	2002	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
PLANT UNDER CONSTRUCTION	2003	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	17.8653%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
RESERVED FOR FUTURE USE	2004	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TELEPHONE PLANT ADJUSTMENT	2005	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NONOPERATING PLANT	2006	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
GOODWILL	2007	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	17.8653%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
TOTAL PROPERTY, PLANT & EQUIP														
ACCUM DEPR-PLANT IN SERVICE	3100	100.0000%	0.0000%	37.5691%	0.0000%	2.8976%	17.7355%	0.0000%	1.3728%	0.0000%	0.0000%	2.1627%	35.6434%	2.5289%
ACCUM DEPRECIATION - FUTURE USE	3200	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-TANGIBLE PROPERTY	3400	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-INTANGIBLE PROPERTY	3500	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-TEL PLANT ADJ	3600	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-TEL PLANT ADJ	3600	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NONCURRENT DEFERRED INC TAX - NET	4340	100.0000%	0.0000%	38.6418%	0.0000%	2.9148%	17.3364%	0.0000%	1.3408%	0.0000%	0.0000%	2.1193%	34.8340%	2.8130%
OTHER DEFERRED CREDITS - NET	4370	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	17.8653%	0.0000%	1.3949%	0.0000%	0.0000%	2.1209%	35.9832%	2.4006%
CUSTOMER DEPOSITS														
NET TELEPHONE PLANT														
MATERIALS AND SUPPLIES	1220	100.0000%	0.0000%	26.5283%	0.0000%	2.7107%	22.2452%	0.0000%	1.5180%	0.0000%	0.0000%	3.6740%	43.3238%	0.0000%
INVESTMENT IN NONAFFILIATED CO'S	1402	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EQUAL ACCESS EQUIPMENT	1439	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER JURISDICTIONAL ASSETS	1500	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CASH WORKING CAPITAL	XXXX	100.0000%	0.0000%	41.6232%	0.0000%	2.8549%	19.2179%	0.0000%	1.2890%	0.0000%	0.0000%	1.9230%	33.0920%	0.0000%
NET TEL PLANT, M&S AND CWC														

ALLOCATION RATIOS	A/C #	TOTAL	INTERSTATE			INTRA-STATE			EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
			MESSAGE		SPECIAL ACCESS	MESSAGE		SPECIAL ACCESS				
			INTRALATA	INTERLATA	INTRALATA	INTERLATA	INTRALATA	INTERLATA				
OPERATING EXP AND TAX SUMMARY												
NETWORK SUPPORT EXPENSE	6110	100.0000%	0.0000%	37.1659%	0.0000%	0.0000%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
GENERAL SUPPORT EXPENSE	6120	100.0000%	0.0000%	37.1659%	0.0000%	0.0000%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
CENTRAL OFFICE EXPENSE	6210	100.0000%	0.0000%	51.6920%	0.0000%	3.5632%	0.0000%	1.2268%	0.0000%	0.0000%	25.9593%	5.6786%
INFORMATION ORIGTERM EXPENSE	6310	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES EXPENSE	6410	100.0000%	0.0000%	25.5283%	0.0000%	2.7107%	0.0000%	1.5180%	0.0000%	3.6740%	43.3239%	0.0000%
OTHER PLANT EXPENSE	6510	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NETWORK OPERATIONS EXPENSE	6530	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
ACCESS CHARGE EXPENSE	6540	100.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
FEDERAL SUPPORT EXPENSE	6610	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
MARKETING EXPENSE	6620	100.0000%	0.0000%	39.0197%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.7850%	30.6713%	7.4616%
SERVICES EXPENSE	6710	100.0000%	0.0000%	37.6483%	0.0000%	2.6378%	0.0000%	1.1923%	0.0000%	1.6641%	28.5944%	6.9564%
EXECUTIVE AND PLANNING EXPENSE	6720	100.0000%	0.0000%	41.8703%	0.0000%	2.4592%	0.0000%	1.1155%	0.0000%	1.6641%	28.5944%	6.9564%
GENERAL AND ADMINISTRATIVE EXP												
SUBTOTAL OPERATING EXPENSES		100.0000%	0.0000%	39.0112%	0.0000%	2.5957%	0.0000%	1.1735%	0.0000%	1.7561%	30.1920%	7.1057%
DEPRECIATION AND AMORTIZATION	6860	100.0000%	0.0000%	44.7387%	0.0000%	2.6063%	0.0000%	1.1779%	0.0000%	1.7629%	30.3001%	4.3370%
OTHER OPERATING TAX	7240	100.0000%	0.0000%	37.3334%	0.0000%	3.0629%	0.0000%	1.3912%	0.0000%	2.1152%	35.8873%	2.3942%
EQUAL ACCESS EXPENSE		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INTEREST ON CUSTOMER DEPOSITS	7500	100.0000%	0.0000%	37.2218%	0.0000%	3.2865%	0.0000%	1.4659%	0.0000%	2.1001%	37.4190%	0.0000%
RENT REVENUE - ACCESS	5240	100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
TOTAL OPERATING EXPENSE AND TAX		100.0000%	0.0000%	41.1790%	0.0000%	2.6133%	0.0000%	1.1815%	0.0000%	1.7703%	30.3983%	5.9177%
NON OPERATING EXPENSE	7370											
ABANDONED CONSTRUCTION		100.0000%	0.0000%	37.1659%	0.0000%	3.0711%	0.0000%	1.3949%	0.0000%	2.1209%	35.9832%	2.4006%
CONTRIBUTIONS		100.0000%	0.0000%	40.3692%	0.0000%	2.5227%	0.0000%	1.1402%	0.0000%	1.7071%	29.3328%	7.1350%
OTHER NON OPERATING EXPENSE		100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
TOTAL NON OPERATING EXPENSE		100.0000%	0.0000%	0.5622%	0.0000%	0.0351%	0.0000%	0.0159%	0.0000%	0.0238%	0.4085%	98.7069%
UNCOLLECTIBLES												
END USER MSG TOLLS	5310	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%
END USER COMMON LINE	5320	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
IX CARRIER	5330	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%	0.0000%
TOTAL UNCOLLECTIBLES												
ALLOW FOR FUNDS USED DURING CONSTR	7340	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER INCOME ADJUSTMENTS	XXXX	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%



TAX-1

EFFECTIVE FEDERAL INCOME TAX RATE

LN	DESCRIPTION	SOURCE	TAXABLE INCOME		INCOME TAX	
			TOTAL	OPERATING	TOTAL	OPERATING
1	AVERAGE NET INVESTMENT	S-1, LN 1	9,874,754	9,677,628		
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE	LN 1*LN 2	9.4869%	9.4845%		
3	RETURN ON INVESTMENT		936,807	917,871		
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		322,988	316,267		
5	INVESTMENT TAX CREDIT AMORTIZATION	S-12, LN 29	-4,635	-4,524		
6	AFTER TAX INCOME BEFORE TAX CREDITS	LN 3-4-5	618,474	606,128		
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)	LN 6+LN 7	937,082	918,375		
8	TAXABLE INCOME		50,000	49,002	7,500	7,350
9	FIT ON \$0 to \$50,000 @ 15%		25,000	24,501	6,250	6,125
10	FIT ON \$50,000 to \$75,000 @ 25%		25,000	24,501	6,500	6,330
11	FIT ON \$75,000 to \$100,000 @ 34%		235,000	230,309	91,650	89,820
12	FIT ON \$100,000 to \$335,000 @ 39%		602,082	590,063	204,708	200,621
13	FIT ON \$335,000 to \$10,000,000 @ 34%		0	0	0	0
14	FIT ON \$10,000,000 to \$15,000,000 @ 35%		0	0	0	0
15	FIT ON \$15,000,000 to \$18,333,333 @ 38%		0	0	0	0
16	FIT ON OVER \$18,333,333 @ 38%		0	0	0	0
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	LN 8-16	937,082	918,375	318,608	312,248
18	EFFECTIVE FIT TAX RATE				34.0000%	34.0000%

REVENUE MONITORING SUMMARY

LN	ANALYSIS OF INCOME FROM OPERATIONS	TOTAL OPERATING	ALLOCATION BASIS	INTERSTATE				INTRASTATE				EXCHANGE PVT LINE	EXCHANGE MESSAGE	
				MESSAGE TOLL INTRALATA	INTERLATA	SPECIAL ACCESS INTRALATA	INTERLATA	MESSAGE TOLL INTRALATA	INTERLATA	SPECIAL ACCESS INTRALATA	INTERLATA			
1	OPERATING REVENUES RECEIVED	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0
2	OPERATING EXPENSE & OTHER TAXES	4,529,886		0	1,980,167	0	126,299	0	818,737	0	57,100	0	85,556	1,452,027
3	FEDERAL INCOME TAX NET OF ITC	-1,490,893		0	-652,643	0	-42,292	0	-262,500	0	-19,101	0	-28,523	-485,833
4	STATE INCOME TAX NET OF ITC	-447,869		0	-193,281	0	-11,865	0	-102,774	0	-5,368	0	-8,017	-136,544
5	TOTAL OPERATING EXPENSE & TAX	2,591,124	LN 2+3+4	0	1,154,242	0	72,121	0	453,463	0	32,632	0	49,016	829,650
6	OPERATING INCOME	-2,591,124	LN1-LN5	0	-1,154,242	0	-72,121	0	-453,463	0	-32,632	0	-49,016	-829,650
7	FIXED CHARGES - OPERATING	316,267	S-12, LN16+17	0	117,720	0	10,394	0	58,551	0	4,636	0	6,642	118,344
8	NET INCOME FROM OPERATIONS	-2,907,391	LN6-LN7	0	-1,271,963	0	-82,515	0	-511,994	0	-37,268	0	-55,688	-947,994
9	REALIZED RATE OF RETURN	-26.7744%	LN 6(S-1, LN 1	0.0000%	-32.3173%	0.0000%	-22.9614%	0.0000%	-25.0602%	0.0000%	-23.0674%	0.0000%	-23.4115%	-22.8452%
*****														
11	ANALYSIS OF REVENUE EXCESS/DEFICIENCY													
12	OPERATING REVENUES RECEIVED	0	INPUT	0	0	0	0	0	0	0	0	0	0	0
13	REVENUE REQUIREMENT	5,822,965	S-1, LN19	0	2,582,166	0	178,318	0	1,001,722	0	73,635	0	110,176	1,876,948
	REVENUE EXCESS/(DEFICIENCY)	-5,822,965		0	-2,582,166	0	-178,318	0	-1,001,722	0	-73,635	0	-110,176	-1,876,948

