

FRE-T

ANNUAL REPORT

OF

FREMONT TELECOM

NAME

1221 N. RUSSELL ST. MISSOULA, MT 59808

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED: 2014

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IDAHO PUBLIC
UTILITIES COMMISSION

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

COMPANY INFORMATION

Exact name of utility: Fremont Telcom
 Address of principal office: 1221 N Russell St, Missoula, MT 59808
 Telephone Number: 406-541-5000
 Cities or towns served: Saint Anthony, Ashton, Teton, and Island Park, ID

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

Address of office where corporate books are kept and phone number: 406-541-5424
1221 N Russell St., Missoula, MT 59808

Organized under the laws of the State of: Idaho

Date of organization: March 9, 1994

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

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: _____

Names of affiliated companies. Give address and description of business: Blackfoot Telephone Cooperative, Inc.
BTC Holdings, Blackfoot Communications, Inc., TeleSphere Software, Inc.

OFFICERS

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

Title	Name	Address
Chief Executive Officer	Bill Squires	1221 N. Russell St., Missoula, MT 59808
Assistant Treasurer, VP & CFO	Stacey Mueller	1221 N. Russell St., Missoula, MT 59808
Assistant Secretary, VP & General Counsel	Jason Williams	1221 N. Russell St., Missoula, MT 59808
Vice President - Customer Operations & Mtkg	Joel Block	1221 N. Russell St., Missoula, MT 59808
Vice President - Network Operations	Frank Creasia	1221 N. Russell St., Missoula, MT 59808
Vice President & Chief Technology Officer	Dave Martin	1221 N. Russell St., Missoula, MT 59808
Vice President - Sales	J.P. Violette	1221 N. Russell St., Missoula, MT 59808

DIRECTORS

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

Name	Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Tom Eggensperger, President	PO Box 219, Thompson Falls, MT 59873	5/16	11	1,541.00
Geoffrey Wilson, Vice President	2704 Southside Road, Superior, MT 59872	5/15	12	1,659.00
Cindy Lewis, Secretary/Treasurer	PO Box 529, Seeley Lake, MT 59868	5/17	12	1,659.00
Jim Blush	PO Box 158, St. Ignatius, MT 59865	5/17	12	1,659.00
Ross Friede	PO Box 184, Hall, MT 59837	5/15	11	1,541.00
Les Iverson	31580 Potomac Rd., Potomac, MT 59823	5/16	12	1,659.00
Stuart Morton	PO Box 396, St. Ignatius, MT 59865	5/16	11	1,541.00
Jim Newberg	1971 South Couture Loop, Arlee, MT 59821	5/15	12	1,659.00
John Teague	8945 Teague Ranch Rd., Clinton, MT 59825	5/17	12	1,659.00

Name of Chairman of the Board: President - Tom Eggensperger
 Name of Secretary (or Clerk) of Board: Secretary - Cindy Lewis
 Number of Meetings of the Board during the year: 12

MANAGERS

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

Name	Wages and Bonuses Paid
N/A	

NOTES TO THE FINANCIAL STATEMENTS

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

None

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year 2014	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents	393,144	313,214	(79,930)
1130 Cash	-	-	-
1140 Special Cash Deposits	-	-	-
1150 Working Cash Advances	500	-	(500)
1160 Temporary Investments	-	-	-
1180 Telecommunications Accts. Receivable	57,699	27,270	(30,429)
1181 Accts. Rec. Allow. -Telecommunications	-	-	-
1190 Other Accounts Receivable	203,339	471,952	268,613
1191 Accounts Receivable Allow. - Other	-	-	-
1200 Notes Receivable	-	-	-
1201 Notes Receivable Allowance	-	-	-
1210 Interest & Dividends Receivable	-	-	-
1220 Material and Supplies	150,463	125,121	(25,342)
1280 Prepayments	-	-	-
1290 Prepaid Rents	19,975	2,766	(17,209)
1300 Prepaid Taxes	-	-	-
1310 Prepaid Insurance	-	-	-
1320 Prepaid Directory Expenses	-	-	-
1330 Other Prepayments	-	-	-
1350 Other Current Assets	-	-	-
Noncurrent Assets			
1401 Investment in Affiliated Companies	-	-	-
1402 Investment in Nonaffiliated Companies	-	-	-
1406 Nonregulated Investments	-	-	-
1407 Unamortized Debt Issuance Expense	-	-	-
1408 Sinking Funds	-	-	-
1410 Other Noncurrent Assets	1,937,966	1,875,555	(62,411)
1438 Deferred Maintenance & Retirements	-	-	-
1439 Deferred Charges	-	-	-
1500 Other Jurisdiction Assets - Net	-	-	-
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	29,244,736	30,639,704	1,394,968
2002 Prop. Held for Future Telecom. Use	-	-	-
2003 Telecom. Plant under Constr. - Short Term	152,618	66,091	(86,527)
2004 Telecom. Plant under Constr. - Long Term	-	-	-
2005 Telecom. Plant Adjustment	-	-	-
2006 Nonoperating Plant	-	-	-
2007 Goodwill	8,019,076	8,019,076	-
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	(27,500,170)	(28,279,505)	(779,335)
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	(258,473)	(540,444)	(281,971)
3600 Accumulated Amortization - Other	-	-	-
TOTAL ASSETS	12,420,873	12,720,800	299,927

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year 2014	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	869,101	1,476,278	607,177
4020 Notes Payable			
4030 Advance Billings and Payments	372	372	-
4040 Customer Deposits	49,408	19,314	(30,094)
4050 Current Maturities - Long -Term Debt	387,035	387,035	-
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued			-
4080 Other Taxes - Accrued	69,128	19,340	(49,788)
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	67,475	76,363	8,888
4130 Other Current Liabilities			
Long-Term Debt			
4210 Funded Debt	5,754,857	5,435,553	(319,304)
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			
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities	26,874	8,380	(18,494)
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	-	-	-
4350 Net Noncur. Defer. Nonoper. Income Taxes	-	-	-
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	5,016,399	5,016,399	-
4520 Additional Paid-In Capital	-	-	-
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	180,224	281,766	101,542
TOTAL LIAB. & OTHER CREDITS	12,420,873	12,720,800	299,927

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year 2014
2111 Land	39,421				39,421
2112 Motor Vehicles	291,081	88,167			379,248
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	-				-
2116 Other Work Equipment	266,887	11,755			278,642
2121 Buildings	776,534				776,534
2122 Furniture	-				-
2123 Office Equipment	10,965	-			10,965
2124 General Purpose Computers	147,765	9,527			157,292
2124 Computer Software	3,800				3,800
2211 Analog Electronic Switching	-				-
2212 Digital Electronic Switching	1,114,310	1,350			1,115,660
2212 Digital Switching Software	8,463				8,463
2220 Operator Systems	-				-
2231 Radio Systems	336,200				336,200
2232 Circuit Equipment	8,229,293	491,806	(129,681)	-	8,591,418
2311 Station Apparatus	24,542	1,582			26,124
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	47,676				47,676
2362 Other Terminal Equipment	-				-
2411 Poles	137,823		(3,395)		134,428
2421 Aerial Cable	307,708				307,708
2422 Underground Cable	2,516,672				2,516,672
2423 Buried Cable	14,544,729	928,665	(4,809)		15,468,585
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	-				-
2431 Aerial Wire	2,570				2,570
2441 Conduit Systems	438,297				438,297
2681 Capital Leases	-				-
2682 Leasehold Improvements	-				-
2690 Intangibles (includes Goodwill)	9,992,876				9,992,876
TOTAL PLANT ACCOUNTS	39,237,612	1,532,852	(137,885)	-	40,632,579

Plant in Serv

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

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis					
	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year 2014	
Analysis of Entries in Accumulated Depreciation						
2112 Motor Vehicles	291,081	14.29%	73,487		364,568	
2113 Aircraft			-			
2114 Special Purpose Vehicles			-			
2115 Garage Work Equipment	179,517	8.33%	11,755		191,272	
2116 Other Work Equipment	776,533	10.00%	8,958	(8,958)	776,533	
2121 Buildings						
2122 Furniture						
2123 Office Equipment	5,671	12.50%	884	-	6,555	
2124 General Purpose Computers	147,765	8.33%	9,527		157,292	
2124 Computer Software	3,672	14.29%	128		3,800	
2211 Analog Electronic Switching						
2212 Digital Electronic Switching	462,005	14.29%	139,331		601,336	
2215 Electro-Mechanical Switching						
2220 Operator Systems						
2231 Radio Systems	336,200	2.86%	-		336,200	
2232 Circuit Equipment	7,551,240	8.33%	401,380	(133,695)	7,818,925	
2311 Station Apparatus	24,542	14.29%	1,484		26,026	
2321 Customer Premises Wiring						
2341 Large Private Branch Exchanges						
2351 Public Telephone Terminal Equipment	47,676	20.00%	-		47,676	
2362 Other Terminal Equipment						
2411 Poles	137,823	20.00%	-	(3,395)	134,428	
2421 Aerial Cable	297,682	14.29%	-		297,682	
2421 Aerial Fiber	9,269	14.29%	588		9,857	
2422 Underground Cable	194,651	14.29%	7,519		202,170	
2422 Underground Fiber	2,073,198	14.29%	136,147		2,209,345	
2423 Buried Cable	13,864,631	14.29%	1,445	40,735	13,906,811	
2423 Buried Fiber	659,083	14.29%	53,089		712,172	
2423 Buried Cable - Line Extensions						
2431 Aerial Wire	2,570	6.67%	-		2,570	
2441 Conduit Systems	362,561	5.00%	24,350		386,911	
2504 Customer List Amortization	258,473	14.29%	281,971		540,444	
2721 Internet Equipment	72,799	5.00%	14,572		87,371	
TOTAL	27,758,642		1,166,615	(105,313)	28,819,944	

*Please list individual depreciation rate for each account.

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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 January
2112 Motor Vehicles	Same as Total Company				
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2721 Internet Equipment					
TOTAL					

*Please list individual depreciation rate for each account.

INVESTMENTS

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

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of January</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Totals	_____	_____	-

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 January</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Customers	_____	27,270
CABS	_____	81,421
NECA/USAC	_____	382,709
State USF	_____	4,772
Related Party	_____	-
Miscellaneous	_____	3,051
_____	_____	_____
_____	_____	_____
Totals	_____	499,223

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>
BTC Holdings	1/31/2013	0.4392	12/31/19	\$ 5,435,553
BTC Holdings (Short Term)	1/31/2013	0.4392	Q - 2015	\$ 387,035
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals	_____	_____	_____	_____

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
A/P Trade	64,575
A/P PO's received but not paid	46,060
Accrued Payables	6,878
Low Income Assistance	231
Idaho 911 (County)	3,160
Federal Excise Tax	2,591
Idaho State USF	479
NECA	138,153
_____	_____
_____	_____
Totals	262,127

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.

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<u>Class & Series of Obligation</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Fact Amount Authorized</u>	<u>Outstanding Year-End</u>	<u>Premium/ Discount</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>		<u>Rate</u>
BTC Holdings	1/31/13	12/31/19		5,435,553			0.4392	240,939

CAPITAL STOCK

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

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

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

<u>Class & Series of Stock</u>	<u>Number of Shares Authorized</u>	<u>Par Value per Share</u>	<u>Outstanding per Balance Sheet</u>	
			<u>Shares</u>	<u>Amount</u>
Common	100,000	0	5,016	5,016,400

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	<u>4,859,572</u>	Same as
Total Operating Expenses (from page 17)	<u>4,292,016</u>	Total Company
7100 Other Operating Income and Expense	<u>-</u>	
7210 Operating Investment Tax Credits-Net	<u>-</u>	
7220 Operating Federal Income Taxes	<u>62,410</u>	
7230 Operating State and Local Income Taxes	<u>12,953</u>	
7240 Operating Other Taxes	<u>31,294</u>	
7250 Provision for Deferred Operating Income Taxes-Net	<u>-</u>	
7200 Operating Taxes (Total)	<u>106,657</u>	
7310 Dividend Income	<u>-</u>	
7320 Interest Income	<u>-</u>	
7330 Income from Sinking and Other Funds	<u>-</u>	
7340 Allowance for Funds Used During Construction	<u>-</u>	
7350 Gains/Losses from the Disposition of Certain Property	<u>-</u>	
7360 Other Nonoperating Income	<u>2,414</u>	
7370 Special Charges	<u>(4,250)</u>	
7300 Nonoperating Income and Expense	<u>(1,836)</u>	
7410 Nonoperating Investment Tax Credits-Net	<u>-</u>	
7420 Nonoperating Federal Income Taxes	<u>-</u>	
7430 Nonoperating State and Local Income Taxes	<u>-</u>	
7440 Nonoperating Other Taxes	<u>-</u>	
7450 Provision for Deferred Nonoperating Income Taxes-Net	<u>-</u>	
7400 Nonoperating Taxes	<u>-</u>	
7510 Interest on Funded Debt	<u>500,109</u>	
7520 Interest Expense-Capital Leases	<u>-</u>	
7530 Amortization of Debt Issuance Expense	<u>-</u>	
7540 Other Interest Deductions	<u>-</u>	
7500 Interest and Related Items	<u>500,109</u>	
7610 Extraordinary Income Credits	<u>-</u>	
7620 Extraordinary Income Charges	<u>-</u>	
7630 Current Income Tax Effect of Extraordinary Items-Net	<u>-</u>	
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net	<u>-</u>	
7600 Extraordinary Items	<u>-</u>	
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	<u>-</u>	
7990 Nonregulated Net Income (includes GAAP adj)	<u>142,591</u>	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>101,545</u>	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	<u>1,164,948</u>	Same as Total Company
5002 Optional Extended Area Revenue	<u> </u>	<u> </u>
5003 Cellular Mobile Revenue	<u> </u>	<u> </u>
5004 Other Mobile Services Revenue	<u> </u>	<u> </u>
5010 Public Telephone Revenue	<u> </u>	<u> </u>
5040 Local Private Line Revenue	<u> </u>	<u> </u>
5050 Customer Premises Revenue	<u> </u>	<u> </u>
5060 Other Local Exchange Revenue	<u> </u>	<u> </u>
5069 Other Local Exchange Settlements	<u>604,295</u>	<u> </u>
Network Access Services Revenues		
5081 End User Revenue (SLC)	<u>232,727</u>	<u> </u>
5082 Switched Access Revenue (Interstate)	<u>1,577,575</u>	<u> </u>
5083 Special Access Revenue	<u>707,593</u>	<u> </u>
5084 State Access Revenue (Intrastate)	<u>61,500</u>	<u> </u>
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	<u> </u>	<u> </u>
Miscellaneous Revenues		
5230 Directory Revenue	<u>8,897</u>	<u> </u>
5240 Rent Revenue	<u>496,291</u>	<u> </u>
5250 Corporate Operations Revenue	<u> </u>	<u> </u>
5261 Special Billing Arrangements Revenue	<u> </u>	<u> </u>
5262 Customer Operations Revenue	<u> </u>	<u> </u>
5263 Plant Operations Revenue	<u> </u>	<u> </u>
5264 Other Incidental Regulated Revenue	<u> </u>	<u> </u>
5269 Other Revenue Settlements	<u> </u>	<u> </u>
5270 Carrier Billing & Collection Revenue	<u> </u>	<u> </u>
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	<u> </u>	<u> </u>
5302 Uncollectible Revenue - Other	<u>5,746</u>	<u> </u>
TOTAL OPERATING REVENUES	<u>4,859,572</u>	<u> </u>