S-2, 1 of 1

SUMMARY OF NET TELEPHONE PLANT, M&S AND WORKING CAPITAL

S-2, 1 of 1

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	TOTAL INTERSTATE	INTERSTATE %	TOTAL INTRASTATE	INTRASTATE %
NET INVESTMENT SUMMARY									
1	GENERAL SUPPORT FACILITIES	2110		2,983,850	S-3, LN 10	1,200,611	40.2370%	1,711,610	57.3625%
2	CENTRAL OFFICE SWITCHING EQUIP	2210		3,298,268	S-4, LN 52	2,803,528	85.0000%	0	0.0000%
3	OPERATOR SYSTEMS EQUIPMENT	2220		0	S-4, LN 41	0	0.0000%	0	0.0000%
4	CENTRAL OFFICE TRANS EQUIP	2230		5,414,041	S-4, LN 78	2,010,477	37.1345%	3,403,564	62.8655%
5	INFORMATION ORIG/TERM EQUIPMENT	2310		0	S-5, LN 17	0	0.0000%	0	0.0000%
6	CABLE AND WIRE FACILITIES	2410		11,897,036	S-5, LN 42	3,478,569	29.2330%	8,418,467	70.7610%
7	TANGIBLE ASSETS	2680		0	S-3, LN 29	0	0.0000%	0	0.0000%
8	INTANGIBLE ASSETS	2680		0	S-3, LN 36	0	0.0000%	0	0.0000%
9	TOTAL PLANT IN SERVICE A/C 2001			23,593,195		9,493,184	40.2370%	13,533,641	57.3625%
10	% DISTRIBUTION			100.0000%		0	40.2370%	1	57.3625%
11	PROPERTY HELD FOR FUTURE USE	2002		0	S-6, LN 9	0	0.0000%	0	0.0000%
12	PLANT UNDER CONSTRUCTION	2003		632,213	S-6, LN 15	254,383	40.2370%	362,653	57.3625%
13	RESERVED FOR FUTURE USE	XXXX		0	S-6, LN 21	0	0.0000%	0	0.0000%
14	TELEPHONE PLANT ADJUSTMENT	2005		0	S-6, LN 27	0	0.0000%	0	0.0000%
15	NONOPERATING PLANT	2006		0	DIRECT	0	0.0000%	0	0.0000%
16	GOODWILL	2007		0	DIRECT	0	0.0000%	0	0.0000%
17	TOTAL PROPERTY, PLANT & EQUIPMENT			24,225,408		9,747,568	40.2370%	13,896,294	57.3625%
18	% DISTRIBUTION			100.0000%		0	40.2370%	1	57.3625%
19	ACCUM DEPR - PLANT IN SERVICE	3100		14,443,190	S-7, LN 18	5,857,681	40.5667%	8,220,250	56.9144%
20	ACCUM DEPRECIATION - FUTURE USE	3200		0	S-7, LN 19	0	0.0000%	0	0.0000%
21	ACCUM AMORT - TANGIBLE PROPERTY	3400		0	S-7, LN 23	0	0.0000%	0	0.0000%
22	ACCUM AMORT - INTANGIBLE PROPERTY	3500		0	S-7, LN 24	0	0.0000%	0	0.0000%
23	ACCUM AMORT - TEL PLANT ADJ	3600		0	S-7, LN 25	0	0.0000%	0	0.0000%
24	OPER DEFERRED INCOME TAX - NET	VAR		680,753	S-7, LN 34	282,897	41.5585%	378,706	55.6305%
25	CUSTOMER DEPOSITS	4040		455	/LN 9+DIRECT	183	40.2370%	261	57.3625%
26	OTHER LT LIAB - POST RET BENEFITS	4310		0	S-7, LN 43	0	0.0000%	0	0.0000%
27	OTHER DEFERRED CREDITS - NET	4360		0	S-7, LN 42	0	0.0000%	0	0.0000%
28	NET TELEPHONE PLANT			9,101,010		3,606,807	39.5308%	5,297,077	58.2032%
29	% DISTRIBUTION			100.0000%		0	39.5308%	1	58.2032%
30	MATERIALS AND SUPPLIES	1220		428,238	S-6, LN 31	125,212	29.2390%	303,026	70.7610%
31	INVESTMENT IN NONAFFILIATED CO'S	1402		0	S-6, LN 35	0	0.0000%	0	0.0000%
32	NONCURRENT ASSETS-POST RET BENE	1410		0	S-6, LN 36	0	0.0000%	0	0.0000%
33	EQUAL ACCESS EQUIPMENT	1439		0	S-6, LN 37	0	0.0000%	0	0.0000%
34	OTHER JURISDICTIONAL ASSETS	1500		0	S-6, LN 38	0	0.0000%	0	0.0000%
35	CASH WORKING CAPITAL	XXXX		345,506		153,675	44.4781%	191,832	55.5219%
36	NET TEL PLANT, M&S AND CWC			9,874,754		3,885,694	39.3498%	5,791,934	58.6540%
37	% DISTRIBUTION			100.0000%		0	39.3498%	1	58.6540%

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SUMMARY OF OPERATING EXPENSE AND TAX

S-8, 1 of 1

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	TOTAL INTERSTATE	INTERSTATE %	TOTAL INTRASTATE	INTRASTATE %
OPERATING EXPENSE AND TAX SUMMARY									
1	NETWORK SUPPORT EXPENSE	6110		23,447	S-9, LN 7	9,434	40.2370%	13,450	57.3625%
2	GENERAL SUPPORT EXPENSE	6120		62,854	S-9, LN 8	33,338	40.2370%	47,527	57.3625%
3	CENTRAL OFFICE EXPENSE	6210		615,007	S-9, LN 15	339,923	55.2552%	240,280	39.0662%
4	INFORMATION ORIG/TERM EXPENSE	6310		0	S-9, LN 21	0	0.0000%	0	0.0000%
5	CABLE AND WIRE FACILITIES EXPENSE	6410		803,646	S-9, LN 25	235,036	29.2390%	568,810	70.7610%
6	OTHER PLANT EXPENSE	6510		0	S-10, LN 11	0	0.0000%	0	0.0000%
7	NETWORK OPERATIONS EXPENSE	6530		95,626	S-10, LN 13	38,477	40.2370%	54,853	57.3625%
8	ACCESS CHARGE EXPENSE	6540		22,128	S-10, 14a+14b	22,128	100.0000%	0	0.0000%
9	MARKETING EXPENSE	6610		0	S-11, LN 12	0	0.0000%	0	0.0000%
10	SERVICES EXPENSE	6620		253,684	S-11, LN 44	99,987	39.0197%	59,963	23.6447%
11	EXECUTIVE AND PLANNING EXPENSE	6710		329,006	S-12, LN 8+9	132,544	40.2861%	171,913	52.2523%
12	GENERAL AND ADMINISTRATIVE EXP	6720		596,329	S-12, LN 11+12	264,350	44.3295%	290,496	48.7141%
13	SUBTOTAL OPERATING EXPENSES			2,821,927		1,174,117	41.6069%	1,447,292	51.2874%
14	% DISTRIBUTION			100.0000%		0	41.6069%	1	51.2874%
15	DEPRECIATION AND AMORTIZATION	6560		1,669,029	S-10, LN 24+31	884,893	47.3451%	902,142	48.2679%
16	OTHER OPERATING TAX	7240		140,660	S-12, LN 33	56,621	40.3863%	80,471	57.2095%
17	EQUAL ACCESS EXPENSE			0	S-12, LN 15	0	0.0000%	0	0.0000%
18	INTEREST ON CUSTOMER DEPOSITS	7250		20	S-12, LN 17	8	40.5083%	12	59.4917%
19	RENT REVENUE	5240		-1,200	S-10, LN 47	-483	0.0000%	-688	0.0000%
20	TOTAL OPERATING EXPENSE AND TAX			4,830,436		2,115,356	43.7922%	2,429,228	50.2900%
21	% DISTRIBUTION			100.0000%					
NON OPERATING EXPENSE									
22	ABANDONED CONSTRUCTION	7370		0	S-2, LN 10	0	0.0000%	0	0.0000%
23	CONTRIBUTIONS			2,585	S-12, LN 14	1,109	42.8919%	1,292	49.9721%
24	OTHER NON OPERATING EXPENSE			183,037	DIRECT	0	0.0000%	0	0.0000%
25	TOTAL NON OPERATING EXPENSE			185,622		1,109	0.5973%	1,292	0.6959%
26	% DISTRIBUTION			100.0000%		0	0.5973%	0	0.6959%
UNCOLLECTIBLES									
27	END USER MSG TOLLS	5310		-17,100	DIRECT	0	0.0000%	-17,100	0.0000%
28	END USER COMMON LINE	5320		0	DIRECT	0	0.0000%	0	0.0000%
29	IX CARRIER	5330		0	DIRECT	0	0.0000%	0	0.0000%
30	TOTAL UNCOLLECTIBLES			-17,100		0	0.0000%	-17,100	0.0000%
31	ALLOW. FOR FUNDS USED DUR. CONST	7340		0	S-12, LN 3	0	0.0000%	0	0.0000%

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REVENUE REQUIREMENT SUMMARY

S-1, 1 of 1

LN	DESCRIPTION	TOTAL OPERATING	ALLOCATION BASIS	TOTAL INTERSTATE	INTERSTATE %	TOTAL INTRASTATE	INTRASTATE %
REVENUE REQUIREMENT SUMMARY							
1	NET INVESTMENT FOR SETTLEMENTS	9,677,628	NOTE A	3,885,684	40.1513%	5,791,934	59.8487%
2	RATE OF RETURN	9,4845%					
3	ALLOW ON INVESTMENT	917,871	LN1*LN 2	437,141	47.6255%	480,731	52.3745%
4	ALLOW FOR FUNDS USED DUR CONSTR (Normalized)	0	S-8, LN 31	0	0.0000%	0	0.0000%
5	NET RETURN FOR SETTLEMENTS	917,871	LN3*LN4	437,141	47.6255%	480,731	52.3745%
6	FEDERAL OPERATING INCOME TAX (OPTIONAL)	312,248	LN 28	160,156	51.2814%	152,091	48.7086%
7	LESS: FEDERAL ITC AMORTIZATION	-4,524	S-12, LN 29	-1,865	0.0000%	-2,659	0.0000%
8	NET FEDERAL INCOME TAX	316,771	LN 6*LN 7	162,021	51.1476%	154,750	48.8524%
9	STATE AND LOCAL INCOME TAX (OPTIONAL)	84,934	LN 33	44,858	52.8151%	40,076	47.1849%
10	LESS: STATE ITC AMORTIZATION	26,496	S-12, LN 30	0	0.0000%	26,496	100.0000%
11	NET STATE INCOME TAX	58,438	LN 9*LN 10	44,858	76.7618%	13,580	23.2382%
13	OPERATING EXPENSE AND TAX	4,544,585	S-9, LN 20	2,115,356	46.5467%	2,429,228	53.4533%
14	OTHER ALLOWABLE EXPENSES	2,401	S-6, LN 22+23	1,109	46.1878%	1,292	53.8122%
15	UNCOLLECTIBLES	-17,100	S-8, LN 30	0	0.0000%	-17,100	0.0000%
16	BASIS FOR GROSS RECEIPTS TAX (GROSS UP)	5,822,965	S*8+11thru15	2,760,485	47.4065%	3,062,481	52.5931%
17a	GROSS RECEIPTS TAX RATE	0	LN 16*LN 17a	0	0.0000%	0	0.0000%
17b	GROSS RECEIPTS TAX	0		0	0.0000%	0	0.0000%
18	LESS: B-I EAS CREDIT	0		0	0.0000%	0	0.0000%
19	TOTAL REVENUE REQUIREMENT	5,822,965		2,760,485	47.4065%	3,062,481	52.5931%

NOTE A: INCLUDES NET TEL PLANT FROM SCH S-2, LN 36 LESS A/C's 2006, 2007 AND 1402 OTHER THAN RTB STOCK.

LN	DESCRIPTION	TOTAL OPERATING	ALLOCATION BASIS	TOTAL INTERSTATE	INTERSTATE %	TOTAL INTRASTATE	INTRASTATE %
OPTIONAL GROSS UP INCOME TAX CALC							
20	NET RETURN FOR SETTLEMENTS	917,871	LN 3	437,141	47.6255%	480,731	52.3745%
21	INTEREST AND RELATED ITEMS EXCL NON-OPER	316,267	S-12, LN 16+18	128,114	40.5083%	188,153	59.4917%
22	OTHER INCOME ADJUSTMENTS	0	S-12, LN 26+28	0	0.0000%	0	0.0000%
23	TOTAL INCOME ADJUSTMENTS	316,267	LN 21+22	128,114	40.5083%	188,153	59.4917%
24	FEDERAL ITC AMORTIZATION	-4,524	S-12, LN 29	-1,865	0.0000%	-2,659	0.0000%
25	FEDERAL TAXABLE INCOME	916,375	LN 25*FIT	471,047	51.2814%	447,328	48.7086%
26	FEDERAL INCOME TAX @ 34.00%	312,248	/S-2, LN 34	160,156	51.2814%	152,091	48.7086%
27	FEDERAL SURTAX ALLOC- OPERATING	0	LN26*LN27	0	0.0000%	0	0.0000%
28	NET FED INCOME TAX BEFORE ITC	312,248	/S-2, LN 34	160,156	51.2814%	152,091	48.7086%
29	STATE ITC AMORTIZATION	26,496	S-12, LN 30	0	0.0000%	26,496	100.0000%
30	STATE TAXABLE INCOME @ 6.70%	976,813	LN 30*FIT	515,905	52.8151%	460,908	47.1849%
31	STATE INCOME TAX	84,934	/S-2, LN 34	44,858	52.8151%	40,076	47.1849%
32	STATE SURTAX EXEMPTION	0		0	0.0000%	0	0.0000%
33	NET STATE INCOME TAX BEFORE ITC TAX: A	84,934		44,858	52.8151%	40,076	47.1849%