Please identify the following revenues:

NECA USF	\$	1,775,885	To what account were they booked?	5082/5069 (ICLS, CAF, HCL)
State USF	\$	57,258	To what account were they booked?	5084

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses	-	<u>Same as Total Company</u>
6112 Motor Vehicle Expense	-	_____
6113 Aircraft Expense	-	_____
6114 Special Purpose Vehicles Expense	-	_____
6115 Garage Work Equipment Expense	-	_____
6116 Other Work Equipment Expense	-	_____
6120 General Support Expenses	-	_____
6121 Land and Building Expenses	161,880	_____
6122 Furniture and Artworks Expense	-	_____
6123 Office Equipment Expense	-	_____
6124 General Purpose Computers Expense	386,622	_____
6210 Central Office Switching Expenses	-	_____
6211 Analog Electronic Expense	-	_____
6212 Digital Electronic Expense	335,870	_____
6215 Electro-Mechanical Expense	-	_____
6220 Operators System Expense	-	_____
6230 Central Office Transmission Expenses	-	_____
6231 Radio Systems Expense	-	_____
6232 Circuit Equipment Expense	119,038	_____
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	76,064	_____
6422 Underground Cable Expense	-	_____
6423 Buried Cable Expense	556,529	_____
6424 Submarine Cable Expense	-	_____
6425 Deep Sea Cable Expense	-	_____
6426 Intrabuilding Network Cable Expense	-	_____
6431 Aerial Wire Expense	-	_____
6441 Conduit Systems Expense	-	_____
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	<u>1,636,003</u>	_____

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses	-	Same as Total Company
6511 Property Held for Future Telecomm. Use Expenses	-	
6512 Provisioning Expense	-	
6530 Network Operations Expense	-	
6531 Power Expense	-	
6532 Network Administration Expense	20,912	
6533 Testing Expense	43,165	
6534 Plant Operations Administration Expense	4,714	
6535 Engineering Expense	241,579	
6540 Access Expense	29,671	
6560 Depreciation and Amortization Expenses	-	
6561 Depreciation Expense-Telecom. Plant in Service	875,057	
6562 Depreciation Expense-Property Held for Future Use	-	
6563 Amortization Expense - Tangible	-	
6564 Amortization Expense - Intangible	291,498	
6565 Amortization Expense - Other	-	
Total Plant Nonspecific Operations Expenses	1,506,596	
Customer Operations Expense		
6610 Marketing	-	
6611 Product Management	118,575	
6612 Sales	-	
6613 Product Advertising	6,400	
6620 Services	-	
6621 Call Completion Services	1,407	
6622 Number Services	-	
6623 Customer Services	256,317	
Total Customer Operations Expense	382,699	
Corporate Operations Expense		
6710 Executive and Planning	-	
6711 Executive	113,868	
6712 Planning	-	
6720 General and Administrative	-	
6721 Accounting and Finance	319,712	
6722 External Relations	83,898	
6723 Human Resources	58,005	
6724 Information Management	14,917	
6725 Legal	67,429	
6726 Procurement	4,531	
6727 Research and Development	-	
6728 Other General and Administrative	104,358	
6790 Provision for Uncollectible Notes Receivable	-	
Total Corporate Operations Expense	766,718	
TOTAL OPERATING EXPENSES	4,292,016	

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

Name of Central Office: Saint Anthony, ID
Prefix (es): (208) 624, 458, 558, 652

Central Office Switch Type: Meta Switch Gateway

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

Access Line Capacity
Meta Switch Gateway
Access Lines in Use
Customer Lines: **2,777**
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 7/2013
Public Telephone Lines: **0**
Company Official Lines: **171**
Company Test Lines: **2**

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	1,882	1,882	1,882	23	513	233	769	2,651
New Connects	623	623	623	-	165	32	197	820
Disconnects	(692)	(692)	(692)	-	(39)	(40)	(79)	(771)
End of Year	1,813	-	1,813	23	639	225	887	2,700

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

Custom Calling:
Number of customers with at least one feature: **1,823**
Total number of features subscribed to: **64**

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: **271**

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (2014)

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 Teton - 458	264	Not Available		1,732	17,881	19,613	74.29
2 Island Park - 558	913	Not Available		2,156	84,796	86,952	95.24
3 Saint Anthony - 624	1059	Not Available		18,187	118,255	136,442	128.84
4 Ashton - 652	721	Not Available		2,464	65,789	68,253	94.66
5 _____	_____	_____	_____	_____	_____	_____	_____
6 _____	_____	_____	_____	_____	_____	_____	_____
7 _____	_____	_____	_____	_____	_____	_____	_____
8 _____	_____	_____	_____	_____	_____	_____	_____
9 _____	_____	_____	_____	_____	_____	_____	_____
10 _____	_____	_____	_____	_____	_____	_____	_____
11 _____	_____	_____	_____	_____	_____	_____	_____
12 _____	_____	_____	_____	_____	_____	_____	_____
13 _____	_____	_____	_____	_____	_____	_____	_____
14 _____	_____	_____	_____	_____	_____	_____	_____
15 _____	_____	_____	_____	_____	_____	_____	_____
16 _____	_____	_____	_____	_____	_____	_____	_____
17 _____	_____	_____	_____	_____	_____	_____	_____
18 _____	_____	_____	_____	_____	_____	_____	_____

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
Year ended 12/31/14

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes No X

Included in directory Yes X No

Date of notification October 2014 (3,500 publications)

Alternate method of notification None

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 0

Category of complaints (if known):

Deposit Disputes 0

Charges on Bill 0

Denial/Termination 0

Quality or Availability
of Service 1

Carrier Selection/Assignment 0

Miscellaneous 0

Rev 3/02

IDAHO SEPARATED RESULTS OF OPERATIONS

SEE ATTACHED P36 COST STUDY REPORT

2013 as 2014 is not available until 7/31/15

OF

FREMONT TELECOM

NAME

1221 N. RUSSELL ST. MISSOULA, MT 59808

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED: 2014

REVENUE REQUIREMENT SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			TOTAL COMPANY (a)	IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
1	Net Telecom Plant	S-2 Ln46	3,477,732	1,004,656	452,762	420	25,570	648,144	20,161	-	-	-	1,326,019
2	CWC Corporate Operations Limitation	Records Ln 1-2	-	-	-	-	-	-	-	-	-	-	-
3	RATE BASE	Records Ln 34	3,477,732	1,004,656	452,762	420	25,570	648,144	20,161	-	-	-	1,326,019
4	Rate of Return	Records Ln 34	10,2045%	11,2500%	11,2500%	11,2500%	9,4500%	9,4500%	9,4500%	9,4500%	9,4500%	9,4500%	9,4500%
5	RETURN ON RATE BASE	Records Ln 34	354,887	113,024	50,936	47	2,416	61,250	1,905	-	-	-	125,309
6	Return Adjustment #1	Records Ln 5-6	-	-	-	-	-	-	-	-	-	-	-
7	NET RETURN	Records Ln 5-6	354,887	113,024	50,936	47	2,416	61,250	1,905	-	-	-	125,309
8	Fixed Charges	S-10 Ln24	155,119	43,995	21,038	19	796	29,249	628	-	-	-	59,395
9	Amortization of Excess Def Taxes	S-10 Ln47	-	-	-	-	-	-	-	-	-	-	-
10	Capitalized Payroll Taxes	S-10 Ln50	-	-	-	-	-	-	-	-	-	-	-
11	Depreciation Adjustment	S-10 Ln53	-	-	-	-	-	-	-	-	-	-	-
12	Schedule M Income Tax Adjustments	S-14 Ln22	-	-	-	-	-	-	-	-	-	-	-
13	FIT Allowances/Disallowances	S-10 Ln59+60	-	-	-	-	-	-	-	-	-	-	-
14	Inc Adj Alloc on 2001	S-10 Ln61+62	-	-	-	-	-	-	-	-	-	-	-
15	Inc Adj Alloc on Big 3 Exp	S-10 Ln63	-	-	-	-	-	-	-	-	-	-	-
16	Total Misc Inc Adjustment	Note 1	199,788	69,029	29,898	28	1,621	32,001	1,277	-	-	-	65,914
17	AFTER TAX INCOME	Ln 53	24,188	8,358	3,620	3	196	3,875	155	-	-	-	7,981
18	State Income Tax	S-10 Ln45	-	-	-	-	-	-	-	-	-	-	-
19	State ITC Amortization	Ln 44	102,911	35,560	15,402	14	835	16,485	658	-	-	-	33,956
20	Federal Income Tax	S-10 Ln44	-	-	-	-	-	-	-	-	-	-	-
21	Federal ITC Amortization	S-3 Ln18	3,873,716	1,220,369	399,227	343	81,398	672,155	63,782	-	-	-	1,436,441
22	Operating Expenses & Taxes	S-10 Ln17+18	(1,368)	-	-	-	-	-	-	-	-	-	(1,368)
23	Nonoperating Expenses	S-10 Ln57	-	-	-	-	-	-	-	-	-	-	-
24	Uncollectibles	Ln 24	4,354,333	1,377,312	469,185	408	84,845	753,765	66,500	-	-	-	1,602,318
25	NET REVENUE REQUIREMENT	Note 2	10,763	3,099	1,187	1	57	2,098	49	-	-	-	4,272
26	Gross Receipts Tax	Ln 25+26+27	4,343,570	1,374,213	467,998	407	84,788	751,867	66,451	-	-	-	1,598,046
27	7340 Adv Fds Used Dur Constr	Ln 28/28a	100,0000%	31,6379%	10,7745%	0,0094%	1,9520%	17,3053%	1,5299%	-	-	-	36,7911%
28	REVENUE REQUIREMENT												
29	Distribution of Line 28												
INCOME TAXES													
30	Net Return	Ln 7	354,887	113,024	50,936	47	2,416	61,250	1,905	-	-	-	125,309
31	Fixed Charges	Ln 8	155,119	43,995	21,038	19	796	29,249	628	-	-	-	59,395
32	Amortization of Excess Deferred Taxes	Ln 9	-	-	-	-	-	-	-	-	-	-	-
33	Capitalized Payroll Taxes	Ln 10	-	-	-	-	-	-	-	-	-	-	-
34	Depreciation Adjustment	Ln 11	-	-	-	-	-	-	-	-	-	-	-
35	Schedule M Income Tax Adjustments	Ln 12	-	-	-	-	-	-	-	-	-	-	-
36	FIT Allowances/Disallowances	Ln 13	-	-	-	-	-	-	-	-	-	-	-
37	Inc Adj Alloc on 2001	Ln 14	-	-	-	-	-	-	-	-	-	-	-
38	Inc Adj Alloc on Big 3 Exp	Ln 15	-	-	-	-	-	-	-	-	-	-	-
39	Federal ITC Amortization	S-10 Ln44	-	-	-	-	-	-	-	-	-	-	-
40	Total Income Adjustments	Ln 31+36-39	155,119	43,995	21,038	19	796	29,249	628	-	-	-	59,395
41	Federal Taxable Income	Ln 30+40 Gross Up	302,678	104,589	45,300	42	2,456	48,486	1,935	-	-	-	99,869
42	Federal Income Tax	Records Ln 34	102,911	35,560	15,402	14	835	16,485	658	-	-	-	33,956
43	Federal Sur-Tax Allocation	Records Ln 42-43	102,911	35,560	15,402	14	835	16,485	658	-	-	-	33,956
44	Net Federal Income Tax	Ln 42-43	-	-	-	-	-	-	-	-	-	-	-
45	Net Return	Ln 30	354,887	113,024	50,936	47	2,416	61,250	1,905	-	-	-	125,309
46	Fixed Charges	Ln 31	155,119	43,995	21,038	19	796	29,249	628	-	-	-	59,395
47	Other SIT Adjustments	Ln 37+38	-	-	-	-	-	-	-	-	-	-	-
48	State ITC Amortization	S-10 Ln45	-	-	-	-	-	-	-	-	-	-	-
49	Federal Income Tax Net of ITC	Ln 20+21	102,911	35,560	15,402	14	835	16,485	658	-	-	-	33,956
50	State Taxable Income	Gross Up Calculation	326,866	112,948	48,920	46	2,652	52,361	2,090	-	-	-	107,850
51	State Income Tax	Records Ln 44	24,188	8,358	3,620	3	196	3,875	155	-	-	-	7,981
52	State Sur-Tax Allocation	Records Ln 51-52	-	-	-	-	-	-	-	-	-	-	-
53	Net State Income Tax	Ln 51-52	24,188	8,358	3,620	3	196	3,875	155	-	-	-	7,981