PROSPECTIVE COST ANALYSIS SUMMARY

TEST YEAR FORECAST 7/93 THRU 6/94	ADJUSTMENTS			TOTAL COMPANY SEPARATIONS A-B-C (D)
	TOTAL COMPANY (A)	PART 64 (B)	OTHER (C)	
REVENUES				
100 Network Access	-17,100		0	-17,100
110 Uncollectibles				
120 Common Line Support				
130 Long-Term				
140 Transitional				
150 Miscellaneous				
160 Net Revenues				
EXPENSES				
170 Plant Specific	1,525,154		37,476	1,487,678
180 Plant Non Specific Excl Depr & Amort	95,626		2,296	93,330
190 Depreciation/Amortization	1,869,029		81,994	1,787,035
200 Customer Operations	253,684		94,714	158,970
210 Access	22,128		0	22,128
220 Corporate Operations	925,335		66,032	859,303
230 AFUDC	0		0	0
240 Other Expenses and Adjustments	184,442		183,193	1,249
250 Taxes Other than FIT	199,098		3,368	195,730
260 Total Expenses and Other Taxes	5,074,496	0	469,073	4,605,423
FIT ADJUSTMENTS				
270 Adjustments for FIT	316,267		0	316,267
280 Amortized ITC	-4,524		0	-4,524
290 Federal Income Taxes	312,248		0	312,248
300 TOTAL EXPENSES AND TAXES	5,391,267	0	469,073	4,922,194
TELEPHONE PLANT IN SERVICE				
310 General Support	2,983,850		71,629	2,912,221
320 Central Office Equipment - Switch	3,298,268		494,740	2,803,528
330 Central Office Equipment - Trans	5,414,041		0	5,414,041
340 Cable and Wire	11,897,036		0	11,897,036
350 Info Orig, Term Equipment	0		0	0
360 Amortizable Assets	0		0	0
370 Total Plant in Service	23,593,195	0	566,369	23,026,825
ADJUSTMENTS TO TPIS				
380 Depreciation, Amortization Reserve	14,443,190		365,259	14,077,931
390 Accum Deferred Income Tax	680,753		19,150	661,603
400 Other Rate Base Adjustments	1,405,502		15,166	1,390,337
RETURN DATA				
410 Average Rate Base	9,874,754		197,127	9,677,628
420 Return				
430 Rate of Return				

SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

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A-1, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE		TANDEM SWITCHED TRANSFER		SPECIAL ACCESS		TOTAL NON-ACCESS
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	
1		NET INVESTMENT FOR SETTLEMENTS	3,885,684	A-2, LN 34	0	1,571,645	1,211,338	0	0	0	0	0	0
2		RATE OF RETURN	11,2500%	LN 1*LN 2	0	11,2500%	11,2500%	0	0	0	0	0	0
3		RETURN ON INVESTMENT	437,141	LN 1*LN 2	0	176,810	136,275	0	0	0	0	0	0
4		ALLOW FOR FUNDS USED DURING CONSTR	437,141	LN 3-LN 4	0	0	0	0	0	0	0	0	0
5		NET RETURN FOR SETTLEMENTS	160,156	LN 3-LN 4	0	176,810	136,275	0	0	0	0	0	0
6		FEDERAL INCOME TAX	-1,865	LN 30	0	48,215	-631	0	0	0	0	0	0
7		LESS: FEDERAL ITC AMORTIZATION	-162,021	A-12, LN 23	0	-739	-631	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	44,858	LN 6-LN 7	0	86,065	48,845	0	0	0	0	0	0
9		STATE AND LOCAL INCOME TAX	44,858	LN 36	0	18,287	13,504	0	0	0	0	0	0
10		STATE ITC AMORTIZATION	44,858	A-12, LN 24	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	2,115,358	LN 6-LN 10	0	18,297	13,504	0	0	0	0	0	0
12		PROVISION FOR DEFERRED INCOME TAX	1,108	RECORDS	0	697,232	918,438	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	2,760,485	A-8, LN 19	0	439	0	0	0	0	0	0	0
14		NONOPERATING EXP	0	A-8, LN 23	0	0	0	0	0	0	0	0	0
15		UNCOLLECTIBLES	0	A-8, LN 27	0	0	0	0	0	0	0	0	0
16		NET BASIS FOR GROSS RECEIPTS TAX	0	LN 16*LN 17	0	958,844	1,117,438	0	0	0	0	0	0
17		GROSS RECEIPTS TAX RATE	0.0000%	LN 16*LN 18	0	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	2,760,485	LN 16*LN 18	0	958,844	1,117,438	0	0	0	0	0	0
19		SUBTOTAL REVENUE REQUIREMENT	2,760,485	LN 48	0	128,817	-128,817	0	0	0	0	0	0
20		ALLOCATION OF LOCAL SW LINE PORT COST	0	LN 48	0	106,541	30,013	0	0	0	0	0	0
21		TIC REVENUE REALLOCATION	2,760,485	LN 19*20*21	0	1,194,002	1,018,832	0	0	0	0	0	0
22		TOTAL REVENUE REQUIREMENT	100.0000%	LN 19*20*21	0	43,2534%	36,9077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
23		% DISTRIBUTION											

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE		TANDEM SWITCHED TRANSFER		SPECIAL ACCESS		TOTAL NON-ACCESS
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	
24		OPTIONAL GROSS UP INCOME TAX CALCULATION	437,141	LN 3	0	176,810	136,275	0	0	0	0	0	0
25		INTEREST ON INVESTMENT	128,114	A-12, LN 21	0	50,738	43,313	0	0	0	0	0	0
26		OTHER INCOME ADJUSTMENTS	128,114	LN 25+LN 26	0	50,738	43,313	0	0	0	0	0	0
27		TOTAL INCOME ADJUSTMENTS	309,028	LN 24-LN 27	0	128,072	92,983	0	0	0	0	0	0
28		RETURN LESS INCOME ADJ	-1,865	A-12, LN 23	0	-739	-631	0	0	0	0	0	0
29		FEDERAL ITC AMORTIZATION	310,881	LN 6-LN 7	0	128,811	83,593	0	0	0	0	0	0
30		FIT BASE	471,047	LN 31*FTR	0	182,138	141,809	0	0	0	0	0	0
31		FEDERAL TAXABLE INCOME	160,156	/LN 30	0	65,327	48,215	0	0	0	0	0	0
32		FEDERAL INCOME TAX	160,156	LN 32-LN 33	0	65,327	48,215	0	0	0	0	0	0
33		FEDERAL SURTAX ALLOCATION	160,156	A-12, LN 24	0	0	0	0	0	0	0	0	0
34		NET FEDERAL TAX BEFORE ITC AMORT	471,047	LN 30	0	182,138	141,809	0	0	0	0	0	0
35		STATE ITC AMORTIZATION	515,905	LN 37*STR	0	18,287	13,504	0	0	0	0	0	0
36		SIT BASE	471,047	LN 38	0	0	0	0	0	0	0	0	0
37		STATE TAXABLE INCOME	515,905	LN 38	0	18,287	13,504	0	0	0	0	0	0
38		STATE INCOME TAX	44,858	LN 38-LN 39	0	18,287	13,504	0	0	0	0	0	0
39		STATE SURTAX ALLOCATION	44,858	LN 38-LN 39	0	18,287	13,504	0	0	0	0	0	0
40		NET STATE INCOME TAX BEFORE ITC AMORT	167,403		0	88,283	50,398	0	0	0	0	0	0
41		FEDERAL TAX AT MAXIMUM RATE	13,458		0	5,490	4,052	0	0	0	0	0	0
42		ADDITIONAL INCOME ADJUSTMENT FOR FIT	2,884,748	LN 19	0	958,844	1,117,438	0	0	0	0	0	0
43		BASIS FOR ALLOCATION OF ITC REVENUES	-710,841	LSS Algorithm	0	-22,128	-888,713	0	0	0	0	0	0
44		ACCESS REVENUE REQUIREMENT	-177,840	(LN 43-44)*30%	0	128,617	-128,617	0	0	0	0	0	0
45		FEDERAL SUPPORT/LOCAL SWITCHING SUPPORT	-177,840	Records	0	1,065,333	300,108	0	0	0	0	0	0
46		ALLOCATION OF LOCAL SW LINE PORT COSTS	100.0000%	LN 5 v thru 46	0	59,9759%	18,8953%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
47		INTERSTATE TIC REVENUE ALLOCATION	177,840	/LN 46	0	106,541	30,013	0	0	0	0	0	0
48		BASIS FOR TIC REVENUE ALLOCATION	177,840		0	106,541	30,013	0	0	0	0	0	0
48		% DISTRIBUTION											
48		INTERSTATE TIC REVENUE REALLOCATION	177,840		0	106,541	30,013	0	0	0	0	0	0

REVENUE REQUIREMENT SUMMARY BY PRIMARY ELEMENT

SUM1

LN	A/C	DESCRIPTION	TOTAL COMPANY	TOTAL COMMON LINE	LIMITED PAY	PUBLIC INTEREST PAY	INSIDE WIRE	CPE	BFP	SWITCHED ACCESS	SPECIAL ACCESS	BILLING & COLLECTION	IX CATEGORY
1		GENERAL SUPPORT FACILITIES	1,200,811	475,485	0	0	0	0	475,485	633,489	91,637	0	0
2		CENTRAL OFFICE SWITCHING	2,803,528	0	0	0	0	0	0	2,803,528	0	0	0
3		OPERATOR SYSTEMS	0	0	0	0	0	0	0	0	0	0	0
4		CENTRAL OFFICE TRANSMISSION	2,010,477	788,798	0	0	0	0	788,798	901,243	310,439	0	0
5		INFORMATION ORIGINATOR	0	0	0	0	0	0	0	0	0	0	0
6		CABLE AND WIRE FACILITIES	3,478,568	2,485,359	0	0	0	0	2,485,359	670,717	322,483	0	0
7		TANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0
8		INTANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0
9		TOTAL PLANT IN SERVICE	9,483,184	3,750,640	0	0	0	0	3,750,640	5,008,977	724,568	0	0
10		PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0	0
11		PLANT UNDER CONSTRUCTION	254,383	100,745	0	0	0	0	100,745	134,223	18,416	0	0
12		RESERVED FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0	0
13		TELEPHONE PLANT ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0
14		TOTAL PROPERTY, PLANT & EQUIP.	9,747,568	3,850,385	0	0	0	0	3,850,385	5,143,199	743,984	0	0
15		ACCUM DEPRECIATION - PLANT IN SERVICE	5,857,681	2,293,417	0	0	0	0	2,293,417	3,132,761	431,504	0	0
16		ACCUM DEPRECIATION - FUTURE USE	0	0	0	0	0	0	0	0	0	0	0
17		ACCUM AMORTIZATION - TANGIBLE PROPERTY	0	0	0	0	0	0	0	0	0	0	0
18		ACCUM AMORTIZATION - INTANGIBLE PROP.	0	0	0	0	0	0	0	0	0	0	0
19		ACCUM AMORTIZATION - TEL PLANT ADJ.	0	0	0	0	0	0	0	0	0	0	0
20		OTHER LT LIAB - POST RET BENEFITS	0	0	0	0	0	0	0	0	0	0	0
21		OPERATING DEFERRED INCOME TAX	282,897	105,700	0	0	0	0	105,700	157,355	19,842	0	0
22		OTHER DEFERRED CREDITS - NET	0	0	0	0	0	0	0	0	0	0	0
23		CUSTOMER DEPOSITS	183	73	0	0	0	0	73	97	14	0	0
24		NET TELEPHONE PLANT	3,608,807	1,461,196	0	0	0	0	1,461,196	1,852,967	282,824	0	0
25		MATERIALS AND SUPPLIES	125,212	49,589	0	0	0	0	49,589	86,067	9,557	0	0
26		RTB STOCK	0	0	0	0	0	0	0	0	0	0	0
27		NONCURRENT ASSETS - POST RET BENEFITS	0	0	0	0	0	0	0	0	0	0	0
28		EQUAL ACCESS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
29		OTHER JURISDICTIONAL ASSETS	153,875	60,861	0	0	0	0	60,861	81,085	11,729	0	0
30		CASH WORKING CAPITAL	3,885,694	1,571,645	0	0	0	0	1,571,645	2,000,139	313,910	0	0
31		NET TEL PLANT, M&S & WORKING CAPITAL	437,141	176,810	0	0	0	0	176,810	225,016	35,315	0	0
32		RETURN ON INVESTMENT FOR SETTLEMENTS	0	0	0	0	0	0	0	0	0	0	0
33		PLANT SPECIFIC EXPENSE	617,632	217,658	0	0	0	0	217,658	361,868	37,876	0	0
34		PLANT NON SPECIFIC EXPENSES EXCL DEP	60,605	37,386	0	0	0	0	37,386	20,302	2,937	0	0
35		DEPRECIATION & AMORTIZATION	884,893	250,141	0	0	0	0	250,141	586,039	48,713	0	0
36		MARKETING EXPENSE	0	0	0	0	0	0	0	0	0	0	0
37		OTHER CUSTOMER OPERATIONS EXPENSES	98,887	25,962	0	0	0	0	25,962	5,511	4,139	63,374	0
38		CORPORATE OPERATIONS EXPENSES	386,893	143,569	0	0	0	0	143,569	187,887	22,955	32,362	0
39		EQUAL ACCESS EXPENSE	0	0	0	0	0	0	0	0	0	0	0
40		OTHER OPERATING TAXES	58,821	22,503	0	0	0	0	22,503	28,981	4,337	0	0
41		GROSS RECEIPTS TAX	0	0	0	0	0	0	0	0	0	0	0
42		UNCOLLECTIBLES/RENT REVENUES	-483	-191	0	0	0	0	-191	-255	-37	0	0
43		NON OPERATING EXPENSE	1,117	442	0	0	0	0	442	569	85	0	0
44		SUBTOTAL OPERATING EXPENSE	2,116,465	697,672	0	0	0	0	697,672	1,202,053	121,004	95,737	0
45		STATE INCOME TAX - NET OF ITC	44,658	18,287	0	0	0	0	18,287	22,855	3,705	0	0
46		SUBTOTAL OPER EXPENSE & TAX	2,161,323	715,969	0	0	0	0	715,969	1,224,908	124,709	95,737	0
47		FEDERAL INCOME TAX - NET OF ITC	162,021	86,065	0	0	0	0	86,065	82,585	13,371	0	0
48		REALLOCATION OF INTERSTATE ACCESS COSTS	2,760,485	1,194,002	0	0	0	0	1,194,002	1,280,010	190,738	65,737	0
49		TOTAL REVENUE REQUIREMENT	100,000.00%	43,253.34%	0.0000%	0.0000%	0.0000%	0.0000%	43,253.34%	48,368.90%	6,908.5%	3,488.1%	0.0000%
50		% DISTRIBUTION											



SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

A-2, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SST	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHED TRANSPORT		SPECIAL ACCESS		TOTAL NON ACCESS	
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM		MILEAGE
NET INVESTMENT SUMMARY																	
1	2110	GENERAL SUPPORT FACILITIES	1,200,811	A-3, LN 12	0	475,485	405,899	0	0	0	130,483	97,107	67,710	14,477	9,448	0	0
2	2210	CENTRAL OFFICE SWITCHING	2,803,528	A-4, LN 21+25	0	2,803,528	0	0	0	0	0	0	0	0	0	0	0
3	2220	OPERATOR SYSTEMS	0	A-4, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0
4	2230	CENTRAL OFFICE TRANSMISSION	2,010,477	A-4, LN 41	0	786,706	0	0	0	0	901,243	0	210,447	89,881	0	0	0
5	2310	INFORMATION ORIG/TERM	0	A-3, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
6	2410	CABLE AND WIRE FACILITIES	3,478,599	A-3, LN 21	0	2,485,359	0	0	0	0	0	0	0	0	0	0	0
7	2880	TANGIBLE ASSETS	0	A-3, LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2880	TANGIBLE ASSETS	0	A-3, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0
9	2880	INTANGIBLE ASSETS	0	A-3, LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0
10	2880	TOTAL PLANT IN SERVICE	9,483,184		0	3,750,640	3,208,427	0	0	0	0	0	0	0	0	0	0
11	2002	% DISTRIBUTION	100.0000%		0.0000%	39,6096%	33,8077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	2002	PROPERTY HELD FOR FUTURE USE	0	A-6, LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2003	PLANT UNDER CONSTRUCTION	254,383	A-6, LN 13	0	100,745	86,001	0	0	0	0	0	0	0	0	0	0
13	XXXX	RESERVED FOR FUTURE USE	0	A-6, LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2005	TELEPHONE PLANT ADJUSTMENT	0	A-6, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0
15	2005	TOTAL PROPERTY, PLANT & EQUIP.	9,747,568		0	3,850,385	3,295,428	0	0	0	0	0	0	0	0	0	0
16	3100	% DISTRIBUTION	100.0000%		0.0000%	39,6096%	33,8077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17	3100	ACCUM DEPRECIATION - PLANT IN SERVICE	5,857,881	A-7, LN 9	0	2,283,417	2,089,800	0	0	0	0	0	0	0	0	0	0
18	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-7, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3400	ACCUM AMORTIZATION - TANGIBLE PROPERTY	0	A-7, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0
20	3500	ACCUM AMORTIZATION - INTANGIBLE PROP.	0	A-7, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0
21	3600	ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7, LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0
22	4310	OTHER LT LIAB - POST RET BENEFITS	282,897	A-3, LN 18	0	105,700	108,514	0	0	0	0	0	0	0	0	0	0
23	4340	OPERATING DEFERRED INCOME TAX	0	A-7, LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0
24	4370	CUSTOMER DEPOSITS	183	A-7, LN 40	0	73	62	0	0	0	0	0	0	0	0	0	0
25	4040	NET TELEPHONE PLANT	3,608,807	A-3, LN 18	0	1,461,186	1,117,051	0	0	0	0	0	0	0	0	0	0
26	2880	% DISTRIBUTION	100.0000%		0.0000%	40,5122%	30,9706%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
27	1220	MATERIALS AND SUPPLIES	125,212	A-3, LN 24	0	49,588	42,331	0	0	0	0	0	0	0	0	0	0
28	1402	RTB STOCK	0	A-3, LN 25	0	0	0	0	0	0	0	0	0	0	0	0	0
29	1410	NONCURRENT ASSETS - POST RET BENEFITS	0	A-3, LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0
30	1439	EQUAL ACCESS EQUIPMENT	0	A-3, LN 16	0	0	0	0	0	0	0	0	0	0	0	0	0
31	1500	OTHER JURISDICTIONAL ASSETS	0	A-3, LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0
32	XXXX	CASH WORKING CAPITAL	153,675	A-3, LN 18	0	60,861	51,954	0	0	0	0	0	0	0	0	0	0
33	XXXX	NET TELEPHONE PLANT, M&S AND	3,865,684		0	1,571,645	1,211,336	0	0	0	0	0	0	0	0	0	0
34	XXXX	CASH WORKING CAPITAL	100,000.00%		0.0000%	40,4470%	31,1743%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
35	XXXX	% DISTRIBUTION	100.0000%		0.0000%	40,4470%	31,1743%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE			TRAFFIC SENSITIVE			TANDEM SWITCHED TRANSPORT			SPECIAL ACCESS			TOTAL
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	TERM	FACILITY	TERM	CHANNEL MILEAGE	
1		BASIS FOR GENERAL SUPPORT FACILITIES	734,451			284,247	273,329	0	0	0	0	42,539	49,275	32,213	4,995	4,779	83,374
2		BIG THREE EXPENSE EXCL GENERAL SUPPORT % DISTRIBUTION	100.0000%			35.9788%	37.2155%	0.0000%	0.0000%	0.0000%	5.7919%	6.7091%	4.3860%	0.6392%	0.6507%	8.6286%	
3		CENTRAL OFFICE EQUIPMENT	4,614,005	A-4-LN 42		788,798	2,803,528	0	0	0	901,243	0	210,447	99,991	0	0	
4		INFORMATION ORIGITERM	0	A-5-LN 10		0	0	0	0	0	0	670,717	257,228	0	65,267	0	
5		CABLE & WIRE FACILITIES	3,476,599	A-5-LN 21		2,485,359	0	0	0	0	901,243	670,717	487,674	89,991	65,267	0	
6		TOTAL	8,292,574			3,284,155	2,803,528	0	0	0	10,8881%	8,0882%	5,6397%	1,2056%	0.7870%	0.0000%	
7		% DISTRIBUTION	100.0000%			39.6036%	33.8077%	0.0000%	0.0000%	0.0000%	10.8881%	8.0882%	5.6397%	1.2056%	0.7870%	0.0000%	
2110		GENERAL SUPPORT ASSETS	0			0	0	0	0	0	130,483	97,107	67,710	14,477	9,449	0	
8		ALLOCATED TO B&C BASED ON BIG THREE EXP	1,200,811	DIRECT LN 7		475,485	405,898	0	0	0	130,483	97,107	67,710	14,477	9,449	0	
9		ALLOCATED BASED ON BIG THREE INVESTMENT	0	DIRECT		0	0	0	0	0	0	0	0	0	0	0	
10		BILLING NAME & ADDRESS (BNA)	0	DIRECT		0	0	0	0	0	0	0	0	0	0	0	
11		DIRECT NON ACCESS	1,200,811			475,485	405,898	0	0	0	130,483	97,107	67,710	14,477	9,449	0	
12		TOTAL GENERAL SUPPORT ASSETS	100.0000%			39.6036%	33.8077%	0.0000%	0.0000%	0.0000%	10.8881%	8.0882%	5.6397%	1.2056%	0.7870%	0.0000%	
13		% DISTRIBUTION	0			0	0	0	0	0	0	0	0	0	0	0	
14		COE IOT,CWF AND GENERAL SUPPORT	9,493,184			3,759,640	3,209,427	0	0	0	1,031,728	787,824	535,384	114,468	74,718	0	
15		% DISTRIBUTION	100.0000%			39.6036%	33.8077%	0.0000%	0.0000%	0.0000%	10.8881%	8.0882%	5.6397%	1.2056%	0.7870%	0.0000%	
16	1439	EQUAL ACCESS EQUIPMENT	0	DIRECT		0	0	0	0	0	0	0	0	0	0	0	
17		COE IOT,CWF GENERAL SUPPORT AND EQUAL ACCESS EQUIPMENT	9,493,184			3,759,640	3,209,427	0	0	0	1,031,728	787,824	535,384	114,468	74,718	0	
18		% DISTRIBUTION	100.0000%			39.6036%	33.8077%	0.0000%	0.0000%	0.0000%	10.8881%	8.0882%	5.6397%	1.2056%	0.7870%	0.0000%	
19	2680	TANGIBLE ASSETS	0			0	0	0	0	0	0	0	0	0	0	0	
20		CAPITAL LEASES	0	LN 15		0	0	0	0	0	0	0	0	0	0	0	
21		LEASEHOLD IMPROVEMENTS	0	LN 18		0	0	0	0	0	0	0	0	0	0	0	
22		TOTAL	0			0	0	0	0	0	0	0	0	0	0	0	
23	2690	INTANGIBLE ASSETS	0	LN 18		0	0	0	0	0	0	0	0	0	0	0	
24	1220	MATERIALS AND SUPPLIES	125,212	LN 18		49,589	42,331	0	0	0	13,008	10,127	7,062	1,510	985	0	
25	1402	RTB STOCK	0	LN 18		0	0	0	0	0	0	0	0	0	0	0	
26	1410	NONCURRENT ASSETS - POST RET BENEFITS	0	LN 18		0	0	0	0	0	0	0	0	0	0	0	
27	1500	OTHER JURISDICTIONAL ASSETS	0	LN 18		0	0	0	0	0	0	0	0	0	0	0	
28		COE IOT,CWF,GEN SUPP & EQUAL ACCESS FOR APPORTIONING PRESUBSCRIPTION	8,769,616			3,759,640	3,209,427	0	0	0	1,031,728	787,824	535,384	114,468	74,718	0	
29		% DISTRIBUTION	100.0000%			42.8761%	36.6013%	0.0000%	0.0000%	0.0000%	11.7661%	8.7565%	5.6397%	1.2056%	0.7870%	0.0000%	
30		COE IOT & CWF EXCL CCL FOR ASSIGNING CARRIER ACCESS BILLING EXPENSES	5,008,419			2,803,528	0	0	0	0	901,243	670,717	467,674	99,991	65,267	0	
31		% DISTRIBUTION	100.0000%			55.8763%	0.0000%	0.0000%	0.0000%	0.0000%	17.9646%	13.3916%	9.3377%	1.9865%	1.3031%	0.0000%	

CENTRAL OFFICE EQUIPMENT ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE			SPECIAL ACCESS				
					LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHING	TRANSPORT FACILITY	CHANNEL TERM
ALLOCATION FACTORS														
1		STANDARD WORK SECONDS	100.0000%	AL-1 LN 9	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
2		- MANUAL BOARDS	100.0000%	AL-1 LN 10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
3		- TSPS COMPLEX	100.0000%	AL-1 LN 2	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
4		EQUIVALENT ACCESS LINES - MSG CODE	100.0000%	AL-1 LN 6	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
5		IX CIRCUIT TERMINATIONS - MSG CODE	100.0000%											
CENTRAL OFFICE EQUIPMENT														
6	2220	OPERATOR SYSTEMS	0	LN 2	0	0	0	0	0	0	0	0	0	0
7		MANUAL SWITCHBOARDS	0		0	0	0	0	0	0	0	0	0	0
8		AUXILIARY SWITCHBOARDS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
9		- DIRECTORY ASSISTANCE	0	DIRECT	0	0	0	0	0	0	0	0	0	0
10		- INTERCEPT	0	DIRECT	0	0	0	0	0	0	0	0	0	0
11		- OTHER	0	LN 27	0	0	0	0	0	0	0	0	0	0
12		SERVICE OBSERVING BOARDS	0		0	0	0	0	0	0	0	0	0	0
13		TSPS	0	LN 3	0	0	0	0	0	0	0	0	0	0
14		- OPERATOR	0	LN 27	0	0	0	0	0	0	0	0	0	0
15		- RTA	0	LN 27	0	0	0	0	0	0	0	0	0	0
16		- OTHER	0		0	0	0	0	0	0	0	0	0	0
17		TOTAL OPERATOR SYSTEMS	0		0	0	0	0	0	0	0	0	0	0
18		2210 TANDEM SWITCHING EQUIPMENT	0	DIRECT	0	0	0	0	0	0	0	0	0	0
19		ACCESS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
20		NON ACCESS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
21		TANDEM SWITCHED TRANSPORT	0	DIRECT	0	0	0	0	0	0	0	0	0	0
		TOTAL TANDEM SWITCH	0		0	0	0	0	0	0	0	0	0	0
22a		2210 LOCAL SWITCHING EQUIPMENT	2,803,528	DIRECT	2,803,528	0	0	0	0	0	0	0	0	0
22b		ACCESS - TS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
23		ACCESS - NTS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
24		EQUAL ACCESS	0	DIRECT	0	0	0	0	0	0	0	0	0	0
25		SS7 SWITCHING	2,803,528	DIRECT	2,803,528	0	0	0	0	0	0	0	0	0
		TOTAL LOCAL SWITCH	2,803,528		2,803,528	0	0	0	0	0	0	0	0	0
26		TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	2,803,528	LN 26	2,803,528	0	0	0	0	0	0	0	0	0
27		% DISTRIBUTION	100.0000%		100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CENTRAL OFFICE EQUIPMENT ALLOCATION

LN	A/C	DESCRIPTION	COMMON LINE		SOURCE	LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE		SPECIAL ACCESS		TOTAL
			LIMITED PAY	COMMON LINE					OPERATOR TRANSFER	BNA	TANDEM SWITCHED SWITCHING	TRANSPORT FACILITY	
28		2230 CENTRAL OFFICE TRANSMISSION		0	DIRECT						151,119	0	0
29		EXCHANGE LINE WIDEBAND	151,119	0	DIRECT							0	0
30		EXCHANGE TRUNK - BASIC	0		DIRECT							0	0
31		EXCHANGE TRUNK - WIDEBAND			LN #DIRECT						59,329		
32		SUBSCRIBER LINE	868,124	0									
33		INTEREXCHANGE CIRCUIT											
34		- FURNISHED OTHERS	0		DIRECT							0	0
35a		- ACCESS - WIDEBAND	25,482		DIRECT							25,482	0
35b		- ACCESS - BASIC	505,123		DIRECT							74,510	0
35c		- ACCESS - TANDEM MULTIPLEX	0		DIRECT							0	0
35d		- ACCESS - VOICE GRADE MULTIPLEX	0		DIRECT							0	0
36		- ACCESS - SS7	0		DIRECT							0	0
37		- NON-ACCESS	530,604		DIRECT							98,981	0
38		TOTAL IX CIRCUIT	470,630		DIRECT							0	0
39		HOT/REMOTE CIRCUIT	0		DIRECT							0	0
40		EQUIPMENT RENTED OTHERS	0		DIRECT							0	0
41		TOTAL CENTRAL OFFICE TRANSMISSION	2,010,477	0								210,447	98,981
42		TOTAL CENTRAL OFFICE EQUIPMENT	4,814,095	0		2,803,528	0	0	0	0	210,447	98,981	0
43		% DISTRIBUTION	100.0000%	0.0000%		58.2368%	0.0000%	0.0000%	0.0000%	0.0000%	4.3716%	2.0771%	0.0000%
44		COE RATIOS											
45		OPERATOR SYSTEMS	0.0000%	0.0000%	LN 17	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
46		TANDEM SWITCHING	0.0000%	0.0000%	LN 21	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
47		LOCAL SWITCHING	100.0000%	0.0000%	LN 25	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
48		CENTRAL OFFICE SWITCHING	100.0000%	0.0000%	LN 21+25	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
49		CENTRAL OFFICE TRANSMISSION	100.0000%	38.7318%	LN 41	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	10.4675%	4.9735%	0.0000%

INFORMATION ORIGIN/TERMINATION AND CABLE AND WIRE FACILITIES

LN	A/C	DESCRIPTION	TOTAL COMPANY		SOURCE	COMMON LINE		LOCAL SWITCHING	SST	INFO	TRAFFIC SENSITIVE		SPECIAL ACCESS		TOTAL CHANNEL MILEAGE	NON ACCESS
			LIMITED PAY	COMMON LINE		OPERATOR TRANSFER	BNA				CHANNEL TERM	FACILITY				
1		ALLOCATION FACTORS	100.0000%	100.0000%	AL-1, LN 4	0.0000%	100.0000%									
2		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	100.0000%	AL-1, LN 8											
3	2310	INFORMATION ORIG/TERM														
4		OTHER IOT EQUIPMENT	0	0	DIRECT	0	0									
5		PUBLIC INTEREST PAYSTATION EQUIP	0	0	DIRECT	0	0									
6		COINLESS PUBLIC TELEPHONE	0	0	DIRECT	0	0									
7		OTHER	0	0	DIRECT	0	0									
8		SUBTOTAL	0	0	DIRECT	0	0									
9		NEW CUSTOMER PREMISE EQUIP	0	0	DIRECT	0	0									
10		TOTAL ORIG/TERM EQUIP	0	0		0	0.0000%									
11		% DISTRIBUTION	0.0000%	0.0000%												
12	2410	CABLE AND WIRE FACILITIES	2,689,854	2,485,359	LN 1/DIRECT	0	2,485,359									
13		SUBSCRIBER LINE	72,632	72,632	DIRECT	0	72,632									
14		EXCHANGE LINE WIDEBAND	0	0	DIRECT	0	0									
15		EXCHANGE TRUNK - BASIC	0	0	DIRECT	0	0									
15a		EXCHANGE TRUNK - WIDEBAND	0	0	DIRECT	0	0									
16		IX TRUNK - WIDEBAND	23,321	23,321	DIRECT	0	23,321									
17		IX TRUNK - ACCESS	248,788	248,788	LN 2/DIRECT	0	248,788									
17a		IX TRUNK - SST	0	0	DIRECT	0	0									
17b		IX TRUNK - NON ACCESS	0	0	DIRECT	0	0									
18		HOST/REMOTE	483,875	483,875	DIRECT	0	483,875									
19		EQUIPMENT FURNISHED OTHERS	0	0	DIRECT	0	0									
20		TOTAL CABLE AND WIRE FACILITIES	3,478,569	3,478,569	DIRECT	0	3,478,569									
21		% DISTRIBUTION	100.0000%	100.0000%		0.0000%	71.4478%		0.0000%							
22		TOTAL CWF EXCLUDING CAT 1,3	883,210	883,210		0	883,210		0							
23		% DISTRIBUTION	100.0000%	100.0000%		0.0000%	25.1302%		0.0000%							
24																

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

LN	A/C	DESCRIPTION	COMMON LINE		LOCAL SWITCHING	SST	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHED		SPECIAL ACCESS		TOTAL	
			LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	CHANNEL TERM	WILEAGE	NON ACCESS	
OTHER TELECOMMUNICATIONS PLANT															
1	2002	PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0	0	0	0	0	0	0
2		GENERAL SUPPORT	0	0	0	0	0	0	0	0	0	0	0	0	0
3		CENTRAL OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
4		CABLE AND WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
5		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0
6		TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
7		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
PLANT UNDER CONSTRUCTION															
8	2003	GENERAL SUPPORT	0	0	0	0	0	0	0	0	0	0	0	0	0
9		CENTRAL OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CABLE AND WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
11		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0
12		TOTAL	254,383	100,745	88,001	0	0	0	0	27,647	20,575	14,346	3,087	2,002	0
13		% DISTRIBUTION	254,383	100,745	88,001	0	0	0	0	27,647	20,575	14,346	3,087	2,002	0
14		% DISTRIBUTION	100.0000%	39.6036%	33.6077%	0.0000%	0.0000%	0.0000%	0.0000%	10.8681%	8.0882%	5.6397%	1.2056%	0.7870%	0.0000%
RESERVED FOR FUTURE USE															
15	XXXX	GENERAL SUPPORT	0	0	0	0	0	0	0	0	0	0	0	0	0
16		CENTRAL OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CABLE AND WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
18		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
20		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TELECOMMUNICATIONS PLANT ADJUST.															
22	2005	GENERAL SUPPORT	0	0	0	0	0	0	0	0	0	0	0	0	0
23		CENTRAL OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CABLE AND WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0
25		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0
26		TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0
27		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
28		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

LN	A/C	DESCRIPTION	TOTAL COMPANY	COMMON LINE		LOCAL SWITCHING	SST	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHING	TRANSFERT		SPECIAL ACCESS		TOTAL ACCESS	
				LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BVA		TERM	FACILITY	CHANNEL TERM	FACILITY		NON ACCESS
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE															
2		GENERAL SUPPORT	913,688	0	381,844	308,889	0	0	0	0	0	99,298	73,899	51,528	11,017	7,191	0
3		CENTRAL OFFICE SWITCHING EQUIPMENT	1,760,811	0	1,760,811	0	0	0	0	0	0	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	1,080,472	0	429,290	0	0	0	0	0	0	484,347	0	113,099	53,737	0	0
6		UNDISTRIBUTED COE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	2,102,631	0	1,502,283	0	0	0	0	0	0	583,645	405,417	155,481	39,451	39,451	0
9		TOTAL ACCUM DEPR - TPIS	5,857,681	0	2,293,417	2,089,800	0	0	0	0	0	583,645	479,316	320,108	64,754	46,642	0
10	3200	ACCUM DEPRECIATION - FUTURE USE		0	2,293,417	0	0	0	0	0	0	583,645	479,316	320,108	64,754	46,642	0
11		TOTAL ACCUM DEPRECIATION	5,857,681	0	2,293,417	0	0	0	0	0	0	583,645	479,316	320,108	64,754	46,642	0
12		% DISTRIBUTION	100.0000%	0.0000%	35.3348%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	9.9537%	8.1827%	5.4648%	1.1055%	0.7982%	0.0000%
13		ACCUMULATED AMORTIZATION															
14	3400	TANGIBLE ASSETS															
15		CAPITAL LEASES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18		TOTAL ACCUM AMORT - TANGIBLE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3500	INTANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	3600	TELEPHONE PLANT ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL ACCUM AMORTIZATION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
23	4100 &	NET OPERATING DEFERRED INC TAX															
24	4340	GENERAL SUPPORT	34,643	0	13,720	11,712	0	0	0	0	0	3,765	2,802	1,954	418	273	0
25		CENTRAL OFFICE SWITCHING EQUIPMENT	96,802	0	96,802	0	0	0	0	0	0	0	0	0	0	0	0
26		OPERATOR SYSTEMS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		CENTRAL OFFICE TRANSMISSION	51,170	0	20,331	0	0	0	0	0	0	22,838	0	5,356	2,545	0	0
28		INFORMATION ORIG/TERM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		CABLE AND WIRE FACILITIES	100,282	0	71,648	0	0	0	0	0	0	0	19,336	7,415	0	1,882	0
30		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31		TOTAL NET DEFERRED INC TAX	282,897	0	105,700	108,514	0	0	0	0	0	26,700	23,138	14,725	2,963	2,154	0
32		% DISTRIBUTION	100.0000%	0.0000%	37.3633%	38.3562%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	9.4382%	7.8254%	5.2052%	1.0473%	0.7615%	0.0000%
33	4360	OTHER DEFERRED CREDITS - NET															
34		GENERAL SUPPORT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35		CENTRAL OFFICE SWITCHING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		OPERATOR SYSTEMS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
37		CENTRAL OFFICE TRANSMISSION	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
38		INFORMATION ORIG/TERM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
39		CABLE AND WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		UNDISTRIBUTED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		TOTAL OTHER DEFERRED CREDITS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