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE				INTRASTATE				LOCAL				
			TOTAL COMPANY (a)	IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
1	2110 Land & Support Assets	S-4, Ln13	1,463,148	421,244	161,328	177	-	-	7,759	-	285,258	6,624	-	-	580,759
2	2210 COE-Switching	S-5, Ln38	1,617,910	1,373,482	-	1,741	-	-	-	-	-	-	-	-	242,686
3	2220 COE-Operator	S-5, Ln23	8,371,841	1,873,479	2,222,306	621	-	-	39,016	-	1,434,438	17,316	-	-	2,784,665
4	2230 COE-Transmission	S-5, Ln78	16,511,489	4,362,604	699,746	852	-	-	101,517	-	3,732,286	102,652	-	-	7,491,632
5	2310 Info Orig/Term Equip	S-6, Ln11	26,501,239	7,629,765	2,922,052	3,213	-	-	140,533	-	5,166,724	119,988	-	-	10,518,964
6	2410 C&WF	Ln2, Ln6	100,000%	28,7902%	11,0261%	0.0121%	-	-	0.5303%	-	19,4962%	0.4527%	-	-	39,6924%
7	Total COE: IOT, C&WF	Ln7/7a	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Distribution of Line 7	S-9, Ln22	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Equal Access - Investment	S-9, Ln31	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2660 Tangible Assets	S-8, Ln1	27,964,388	8,051,009	3,083,380	3,390	-	-	148,292	-	5,451,982	126,592	-	-	11,089,743
11	TELECOM PLT IN SVC-EXCL 2690	Ln1+7+9+10	100,000%	28,7902%	11,0261%	0.0121%	-	-	0.5303%	-	19,4962%	0.4527%	-	-	39,6924%
12	Distribution of Line 11	Ln1/11a	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2690 Intangible Assets	S-8, Ln35	27,964,388	8,051,009	3,083,380	3,390	-	-	148,292	-	5,451,982	126,592	-	-	11,089,743
14	2001 TELECOM PLANT IN SVC	Ln11+13	100,000%	28,7902%	11,0261%	0.0121%	-	-	0.5303%	-	19,4962%	0.4527%	-	-	39,6924%
15	Distribution of Line 14	Ln14/14a	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2110 Land Assets	S-4, Ln12	19,376	5,578	2,136	2	-	-	103	-	3,778	88	-	-	7,691
17	2001 TPIS xLand	Ln 14-16	27,945,011	8,045,430	3,081,244	3,388	-	-	148,169	-	5,446,204	126,594	-	-	11,082,052
18	Distribution of Line 17	Ln17/17a	-	-	-	-	-	-	-	-	-	-	-	-	-
19	2002 Prop Hid Fut Telecom Use	S-9, Ln6	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2003 Plant Under Construction	S-9, Ln10	148,489	42,750	16,373	18	-	-	787	-	28,650	672	-	-	58,939
21	2005 Telecom Plant Adjustment	S-9, Ln14	-	-	-	-	-	-	-	-	-	-	-	-	-
22	TOTAL TELECOM PLANT	Ln14+19, 21	28,112,877	8,099,759	3,099,753	3,408	-	-	149,079	-	5,480,932	127,264	-	-	11,158,682
23	1220 Materials and Supplies	S-9, Ln20	183,957	48,830	7,796	9	-	-	1,131	-	41,582	1,144	-	-	83,466
24	1500 Other Juris Assets-Net	S-15, Ln14	-	-	-	-	-	-	-	-	-	-	-	-	-
25	3100 Accumulated Depreciation	S-15, Ln102	25,930,251	7,474,543	2,767,860	3,121	-	-	138,201	-	5,081,009	119,176	-	-	10,346,341
26	Equal Access - Accum Depreciation	S-9, Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-
27	3200 Acc Dep-Hld for Fut Use	S-15, Ln104	-	-	-	-	-	-	-	-	-	-	-	-	-
28	3400 Accum Amort-Tangible	S-15, Ln105, 106	-	-	-	-	-	-	-	-	-	-	-	-	-
29	3500 Accum Amort-Intangible	S-15, Ln107	-	-	-	-	-	-	-	-	-	-	-	-	-
30	3600 Accum Amort-Other	S-15, Ln108	-	-	-	-	-	-	-	-	-	-	-	-	-
31	4100 Net Cur Def Op Inc Taxes	S-15, Ln120	-	-	-	-	-	-	-	-	-	-	-	-	-
32	4340 Noncur Def Oper Inc Tax	S-15, Ln140	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Equal Access - Deferred Oper Inc Taxes	S-9, Ln25	(738,336)	(212,569)	(81,410)	(90)	-	-	(3,915)	-	(143,947)	(3,342)	-	-	(283,063)
34	4360 Other Deferred Credits-Net	S-15, Ln141	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4370 Other Jur Lab & Def Credits-Net	S-15, Ln143	-	-	-	-	-	-	-	-	-	-	-	-	-
36	NET TELECOM PLANT	A	3,104,919	880,614	421,099	387	-	-	15,924	-	565,452	12,574	-	-	1,188,869
37	Distribution of Line 36	Ln22+23-24, 35 Ln36/36a	100,000%	28,3619%	13,5623%	0.0125%	-	-	0.5129%	-	18,8556%	0.4059%	-	-	38,2869%
38	1402 Rural Tel Bank Stock	S-9, Ln16	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Cash Working Capital	S-9, Ln21	409,930	134,728	35,756	37	-	-	9,843	-	69,928	7,785	-	-	151,882
40	Equal Access - Unamortized Expenses	D	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Investment Allow/Disallow	E	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Accum Depri/Amort Allow/Disallow	F	-	-	-	-	-	-	-	-	-	-	-	-	-
43	4040 Customer Deposits	S-15, Ln146	37,117	10,686	4,083	5	-	-	197	-	7,236	168	-	-	14,733
44	4310 Other Long-Term Liab.	S-15, Ln111	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Other Telecom PI Adjust	S-15, Ln131	-	-	-	-	-	-	-	-	-	-	-	-	-
46	NET TELECOM PLT & OTH RATE BASE ITEMS	I	3,477,732	1,004,656	452,762	420	-	-	25,570	-	648,144	20,161	-	-	1,326,019
47	Distribution of Line 46	A+B, F+H, (G+H) Ln46/46a	100,000%	28,8883%	13,0189%	0.0121%	-	-	0.7353%	-	18,6370%	0.5797%	-	-	38,1288%

SEPARATED EXPENSE SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE				INTRASTATE				LOCAL								
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)						
1	PH Spec Exp Accts 6210.6220																		
2	6230.6310.6410	S-11, Ln30	271,651	119,685	130	-	4,671	171,737	3,732	-	-	-	-	-	-	-	-	-	351,351
3	PI Nonspc Account 6530	S-12, Ln19	120,684	34,748	15	-	640	23,531	546	-	-	-	-	-	-	-	-	-	47,906
4	Cust Oper Accts 6610.6620	S-13, Ln57	665,075	236,348	1,174	-	49,022	93,531	38,393	-	-	-	-	-	-	-	-	-	244,608
5	TOTAL BIG THREE EXPENSES		1,078,726	391,781	145	-	54,333	288,798	42,671	-	-	-	-	-	-	-	-	-	643,865
6	Distribution of Line 5	Ln5f5a	100.0000%	31.8803%	0.0085%	-	3.1797%	16.9014%	2.4973%	-	-	-	-	-	-	-	-	-	37.6810%
7	Plant Specific Expenses	S-11, Ln31	412,141	173,490	189	-	7,259	266,874	5,941	-	-	-	-	-	-	-	-	-	545,041
8	Plant Nonspecific Expenses	S-12, Ln17	1,028,123	161,515	85	-	4,945	181,610	3,556	-	-	-	-	-	-	-	-	-	382,235
9	Customer Operations Expenses	S-13, Ln57	238,348	1,174	1,174	-	49,022	93,531	38,393	-	-	-	-	-	-	-	-	-	244,608
10	Corporate Operations Expenses	S-14, Ln16	628,427	47,799	52	-	19,357	102,889	15,202	-	-	-	-	-	-	-	-	-	229,387
11	7300 Contributions	S-10, Ln16	3,000	228	73	0	92	491	-	-	-	-	-	-	-	-	-	-	1,095
12	TOTAL OPERATING EXPENSES	Ln7..11	3,735,560	1,179,226	327	-	80,675	645,595	63,165	-	-	-	-	-	-	-	-	-	1,382,366
13	TOTAL CASH OPERATING EXPENSES	Ln12 less dep exp.	2,896,645	968,512	256	-	76,370	487,315	60,155	-	-	-	-	-	-	-	-	-	1,068,037
14	Operating Taxes	S-14, Ln26	138,156	41,143	17	-	722	26,561	617	-	-	-	-	-	-	-	-	-	54,075
15	Equal Access Expenses	S-14, Ln35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Expense Allowances/Disallowances	S-14, Ln40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	5240 Rent Revenues	S-10, Ln43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	TOTAL OPERATING EXP & TAXES	Ln12-14..16-17	3,873,716	396,227	343	-	81,398	672,155	63,782	-	-	-	-	-	-	-	-	-	1,436,441
19	Distribution of Line 18	Ln18f8a	100.0000%	31.5038%	0.0089%	-	2.1013%	17.3517%	1.6485%	-	-	-	-	-	-	-	-	-	37.0817%
20	Total Depr & Amort	S-12, Ln16	838,915	146,207	71	-	4,305	158,279	3,010	-	-	-	-	-	-	-	-	-	314,329
21	Fixed Charges	S-10, Ln24	155,119	43,995	19	-	796	29,249	628	-	-	-	-	-	-	-	-	-	59,395
22	Total Operating Revenue	S-14, Ln33	3,154	-	-	-	-	3,154	-	-	-	-	-	-	-	-	-	-	-
23	Total Operating Expense & Taxes	Ln18	3,873,716	396,227	343	-	81,398	672,155	63,782	-	-	-	-	-	-	-	-	-	1,436,441
24	Uncollectibles	S-10, Ln57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Fixed Charges	Ln21	155,119	43,995	19	-	796	29,249	628	-	-	-	-	-	-	-	-	-	59,395
26	Income Adjustments	S-10, Ln63	(4,025,881)	(420,265)	(363)	-	(82,193)	(698,250)	(64,410)	-	-	-	-	-	-	-	-	-	(1,495,836)
27	Net Income	Ln22..26	100.0000%	31.4075%	0.0090%	-	2.0417%	17.3449%	1.6000%	-	-	-	-	-	-	-	-	-	37.1573%
28	Distribution of Line 27	Ln27f7a																	
29	TOTAL CASH OPER EXPENSES	Ln18-17..20-21	3,189,920	1,053,650	292	-	77,888	543,125	61,400	-	-	-	-	-	-	-	-	-	1,181,507
30	Distribution of Line 29	Ln29f29a	100.0000%	33.0306%	0.0091%	-	2.4417%	17.0263%	1.9249%	-	-	-	-	-	-	-	-	-	37.0388%
INCOME TAX CALCULATION																			
31	Other Operating Income	S-14, Ln32	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	AFUDC	S-10, Ln15	10,763	3,099	1	-	57	2,098	49	-	-	-	-	-	-	-	-	-	4,272
33	Operating Revenue	S-14, Ln33-Ln31	3,154	-	-	-	-	3,154	-	-	-	-	-	-	-	-	-	-	-
34	Uncollectible Revenue	S-10, Ln57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Income Effect Jurisdictional Difference	S-10, Ln60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	IRS Income Adjustment	S-10, Ln62	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	TOTAL REVENUE & OTHER INCOME	Ln31..36	13,918	3,099	1	-	57	5,253	49	-	-	-	-	-	-	-	-	-	4,272
38	Contributions	S-10, Ln16	3,000	1,020	0	-	92	491	73	-	-	-	-	-	-	-	-	-	1,095
39	Operating Expenses	Ln12-Ln11	3,732,560	1,178,205	327	-	80,583	645,104	63,093	-	-	-	-	-	-	-	-	-	1,381,271
40	Operating Taxes	S-14, Ln26	138,156	41,143	17	-	722	26,561	617	-	-	-	-	-	-	-	-	-	54,075
41	Fixed Charges	S-10, Ln24	155,119	43,995	19	-	796	29,249	628	-	-	-	-	-	-	-	-	-	59,395
42	TOTAL OPERATING EXPENSES	Ln38..41	4,028,835	1,264,364	363	-	82,193	701,404	64,410	-	-	-	-	-	-	-	-	-	1,495,836
43	State Taxable Income	Ln37-Ln42	(4,014,918)	(1,261,265)	(361)	-	(82,136)	(696,151)	(64,361)	-	-	-	-	-	-	-	-	-	(1,491,564)
44	State Income Tax	7.4000%	(297,104)	(93,334)	(27)	-	(6,078)	(51,515)	(4,763)	-	-	-	-	-	-	-	-	-	(110,376)
45	Federal Taxable Income	Ln37-Ln42	(4,014,918)	(1,261,265)	(361)	-	(82,136)	(696,151)	(64,361)	-	-	-	-	-	-	-	-	-	(1,491,564)
46	State Income Tax	Ln44	(297,104)	(93,334)	(27)	-	(6,078)	(51,515)	(4,763)	-	-	-	-	-	-	-	-	-	(110,376)
47	Net Federal Taxable Income	Ln45-Ln46	(3,717,814)	(1,167,932)	(335)	-	(76,058)	(644,636)	(59,599)	-	-	-	-	-	-	-	-	-	(1,381,188)
48	Federal Income Tax	34.0000%	(1,264,057)	(397,097)	(114)	-	(25,860)	(219,176)	(20,264)	-	-	-	-	-	-	-	-	-	(469,604)
49	Amortization of Investment Tax Credit	S-10, Ln44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50	Federal Income Tax	Ln48-Ln49	(1,264,057)	(397,097)	(114)	-	(25,860)	(219,176)	(20,264)	-	-	-	-	-	-	-	-	-	(469,604)

GENERAL SUPPORT FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL					
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS														
1	Carrier Classification	Records												
2	Big Three Expenses Distr	S-3, Ln6	31,860.3%	7,851.9%	0.0085%	-	3,179.7%	-	-	16,901.4%	2,497.3%	-	-	37,681.0%
3	Total COE, IOT, C&WF Distr	S-2, Ln8	28,790.2%	11,026.1%	0.0121%	-	0.5303%	-	-	19,496.2%	0.4527%	-	-	39,692.4%
LAND & SUPPORT ASSETS SEPARATION														
4	2110 Land & Support Assets		415,665	159,192	175	-	7,656	-	-	281,480	6,536	-	-	573,068
5	Support Assets-Joint v/CSF - B&C	Note 1	-	-	-	-	-	-	-	-	-	-	-	-
6	General Support Facilities - B&C	Note 1	-	-	-	-	-	-	-	-	-	-	-	-
7	Direct Assignment	Direct	415,665	159,192	175	-	7,656	-	-	281,480	6,536	-	-	573,068
8	Total Support Assets	Ln5.7	415,665	159,192	175	-	7,656	-	-	281,480	6,536	-	-	573,068
9	Distribution of Line 8	Ln8/a	28,790.2%	11,026.1%	0.0121%	-	0.5303%	-	-	19,496.2%	0.4527%	-	-	39,692.4%
10	Land	Note 1	5,578	2,136	2	-	103	-	-	3,778	88	-	-	7,691
11	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
12	Total Land	Ln10, 11	5,578	2,136	2	-	103	-	-	3,778	88	-	-	7,691
13	TOTAL LAND & SUPPORT ASSETS	Ln8+12	421,244	161,328	177	-	7,759	-	-	285,258	6,624	-	-	580,759
14	Distribution of Line 13	Ln13/13a	28,790.2%	11,026.1%	0.0121%	-	0.5303%	-	-	19,496.2%	0.4527%	-	-	39,692.4%

Note 1: If Carrier Classification = A, then
Ln5+2, Ln6+2, Ln10+2
If Carrier Classification = B, then
Ln5+3, Ln6+3, Ln10+3