A-8, 1 of 1 SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS A-8, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		TRAFFIC SENSITIVE		TANDEM SWITCHED		SPECIAL ACCESS		TOTAL
					LIMITED PAY	COMMON LINE	OPERATOR TRANSFER	BNA	SWITCHING	TERM	CHANNEL TERM	MILEAGE FACILITY	
1	8110	OPERATING EXPENSE AND TAX	9,434	A-9,1LN 6	0	3,736	0	0	0	0	0	0	0
2	8120	NETWORK SUPPORT EXPENSE	33,338	A-9,1LN 7	0	13,203	0	0	0	1,025	552	114	74
3	8210	GENERAL OFFICE EXPENSE	339,623	A-9,1LN 15	0	11,271	0	0	0	3,623	1,800	402	262
4	8310	INFORMATION ORIG/TERM EXP	0	A-9,1LN 22	0	256,790	0	0	0	37,222	8,692	4,130	0
5	8410	CABLE AND WIRE FACILITIES EXP	235,036	A-9,1LN 24	0	0	0	0	0	0	0	0	0
6	8510	OTHER PLANT EXPENSE	0	A-10,1LN 6	0	0	0	0	0	0	0	0	4,410
7	8530	NETWORK OPERATIONS EXPENSE	39,477	A-10,1LN 7	0	13,008	0	0	0	4,182	2,170	464	303
8a	8540	ACCESS CHARGE EXPENSE	0	A-10,1LN 8a	0	0	0	0	0	0	0	0	0
8b	8540	FEDERAL SUPPORT CHARGES	22,128	A-10,1LN 8b	0	0	0	0	0	0	0	0	0
9	8610	MARKETING EXPENSE	0	A-11,1LN 1	0	0	0	0	0	1,135	3,972	101	66
10	8620	SERVICES EXPENSE	98,987	A-11,1LN 29	0	3,531	0	0	0	8,047	5,905	889	872
11	8710	EXECUTIVE AND PLANNING EXP	132,544	A-12,1LN 8	0	49,078	0	0	0	16,049	11,777	1,772	1,740
12	8720	GENERAL AND ADMINISTRATIVE EXP	284,350	A-12,1LN 9	0	97,883	0	0	0	71,284	52,307	7,871	7,728
13		SUBTOTAL OPERATING EXPENSE	1,174,117		0	424,776	0	0	0	67,850	44,650	8,652	8,153
14		% DISTRIBUTION	100.0000%		0.0000%	37.0276%	0.0000%	0.0000%	0.0000%	6.0713%	4.4550%	0.8704%	0.6582%
15	6560	DEPRECIATION AND AMORTIZATION	884,893	A-10,1LN 19+27	0	250,141	0	0	0	70,844	35,933	7,860	4,920
16	7200	OTHER OPERATING TAX	56,821	A-12,1LN 25+26	0	19,210	0	0	0	6,175	3,205	685	447
17		EQUAL ACCESS EXPENSE	0	A-12,1LN 12	0	0	0	0	0	1	0	0	0
18	7500	INTEREST ON CUSTOMER DEPOSITS	8	A-12,1LN 15	0	3	0	0	0	-1	0	0	0
19	5240	RENT REVENUES	-483	A-10,1LN 45	0	-163	0	0	0	-52	-27	-8	-4
20		TOTAL OPERATING EXP & TAX	2,115,356		0	897,232	0	0	0	148,251	91,418	16,411	13,091
21		% DISTRIBUTION	100.0000%		0.0000%	43.4175%	0.0000%	0.0000%	0.0000%	7.0083%	4.3218%	0.7758%	0.6189%
22	7370	NON OPERATING EXPENSE	0	A-3,1LN 18	0	0	0	0	0	0	0	0	0
23		ABANDONED CONSTRUCTION CONTRIBUTIONS	1,109	A-3,1LN 16	0	438	0	0	0	121	63	13	9
24		TOTAL NON OPERATING EXP	1,109		0	438	0	0	0	121	63	13	9
25	5310	UNCOLLECTIBLES	0	A-3,1LN 18	0	0	0	0	0	0	0	0	0
26	5320	END USER MSG TOLL	0	DIRECT	0	0	0	0	0	0	0	0	0
27	5330	IX CARRIER	0	A-3,1LN 31	0	0	0	0	0	0	0	0	0
28		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	0	A-3,1LN 18	0	0	0	0	0	0	0	0	0



PLANT SPECIFIC EXPENSE ALLOCATION

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHED		SPECIAL ACCESS		TOTAL		
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL MILEAGE		TERM	FACILITY
BASIS FOR NETWORK SUPPORT EXPENSE																		
1		GEN SUPPORT, COE, IOT AND C&W	9,483,184	VARIOUS	0	3,759,840	3,209,427	0	0	0	0	0	1,031,728	767,824	535,384	114,488	74,716	0
2		EQUAL ACCESS EQUIPMENT	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		TOTAL	9,483,184		0	3,759,840	3,209,427	0	0	0	0	0	1,031,728	767,824	535,384	114,488	74,716	0
4		% DISTRIBUTION	100.0000%		0.0000%	39.6038%	33.8077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	10.8681%	8.0882%	5.6387%	1.2056%	0.7870%	0.0000%
PLANT SPECIFIC EXPENSES																		
5		GENERAL SUPPORT EXPENSE	0	LN 4	0	3,726	3,180	0	0	0	0	0	1,025	763	532	114	74	0
6	6110	NETWORK SUPPORT	9,434		0	13,203	11,271	0	0	0	0	0	3,823	2,898	1,880	402	282	0
7	6120	GENERAL SUPPORT	33,338		0	18,639	14,480	0	0	0	0	0	4,649	3,459	2,412	516	337	0
8		TOTAL GENERAL SUPPORT EXP	42,772		0	31,842	25,760	0	0	0	0	0	8,672	6,361	4,292	930	619	0
9		% DISTRIBUTION	100.0000%		0.0000%	39.6038%	33.8077%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	10.8681%	8.0882%	5.6387%	1.2056%	0.7870%	0.0000%
10		CENTRAL OFFICE EXPENSE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
11	6210	CENTRAL OFFICE SWITCHING EXPENSE	256,780	A-4, LN 47	0	0	256,780	0	0	0	0	0	0	0	0	0	0	0
12	6220	OPERATOR SYSTEMS EXPENSE	0	A-4, LN 44	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	6230	CENTRAL OFFICE TRANSMISSION EXPENSE	83,094	A-4, LN 48	0	32,891	0	0	0	0	0	0	37,222	0	8,682	4,130	0	0
14	6230	COE EXPENSE - SS7 LEASE	0	DIRECT	0	32,891	256,780	0	0	0	0	0	37,222	0	8,682	4,130	0	0
15		TOTAL CENTRAL OFFICE EXPENSE	338,823		0	32,891	256,780	0	0	0	0	0	37,222	0	8,682	4,130	0	0
16		% DISTRIBUTION	100.0000%		0.0000%	9.7082%	75.5659%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	10.9533%	0.0000%	2.5577%	1.2152%	0.0000%	0.0000%
17		INFORMATION ORIG/TERM EXPENSE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	6310	PUBLIC INTEREST PAY/STATION EXPENSE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		OTHER IOT EXPENSE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		CPE	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TOTAL INFORMATION ORIG/TERM EXP	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
24	6410	CABLE AND WIRE FACILITIES EXPENSE	235,038	A-5, LN 22	0	167,928	0	0	0	0	0	0	45,318	45,318	17,380	4,410	4,410	0
25		TOTAL EXCL SS7	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26		SS7 LEASE	0		0	167,928	0	0	0	0	0	0	45,318	45,318	17,380	4,410	4,410	0
27		TOTAL C&W EXPENSE	235,038		0.0000%	71.4476%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	19.2814%	19.2814%	7.3946%	1.8762%	1.8762%	0.0000%
28		% DISTRIBUTION	100.0000%		0.0000%	71.4476%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	19.2814%	19.2814%	7.3946%	1.8762%	1.8762%	0.0000%
29		TOTAL PLANT SPECIFIC EXPENSE	617,632		0	217,658	271,250	0	0	0	0	0	41,870	48,778	28,484	4,645	4,747	0
30		% DISTRIBUTION	100.0000%		0.0000%	35.2731%	43.9178%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.7792%	7.8975%	4.6118%	0.7521%	0.7685%	0.0000%

PLANT NON SPECIFIC EXPENSE ALLOCATION

LN	AC	DESCRIPTION	TOTAL COMPANY	COMMON LINE		TRAFFIC SENSITIVE		TANDEM SWITCHED		SPECIAL ACCESS		TOTAL	
				LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING		TERM
1		CENTRAL OFFICE EQUIPMENT	4,814,005	0	798,795	2,803,528	0	0	0	901,243	210,447	99,991	0
2		INFORMATION ORIGIN	0	0	0	0	0	0	0	0	0	0	0
3		CABLE AND WIRE FACILITIES	8,478,589	0	2,485,359	0	0	0	0	801,243	670,717	99,991	65,267
4		TOTAL	8,282,574	0	2,803,528	0	0	0	0	10,868,176	487,874	1,206,982	65,267
5		% DISTRIBUTION	100.0000%	0.0000%	33.8077%	0.0000%	0.0000%	0.0000%	0.0000%	10.8681%	5.8397%	1.2069%	0.7870%
PLANT NON SPECIFIC EXPENSE													
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	0	0	0	0	0	0	0	0	0	0	0
7	6530	NETWORK OPERATIONS EXPENSE	38,477	0	13,008	0	0	0	0	4,182	2,170	464	303
8a	6540	ACCESS CHARGE EXPENSE	0	0	0	0	0	0	0	0	0	0	0
8b	6540	FEDERAL SUPPORT CHARGES	22,128	0	0	0	0	0	0	0	0	0	0
9	6560	DEPRECIATION EXPENSE	85,505	0	28,907	0	0	0	0	9,283	4,822	1,031	673
10		GENERAL SUPPORT	435,728	0	435,728	0	0	0	0	0	0	0	0
11		CENTRAL OFFICE SWITCHING EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
12		OPERATOR SYSTEMS EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
13		CENTRAL OFFICE TRANSMISSION	137,307	0	0	0	0	0	0	81,551	14,373	6,829	0
14		UNBUNDLED LOOP	0	0	0	0	0	0	0	0	0	0	0
15		INFORMATION ORIGIN	0	0	0	0	0	0	0	0	0	0	0
16		CABLE AND WIRE FACILITIES	228,353	0	161,724	0	0	0	0	0	43,844	7,860	4,247
17		TOTAL DEPR EXP - PLANT IN SERVICE	884,893	0	250,141	484,635	0	0	0	70,844	50,560	7,860	4,920
18		PROPERTY HELD FOR FUTURE USE	884,893	0	250,141	484,635	0	0	0	70,844	50,560	7,860	4,920
19		TOTAL DEPRECIATION EXPENSE	100.0000%	0.0000%	52.5075%	0.0000%	0.0000%	0.0000%	0.0000%	8.0059%	4.0607%	0.8882%	0.5560%
20		% DISTRIBUTION	100.0000%	0.0000%	52.5075%	0.0000%	0.0000%	0.0000%	0.0000%	8.0059%	4.0607%	0.8882%	0.5560%
AMORTIZATION EXPENSE													
21	6563	CAPITAL LEASE	0	0	0	0	0	0	0	0	0	0	0
22	6563	LEASEHOLD IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
23	6563	UNBUNDLED LOOP	0	0	0	0	0	0	0	0	0	0	0
24		SUBTOTAL	0	0	0	0	0	0	0	0	0	0	0
25	6564	INTANGIBLE ASSETS	0	0	0	0	0	0	0	0	0	0	0
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL AMORTIZATION EXPENSE	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
28		% DISTRIBUTION	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL PLANT NON SPECIFIC EXPENSE													
29		TOTAL PLANT NON SPECIFIC EXPENSE	945,498	0	287,508	477,643	0	0	0	75,025	38,103	8,324	5,223
30		% DISTRIBUTION	100.0000%	0.0000%	50.5177%	0.0000%	0.0000%	0.0000%	7.9350%	4.0289%	0.8804%	0.5524%	0.0000%
RENT REVENUES													
31	5240	GEN SUPPORT ASSETS	483	161	163	0	0	0	0	52	27	6	4
32	5240	CENTRAL OFFICE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
33	5240	CABLE & WIRE FACILITIES	0	0	0	0	0	0	0	0	0	0	0
34	5240	UNBUNDLED LOOP	0	0	0	0	0	0	0	0	0	0	0
35	5240	UNBUNDLED INTERCONNECTION:	0	0	0	0	0	0	0	0	0	0	0
36	5240	- UNBUNDLED LOOP	0	0	0	0	0	0	0	0	0	0	0
37	5240	- OPERATOR SYSTEMS	0	0	0	0	0	0	0	0	0	0	0
38	5240	- TANDEM SWITCHING	0	0	0	0	0	0	0	0	0	0	0
39	5240	- LOCAL SWITCHING	0	0	0	0	0	0	0	0	0	0	0
40	5240	- TRANSPORT TERMINATION	0	0	0	0	0	0	0	0	0	0	0
41	5240	- TRANSPORT FACILITY	0	0	0	0	0	0	0	0	0	0	0
42	5240	- SS7/800 DATABASE	0	0	0	0	0	0	0	0	0	0	0
43	5240	- OSS	0	0	0	0	0	0	0	0	0	0	0
44	5240	MISCELLANEOUS RENT REVENUE	0	0	0	0	0	0	0	0	0	0	0
45		TOTAL RENT REVENUE	483	161	163	0	0	0	0	52	27	6	4

CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

A-11, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHED		TRANSPORT		SPECIAL ACCESS		TOTAL	
					LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	CHANNEL	TERM	FACILITY		NON ACCESS
1	6810	CUSTOMER OPERATIONS EXPENSES	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	6621	MARKETING OPERATOR SERVICES	0	SWS-OPERATORS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	6622	- CALL COMPLETION INCL CA	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	6622	- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	6623	PUBLISHED DIRECTORY LISTINGS	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	6623	ALL OTHER	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	1.0	LOCAL BUSINESS OFFICE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		- END USER SVC ORDER PROCESSING	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		- PRESUBSCRIPTION	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		- OTHER	38,481	A-3, LN 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	34,983
11		- END USER PAYMENT & COLLECTION	14,013	AL-1, LN 12	0	14,013	0	0	0	0	0	0	0	0	0	0	0	0	0
12		- END USER BILLING INQUIRY	8,342	AL-1, LN 13	0	8,342	0	0	0	0	0	0	0	0	0	0	0	0	0
13		- IX CARRIER SVC ORDER PROCESSING	192	AL-1, LN 14	0	82	0	0	0	0	0	0	23	17	0	0	0	0	0
14		- IX CARRIER PAYMENT & COLLECTION	1,181	AL-1, LN 15	0	506	0	0	0	0	0	0	139	103	0	0	0	0	0
15		- IX CARRIER BILLING INQUIRY	523	AL-1, LN 16	0	224	0	0	0	0	0	0	61	46	0	0	0	0	0
16		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1, LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		SUBTOTAL LOCAL BUSINESS OFFICE	62,731	AL-1, LN 18	0	23,168	0	0	0	0	0	0	223	166	0	0	0	0	34,983
18	2.0	CUSTOMER OPERATIONS EXPENSES	10,888		0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,888
19		- MESSAGE PROCESSING	10,888	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		- TOLL TICKET PROCESSING	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		- LOCAL MESSAGE PROCESSING	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		- OTHER BILLING & COLLECTION	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22b		- BNA	17,694	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,694
23		- END USER COMMON LINE	2,794	DIRECT	0	2,794	0	0	0	0	0	0	0	0	0	0	0	0	0
24		- CARRIER ACCESS BILLING (CABS)	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24a		- BNA	5,070	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24b		- ALL OTHER	36,286	A-3, LN 31	0	2,794	2,838	0	0	0	0	0	912	679	473	101	66	28,392	
25		SUBTOTAL CUSTOMER SERVICES	88,987		0	25,962	3,531	0	0	0	0	0	1,135	845	3,972	101	66	63,374	
26		TOTAL CAT 1 AND CAT 2	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	
27		% DISTRIBUTION	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	
28	3.0	ALL OTHER CUSTOMER SERVICE	88,987	/LN 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29		TOTAL CUSTOMER SERVICE	100,000.00%		0	25,962	3,531	0	0	0	0	0	1,135	845	3,972	101	66	63,374	
30		% DISTRIBUTION	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	
31		TOTAL CUSTOMER OPERATIONS EXPENSE	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	
32		% DISTRIBUTION	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	
33		CUSTOMER OPERATIONS EXCL MARKETING	88,987		0	25,962	3,531	0	0	0	0	0	1,135	845	3,972	101	66	63,374	
34		% DISTRIBUTION	100,000.00%		0	26,227.8%	3,567.6%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	1.1469%	0.8535%	4.0123%	0.1023%	0.0687%	64.0230%	

CORPORATE OPERATIONS EXPENSE ALLOCATION

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE			LOCAL SWITCHING	SST	INFO	TRAFFIC SENSITIVE			TANDEM SWITCHED TRANSPORT			SPECIAL ACCESS			TOTAL NON ACCESS	
					LIMITED PAY	COMMON LINE	OPERATOR TRANSFER				BNA	SWITCHING	TERM	FACILITY	CHANNEL TERM	TERM	FACILITY	CHANNEL TERM	TERM		FACILITY
1		BIG THREE EXPENSES																			
2		PLANT SPECIFIC EXPENSE	617,632	A-9, LN 20	0	217,858	0	0	0	0	0	0	0	0	41,870	48,778	28,484	4,645	4,747	0	0
3		OTHER PLANT EXPENSE	0	A-10, LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4		NETWORK OPERATIONS EXPENSE	38,477	A-10, LN 7	0	15,238	0	0	0	0	0	0	0	0	4,182	3,112	2,170	464	303	0	0
5		ACCESS CHARGE EXPENSE	22,128	A-10, LN 8a+8b	0	22,128	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		CUSTOMER OPERATIONS EXPENSE	99,887	A-11, LN 31	0	25,982	0	0	0	0	0	0	0	0	1,135	845	3,972	101	66	63,374	0
7		TOTAL BIG THREE EXPENSES	777,224		0	281,186	0	0	0	0	0	0	0	0	47,187	52,735	34,625	5,211	5,115	63,374	0
		% DISTRIBUTION	100.0000%		0.0000%	36.1783%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.0713%	6.7850%	4.4550%	0.6704%	0.6582%	8.1538%	0
CORPORATE OPERATING EXPENSE																					
8	6710	EXECUTIVE AND PLANNING	132,544	LN 7	0	47,952	0	0	0	0	0	0	0	0	8,047	8,993	5,905	889	872	10,607	0
9	6720	GENERAL AND ADMINISTRATIVE	284,350	LN 7	0	95,937	0	0	0	0	0	0	0	0	16,046	17,986	11,777	1,772	1,740	21,555	0
10		TOTAL CORPORATE OPERATIONS	386,893		0	143,589	0	0	0	0	0	0	0	0	24,086	26,969	17,682	2,651	2,612	32,382	0
11		% DISTRIBUTION	100.0000%		0.0000%	36.1783%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.0713%	6.7850%	4.4550%	0.6704%	0.6582%	8.1538%	0
EQUAL ACCESS EXPENSE																					
12			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	7600	INTEREST EXPENSE	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14		CAPITAL LEASE	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		CUSTOMER DEPOSITS	8	A-3, LN 18	0	3	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0
16		OTHER	128,114	A-3, LN 18	0	50,738	0	0	0	0	0	0	0	0	13,924	10,362	7,225	1,545	1,008	1,008	0
17		TOTAL	128,123		0	50,741	0	0	0	0	0	0	0	0	13,924	10,363	7,226	1,545	1,008	1,008	0
OTHER INCOME ADJUSTMENTS																					
18			0	A-2, LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		BASED ON PLANT	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		BASED ON EXPENSE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
OPERATING TAXES																					
22	7210	FEDERAL ITC AMORTIZATION	1,865	A-3, LN 18	0	739	0	0	0	0	0	0	0	0	203	151	105	22	15	0	0
23	7210	STATE ITC AMORTIZATION	0	A-3, LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7240	OTHER OPERATING TAXES	56,448	A-3, LN 18	0	22,355	0	0	0	0	0	0	0	0	6,135	4,565	3,183	681	444	0	0
25	7243	OTHER OPERATING TAXES - DIRECT ASSIGN	375	A-3, LN 18	0	148	0	0	0	0	0	0	0	0	41	30	21	5	3	0	0
26		TOTAL OPERATING TAXES	58,686		0	23,242	0	0	0	0	0	0	0	0	6,376	4,747	3,310	708	462	0	0

DEVELOPMENT OF JOINT USE FACILITIES ALLOCATION FACTORS

LN	ALLOCATION RATIOS	TOTAL COMPANY	SOURCE	COMMON LINE		LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE		SPECIAL ACCESS		TOTAL
				LIMITED PAY	COMMON LINE				OPERATOR TRANSFER	BNA	TANDEM SWITCHING	TRANSPORT FACILITY	
1	EQUIVALENT ACCESS LINES - MSG COE	1,308		0	1,308								
2	% DISTRIBUTION	100.0000%		0.0000%	100.0000%								
3	EQUIVALENT ACCESS LINES - MSG CWF	1,308		0	1,308								
4	% DISTRIBUTION	100.0000%		0.0000%	100.0000%								
5	IX CIRCUIT TERMINATIONS - MSG COE	295											
6	% DISTRIBUTION	100.0000%											
7	IX CIRCUIT MILES - MSG CWF	1,810.00											
8	% DISTRIBUTION	100.0000%											
DISTRIBUTION FACTORS													
9	STD WORK SECONDS - MANUAL BOARDS	100.0000%				0.0000%		0.0000%					100.0000%
10	STD WORK SECONDS - TSPS	100.0000%				0.0000%		0.0000%					100.0000%
11	STD WORK SECONDS - OPERATORS	100.0000%				0.0000%		0.0000%					100.0000%
12	END USER SVC ORDER CONTACTS	100.0000%											100.0000%
13	END USER PAYMENT & COLLECTION	100.0000%											100.0000%
14	END USER BILLING INQUIRY CONTACTS	100.0000%											100.0000%
15	IX CARRIER SVC ORDER CONTACTS	100.0000%		0.0000%	42.8781%	36.6013%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
16	IX CARRIER PAYMENT & COLLECTION	100.0000%		0.0000%	42.8781%	36.6013%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
17	IX CARRIER BILLING INQUIRY CONTACTS	100.0000%		0.0000%	42.8781%	36.6013%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	100.0000%
18	PUBLIC TELEPHONE REVENUE	100.0000%		100.0000%	0.0000%								100.0000%
19	END USER BILLING & COLLECTION	100.0000%											100.0000%
20	OPERATOR SERVICES UNDER CONTRACT	0.0000%				0.0000%		0.0000%					0.0000%