CENTRAL OFFICE EQUIPMENT

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS													
1	WSWS Pct-Switchboards	Records	-	-	-	-	-	-	-	-	-	-	100.0000%
2	WSWS Pct-Directory Assistance	Records	-	-	-	-	-	-	-	-	-	-	100.0000%
3	Sub Line MOU Pct	Records	31.5620%	-	0.0400%	-	-	0.1460%	-	-	-	-	62.9020%
4	SOB Toll MOU Pct	Records	-	-	-	-	-	-	-	-	-	-	-
5	WSWS Pct-TSPS Oper Position	Records	-	-	-	-	-	-	-	-	-	-	100.0000%
6	Real Processor Time Pct-RTA	Records	-	-	-	-	-	-	-	-	-	-	-
7	Real Processor Time Pct-TSPS	Records	-	-	-	-	-	-	-	-	-	-	-
8	REL MOU's - Tandem Switching	Records	-	-	-	-	-	-	-	-	-	-	-
9	Trans Measured DEM Pct	Records	84.8924%	-	0.1076%	-	-	-	-	-	-	-	15.0000%
COE CATEGORIES 1-3 SEPARATION													
10	2220 Operator Systems		-	-	-	-	-	-	-	-	-	-	-
11	Cat 1-Operator Systems		-	-	-	-	-	-	-	-	-	-	-
12	Loc.Toll DSA DSB and		-	-	-	-	-	-	-	-	-	-	-
13	Traffic Switchboards	Ln13a*1	-	-	-	-	-	-	-	-	-	-	-
14	Aux-Direct Assst	Ln14a*2	-	-	-	-	-	-	-	-	-	-	-
15	Aux-Intercept	Ln15a*3	-	-	-	-	-	-	-	-	-	-	-
16	Jt Exch & Toll SOB	Ln16a*4	-	-	-	-	-	-	-	-	-	-	-
17	TSPS-Oper Position	Ln17a*5	-	-	-	-	-	-	-	-	-	-	-
18	TSPS-RTA	Ln18a*6	-	-	-	-	-	-	-	-	-	-	-
19	TSPS-Other	Ln19a*7	-	-	-	-	-	-	-	-	-	-	-
20	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
21	Total Cat 1	Ln13.20	-	-	-	-	-	-	-	-	-	-	-
22	Distribution of Line 21	Ln21/21a	-	-	-	-	-	-	-	-	-	-	-
23	TOTAL COE-OPERATOR	Ln21	-	-	-	-	-	-	-	-	-	-	-
24	Distribution of Line 23	Ln23/23a	-	-	-	-	-	-	-	-	-	-	-
25	2210 Central Office Switching		-	-	-	-	-	-	-	-	-	-	-
26	Cat 2-Tandem Switching	Ln26a*8	-	-	-	-	-	-	-	-	-	-	-
27	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
28	Total Cat 2	Ln26.27	-	-	-	-	-	-	-	-	-	-	-
29	Distribution of Line 28	Ln29/28a	-	-	-	-	-	-	-	-	-	-	-
30			-	-	-	-	-	-	-	-	-	-	-
31	Cat 3-Local Switching - TS	Ln31a*9	1,373,482	-	1,741	-	-	1,741	-	-	-	-	242,686
32	Cat 3-Local Switching - NTS	Ln32a*9	-	-	-	-	-	-	-	-	-	-	-
33	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
34	Total Cat 3	Ln31.33	1,373,482	-	1,741	-	-	1,741	-	-	-	-	242,686
35	Distribution of Line 34	Ln34/34a	84,8924%	-	0.1076%	-	-	0.1076%	-	-	-	-	15.0000%
36	TOTAL COE-SWITCHING	Ln28-34	1,373,482	-	1,741	-	-	1,741	-	-	-	-	242,686
37	Distribution of Line 36	Ln36/36a	84,8924%	-	0.1076%	-	-	0.1076%	-	-	-	-	15.0000%

CENTRAL OFFICE EQUIPMENT

SEPARATIONS FACTORS	INTERSTATE				INTRASTATE				LOCAL			
	TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (g)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
38 WB Line												
39 Ex Trk WB												
40 REL MOUs - Exchange Trunk												
41 Gross Allocator (Trans SPF)	100.0000%	25.0000%		0.6620%		24.3380%						50.0000%
42 COE Cat 4.21-Furn to Others Pct												
43 Interchange Trk WB												
COE CATEGORY 4 SEPARATION												
44 2230 Central Office - Transmission												
45 Cat 4.1-Exchange Circuit												
46 Ln6a*38			186,823									
47 Direct Assignment												
48 4.11 Wideband-DSL Line												
49 4.12 Exch Trunk - EAS												
50 Ex Trk xWB - Basic												
51 Ex Trk xWB - Basic DA												
52 Ex Trk WB												
53 Ln52a*39												
54 Exch Trk WB - Direct Assignment												
55 4.13 Ex Line xWB	5,556,489	1,389,122		36,784		1,352,338						2,778,244
56 Ln65c.i	20,179					13,758						6,421
57 Direct Assignment - BasicSpecial												
58 Cat 4.2-Interchange												
59 4.21 Furn to Others												
60 4.22 Wideband												
61 Interchange DSL	1,793,338		1,793,338									
62 Interchange PL												
63 Direct Assignment	242,145		242,145									

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			Joint MSG (b)	InterLATA PL (c)	IntraLATA MSG (g)	InterLATA PL (e)	IntraLATA MSG (f)	EAS (j)	User Defined (k)	Other (l)		
64	ASSIGNMENT OF COE CAT 4.13	Records	3,040.0	-	-	-	-	7.5	-	-	-	3.5
65	COE Cat 4.13 Working Loops	Note 1	5,556,489	-	-	-	-	13,758	-	-	-	6,421

Note 1: Cost per loop = 1,834.4301

CENTRAL OFFICE EQUIPMENT

	TOTAL COMPANY (a)	INTERSTATE			INTRASTATE			LOCAL				
		InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS												
66 Conversion Minutes Pct	100.0000%	85.0780%		0.1090%		0.3920%		14.4210%				
67 Host/Remote MOU Miles Pct	100.0000%	42.0830%		0.0540%		0.1940%		7.1330%				50.5360%
COE CATEGORY 4 SEPARATION (Cont)												
68 4.23 All Other												
69 Ln84*64	569,309	484,357		621		2,232		82,100				
70 Joint MSG												
71 Interexchange MSG/PL - DA	3,558								3,558			
72 PL, TWX & Local												
73 PL - DA												
74 Cat 4.3-Host/Remote MSG												
75 Ln74a*67												
76 Joint (v/WATS)												
77 WATS												
78 Direct Assignment												
79 Direct												
77 Total Cat 4	8,371,841	1,873,479	2,222,306	621		39,016		1,434,438		17,316		2,784,665
78 TOTAL COE-TRANSMISSION	8,371,841	1,873,479	2,222,306	621		39,016		1,434,438		17,316		2,784,665
79 Distribution of Line 78	100.0000%	22.3783%	25.5450%	0.0074%		0.4660%		17.1341%		0.2069%		33.2623%
80 TOTAL CENTRAL OFFICE EQUIP	9,989,751	3,246,961	2,222,306	2,361		39,016		1,434,438		17,316		3,027,351
81 Distribution of Line 80	100.0000%	32.5029%	22.2459%	0.0236%		0.3906%		14.3591%		0.1733%		30.3046%

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
ASSIGNMENT OF COE CAT 4.23												
82	COE Cat 4.23 Terms -	Records	724.50							4.50		
	-Joint Message Total Terminations		720									
83	COE Cat 4.23 - Terms	Note 1	572,868							3,558		
84	-Joint Message Total Allocated Investment	Note 1	569,309									
Note 1: Cost per termination =			790.71									