TAX-1

OPTIONAL FEDERAL INCOME TAX ADJUSTMENT WORKSHEET

TAX-1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	TRAFFIC SENSITIVE		TANDEM SWITCHED TRANSPORT		SPECIAL ACCESS		TOTAL		
										OPERATOR	BNA	SWITCHING	TERM	FACILITY	TERM		CHANNEL	TERM
STEP A - Determine Effective Tax Rate																		
1.		Effective FIT Rate	34.0000%	A-1LN 2827	0	176,810	138,275	0	0	0	0	0	53,923	34,817	25,944	5,983	3,388	0
2.		Gross-up Factor	54.5152%	LN1(1-Q-LN1)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.		Return on Investment	437,141	A-1LN 3	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.		Reserved for Future Use	437,141	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5.		Return on Investment	128,114	LN 9-LN 4	0	176,810	138,275	0	0	0	0	0	53,923	34,817	25,944	5,983	3,388	0
6.		Income Adjustment for FIT	-1,885	A-1LN 23	0	50,738	43,113	0	0	0	0	0	13,824	10,362	7,225	1,545	1,008	0
7.		FIT Tax Credits	-162,021	(B-E-7)2-7	0	-739	-691	0	0	0	0	0	-203	-151	-105	-22	-15	0
8.		FIT Amount at EC's Effective FIT Rate	-162,021	0	0	66,065	48,645	0	0	0	0	0	20,913	12,827	9,802	2,320	1,248	0
STEP B - Determine EC's Tax Allowance based upon NECA Settlement System Calculation																		
9a.		FIT Base Amount	310,891	0	0	126,811	93,593	0	0	0	0	0	40,202	24,608	18,824	4,460	2,384	0
9b.		FIT at Maximum Tax Rate	169,268	0	0	66,021	51,027	0	0	0	0	0	21,650	13,400	10,241	2,424	1,304	0
STEP C - Gross up of Difference Between Effective Rate and Maximum Rate																		
10.		Maximum Tax Rate Per NECA	35.0000%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11.		Gross-up Factor	53.8462%	LN10(1-LN10)	0	2,950	2,182	0	0	0	0	0	937	574	439	104	56	0
12.		Difference in Income Tax Amounts	7,247	LN 9b-LN 8	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13.		Gross up of Difference in Tax Amounts	13,458	LN 12LN 11	0	5,490	4,052	0	0	0	0	0	1,740	1,065	815	183	104	0
14.		Amount to Be Reported as Income Adjustment for FIT	141,573	LN 6+LN 13	0	56,228	47,364	0	0	0	0	0	15,664	11,427	8,040	1,738	1,112	0
STEP D - Verification of Line 14 Computation																		
15.		((LN 5 - LN 14 - LN 7) x LN 11) - LN 7 (should equal LN 6)	-162,021	0	0	66,065	48,645	0	0	0	0	0	20,913	12,827	9,802	2,320	1,248	0

SCH1, 1 of 1

POOL REPORTING SUMMARY

SCH1, 1 of 1

	<u>ANNUAL</u>	<u>MONTHLY</u>
<u>CARRIER COMMON LINE</u>		
CL EXPENSES AND OTHER TAXES	\$951,127	\$79,261
CL AVERAGE NET INVESTMENT	1,571,645	1,571,645
CL INCOME FROM INT CHGD CONSTR	0	0
CL INCOME ADJUSTMENT FOR FIT	56,228	4,686
CL FIT TAX CREDIT	-739	-62
 <u>TRAFFIC SENSITIVE SWITCHED ACCESS</u>		
SW EXPENSES AND OTHER TAXES	\$972,410	\$81,034
SW AVERAGE NET INVESTMENT	2,000,139	2,000,139
SW INCOME FROM INT CHGD CONSTR	0	0
SW INCOME ADJUSTMENT FOR FIT	74,455	6,205
SW FIT TAX CREDIT	-984	-82
 <u>TRAFFIC SENSITIVE SPECIAL ACCESS</u>		
SP EXPENSES AND OTHER TAXES	\$142,050	\$11,838
SP AVERAGE NET INVESTMENT	313,910	313,910
SP INCOME FROM INT CHGD CONSTR	0	0
SP INCOME ADJUSTMENT FOR FIT	10,890	907
SP FIT TAX CREDIT	-142	-12

PART 69 -- Total Interstate

TRP COST ANALYSIS SUMMARY

	TOTAL INTERSTATE	TOTAL ROR
	BILLING	REGULATED
	AND	IS ACCESS
	COLLECTION	(H) = E-F-G
	(F)	
	INTER-	
	EXCHANGE	
	(G)	
	TOTAL ACCESS	
	(E)	
<b>REVENUES</b>		
100 Network Access	617,632	617,632
110 Uncollectibles	36,477	36,477
120 Common Line Support (Note 1)	1	1
130 Long-Term	22,128	22,128
140 Transitional	0	0
150 Miscellaneous	0	0
160 Net Revenues	231,530	157,349
<b>EXPENSES</b>		
170 Plant Specific	0	0
180 Plant Non Specific Excl Depr & Amort	0	0
190 Depreciation/Amortization	1	1
200 Customer Operations Services	0	0
210 Access	74,182	74,182
220 Corporate Operations	0	0
230 AFUDC	0	0
240 Other Expenses and Adjustments	57,938	57,938
250 Taxes Other than FIT	929,751	929,751
260 Total Expenses and Other Taxes	1,897,457	1,823,275
<b>FIT ADJUSTMENTS</b>		
270 Adjustments for FIT	128,114	128,114
280 Amortized ITC	-1,865	-1,865
290 Federal Income Taxes	160,156	160,156
<b>300 TOTAL EXPENSES AND TAXES</b>	<b>2,059,478</b>	<b>1,985,296</b>
<b>TELEPHONE PLANT IN SERVICE</b>		
310 General Support	1,200,611	1,200,611
320 Central Office Equipment - Switch	2,803,528	2,803,528
330 Central Office Equipment - Trans	2,010,477	2,010,477
340 Cable and Wire	3,478,569	3,478,569
350 Info Orig, Term Equipment	0	0
360 Amortizable Assets	0	0
370 Total Plant in Service	9,493,184	9,493,184
<b>ADJUSTMENTS TO TPIS</b>		
380 Depreciation, Amortization Reserve	5,857,681	5,857,681
390 Accum Deferred Income Tax	282,897	282,897
400 Other Rate Base Adjustments	533,087	533,087
<b>RETURN DATA</b>		
410 Average Rate Base	3,885,694	3,885,694
420 Return		
430 Rate of Return		

NOTE 1: CCL Support data contained on lines 120 thru 140 is not applicable for companies that participate in the NECA pool.



TRP COST ANALYSIS SUMMARY

	PAY PHONE (I)	INSIDE WIRE (J)	COMMON LINE (K)	TOTAL (L)=J+K
<b>REVENUES</b>				
100 Network Access	0	0	217,858	217,858
110 Uncollectibles	0	0	37,366	37,366
120 Common Line Support (Note 1)	0	0	250,141	250,141
130 Long-Term	0	0	25,962	25,962
140 Transitional	N/A	N/A	N/A	N/A
150 Miscellaneous	0	0	143,589	143,589
160 Net Revenues	0	0	0	0
<b>EXPENSES</b>				
170 Plant Specific	0	0	217,858	217,858
180 Plant Non Specific Excl Depr & Amort	0	0	37,366	37,366
190 Depreciation/Amortization	0	0	250,141	250,141
200 Customer Operations Services	0	0	25,962	25,962
210 Access	N/A	N/A	N/A	N/A
220 Corporate Operations	0	0	143,589	143,589
230 AFUDC	0	0	0	0
240 Other Expenses and Adjustments	0	0	442	442
250 Taxes Other than FIT	0	0	40,801	40,801
260 Total Expenses and Other Taxes	0	0	716,160	716,160
<b>FIT ADJUSTMENTS</b>				
270 Adjustments for FIT	0	0	50,738	50,738
280 Amortized ITC	0	0	-739	-739
290 Federal Income Taxes	0	0	65,327	65,327
<b>300 TOTAL EXPENSES AND TAXES</b>	<b>0</b>	<b>0</b>	<b>782,225</b>	<b>782,225</b>
<b>TELEPHONE PLANT IN SERVICE</b>				
310 General Support	0	0	475,485	475,485
320 Central Office Equipment - Switch	0	0	0	0
330 Central Office Equipment - Trains	0	0	798,796	798,796
340 Cable and Wire	0	0	2,485,359	2,485,359
350 Info Orig. Term Equipment	0	0	0	0
360 Amortizable Assets	0	0	0	0
370 Total Plant in Service	0	0	3,769,640	3,769,640
<b>ADJUSTMENTS TO TPIS</b>				
380 Depreciation, Amortization Reserve	0	0	2,293,417	2,293,417
390 Accum Deferred Income Tax	0	0	105,700	105,700
400 Other Rate Base Adjustments	0	0	211,122	211,122
<b>RETURN DATA</b>				
410 Average Rate Base	0	0	1,571,645	1,571,645
420 Return				
430 Rate of Return				

NOTE 1: CCL Support data contained on lines 120 thru 140 is not applicable for companies that participate in the NECA pool.

TRP COST ANALYSIS SUMMARY

	SWITCHING (M)	LIDB (N)	TRANSFER (O)	TRAFFIC SENSITIVE INFORMATION (P)	BNA (Q)	TRANSPORT (R)	TOTAL (S)=M+N+O+P+Q+R	SPECIAL ACCESS (R)
<b>REVENUES</b>								
100 Network Access	271,250	0	0	0	0	90,648	361,898	37,876
110 Uncollectibles	13,008	0	0	0	0	7,294	20,302	2,937
120 Common Line Support	0	0	0	0	0	0	0	0
130 Long-Term	0	0	0	0	0	0	0	0
140 Transitional	0	0	0	0	0	0	0	0
150 Miscellaneous	0	0	0	0	0	0	0	0
160 Net Revenues	52,610	0	0	0	0	19,020	71,630	11,805
<b>EXPENSES</b>								
170 Plant Specific	0	0	0	0	0	0	0	0
180 Plant Non Specific Excl Depr & Amort	0	0	0	0	0	0	0	0
190 Depreciation/Amortization	0	0	0	0	0	0	0	0
200 Customer Operations Services	0	0	0	0	0	0	0	0
210 Access	0	0	0	0	0	0	0	0
220 Corporate Operations	52,610	0	0	0	0	19,020	71,630	11,805
230 AFUDC	0	0	0	0	0	0	0	0
240 Other Expenses and Adjustments	19,588	0	0	0	0	10,983	30,571	4,422
250 Taxes Other than FIT	478,140	0	0	0	0	130,755	608,894	52,418
260 Total Expenses and Other Taxes	834,595	0	0	0	0	258,700	1,093,295	109,457
<b>FIT ADJUSTMENTS</b>								
270 Adjustments for FIT	141,808	0	0	0	0	98,194	240,002	38,907
280 Amortized ITC	92,963	0	0	0	0	64,455	157,417	25,537
290 Federal Income Taxes	48,215	0	0	0	0	33,386	81,601	13,229
<b>300 TOTAL EXPENSES AND TAXES</b>	<b>789,847</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>227,631</b>	<b>1,017,478</b>	<b>97,149</b>
<b>TELEPHONE PLANT IN SERVICE</b>								
310 General Support	405,899	0	0	0	0	227,591	633,489	91,637
320 Central Office Equipment - Switch	2,803,528	0	0	0	0	0	2,803,528	0
330 Central Office Equipment - Trans	0	0	0	0	0	901,243	901,243	310,439
340 Cable and Wire	0	0	0	0	0	670,717	670,717	322,493
350 Info Orig, Term Equipment	0	0	0	0	0	0	0	0
360 Amortizable Assets	0	0	0	0	0	0	0	0
370 Total Plant in Service	3,209,427	0	0	0	0	1,799,550	5,008,977	724,568
<b>ADJUSTMENTS TO TPIS</b>								
380 Depreciation, Amortization Reserve	2,069,800	0	0	0	0	1,062,960	3,132,761	431,504
390 Accum Deferred Income Tax	108,514	0	0	0	0	48,841	157,355	19,842
400 Other Rate Base Adjustments	180,225	0	0	0	0	101,053	281,278	40,688
<b>RETURN DATA</b>								
410 Average Rate Base	1,211,336	0	0	0	0	788,802	2,000,139	313,910
420 Return								
430 Rate of Return								