INFORMATION ORIGIN/TERM EQUIPMENT

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			InterLATA MSG (b)	PL (c)	InterLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS													
1	Gross Allocator (Trans SPF)	Records	25.0000%	-	-	-	0.6520%	-	-	24.3380%	-	-	50.0000%
2	REL MOU's - Coinless Pub Tel	Records	-	-	-	-	-	-	-	-	-	-	-
IOT EQUIPMENT SEPARATION													
3	2310 Info Orig/Term Equip	Records	-	-	-	-	-	-	-	-	-	-	-
4	Cat 1-Other IOT	Ln4a*1	-	-	-	-	-	-	-	-	-	-	-
5	Coinless Pub Tel Eq	Ln5a*2	-	-	-	-	-	-	-	-	-	-	-
6	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
7	Total Category 1	Ln4.6	-	-	-	-	-	-	-	-	-	-	-
8	Distribution of Line 7	Ln7/7a	-	-	-	-	-	-	-	-	-	-	-
9	Cat 2-Cust Prem Equip	Direct	-	-	-	-	-	-	-	-	-	-	-
10	Distribution of Line 9	Ln9/9a	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL INFO ORIG/TERM EQUIP	Ln7+9	-	-	-	-	-	-	-	-	-	-	-
12	Distribution of Line 11	Ln11/11a	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMPANY			(a)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
100.0000%			25.0000%	-	-	-	0.6520%	-	-	24.3380%	-	-	50.0000%

CABLE AND WIRE FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			InterLATA MSG (b)	PL (c)	InterLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS													
1	Gross Allocator Pct (Trans SPF)	Records	25.0000%	-	-	-	0.6520%	-	-	24.3380%	-	-	50.0000%
2	REL MOU's - Exchange Trunk	Records	-	-	-	-	-	-	-	-	-	-	-
3	WB Line	Records	-	-	-	-	-	-	-	-	-	-	-
4	MOU Pct-Ex Trk WB	Records	-	-	-	-	-	-	-	-	-	-	-
C&WF CAT 1-2 SEPARATION													
5	2410 Cable & Wire Facilities	Records	-	-	-	-	-	-	-	-	-	-	-
6	Cat 1-Exch Line xWB	Ln23a.1	-	-	-	-	-	-	-	-	-	-	-
7	1.1 Intra PL & WATS	Ln23c.d	-	-	-	-	-	-	-	-	-	-	-
8	1.2 Inter PL & WATS	Ln23b*1	-	-	-	-	-	-	-	-	-	-	-
9	1.3 Jointly Used	Direct	-	-	-	-	-	-	-	-	-	-	-
10	Direct Assignment	Ln7.10	-	-	-	-	-	-	-	-	-	-	-
11	Total Category 1	Ln7.10	-	-	-	-	-	-	-	-	-	-	-
12	Cat 2-WB & Exch Trunk	Ln13a*2	-	-	-	-	-	-	-	-	-	-	-
13	Ex Trk - joint message	Direct	-	-	-	-	-	-	-	-	-	-	-
14	Ex Trk - EAS	Direct	-	-	-	-	-	-	-	-	-	-	-
15	Ex Line WB - Data Only DSL	Ln16a*3	-	-	-	-	-	-	-	-	-	-	-
16	Ex Line WB	Direct	-	-	-	-	-	-	-	-	-	-	-
17	WB Line	Ln16a*4	-	-	-	-	-	-	-	-	-	-	-
18	WB Trunk	Direct	-	-	-	-	-	-	-	-	-	-	-
19	WB Trunk DA	Direct	-	-	-	-	-	-	-	-	-	-	-
20	Total Category 2	Direct	-	-	-	-	-	-	-	-	-	-	-
TOTAL COMPANY			(a)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
54.010			25.0000%	-	-	-	0.6520%	-	-	24.3380%	-	-	50.0000%
14,872,259			3,718,065	-	-	-	98,454	-	-	3,619,610	-	-	7,436,129
14,926,269			3,718,065	-	-	-	98,454	-	-	3,619,610	-	-	7,453,314
522,181			445,545	-	-	-	-	-	-	38,318	-	-	38,318
522,181			445,545	-	-	-	-	-	-	38,318	-	-	38,318

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL TOLL				
			Joint MSG (b)	InterLATA PL (c)	InterLATA PL (d)	InterLATA PL (e)	InterLATA PL (f)	InterLATA PL (g)	User Defined (h)	Other (i)			
ASSIGNMENT OF C&WF CAT 1													
21	C&WF Cat 1 Working Loops	Records	3.040	-	-	-	-	-	-	-	-	-	4
22	Distribution of Line 21	Ln21/21a	100.0000%	-	-	-	-	-	-	-	-	-	0.1151%
23	Cat 1-Ex Line xWB	Ln23a*22	14,926,269	-	-	-	-	-	-	-	-	-	17,165
TOTAL COMPANY			(a)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
4,909,567			3,029	-	-	-	-	-	-	-	-	-	4
100.0000%			99.6382%	-	-	-	-	-	-	-	-	-	0.1151%
14,926,269			14,872,259	-	-	-	-	-	-	-	-	-	17,165

Note 1: Cost per loop =

CABLE AND WIRE FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL		
			InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS											
24	Interexchange Trk WB	Records	-	-	-	-	-	-	-	-	-
25	C&WF Pct-K xWB	Records	85.0780%	-	0.1090%	0.3920%	14.4210%	-	-	-	-
26	C&WF TWX Connect Min Miles Pct-I	Records	85.0780%	-	0.1090%	0.3920%	14.4210%	-	-	-	-
27	C&WF TWX Connect Min Miles Pct-Rmt	Records	85.0780%	-	0.1090%	0.3920%	14.4210%	-	-	-	-
28	Host/Remote MOU Miles Pct	Records	42.0830%	-	0.0540%	0.1940%	7.1330%	-	-	-	50.5360%
C&WF CAT 3/4 SEPARATION											
29	Cat 3-Interchange C&WF	Direct	-	-	-	-	-	-	-	-	-
30	WB PL - Direct Assignment	Ln31a/24	-	254,201	-	-	-	24,123	-	-	-
31	WB - Joint Message	Ln50b/25	664,739	-	852	3,063	112,675	-	-	-	-
32	Joint MSG xWB	Ln51c.1	-	-	-	-	-	-	-	-	-
33	PL, TWX & Local xWB	Ln51j*26	-	-	-	-	-	3,386	-	-	-
34	Joint TWX-IT	Ln51k*27	-	-	-	-	-	-	-	-	-
35	Joint TWX-Rmt	Direct	-	-	-	-	-	-	-	-	-
36	Interexchange - DA	Direct	-	-	-	-	-	-	-	-	-
37	DSL Interchange	Ln29.37	664,739	254,201	852	3,063	112,675	27,509	-	-	-
38	Total Category 3										
39	Cat 4-Host/Remote C&WF	Ln40a/28	-	-	-	-	-	-	-	-	-
40	Joint (xWATS)	Direct	-	-	-	-	-	-	-	-	-
41	WATS	Direct	-	-	-	-	-	-	-	-	-
42	Direct Assignment	Ln40.42	-	-	-	-	-	-	-	-	-
43	Total Category 4										
44	TOTAL CABLE & WIRE FACILITIES	Ln11+20+38+43	4,382,804	699,746	852	101,517	3,732,286	102,652	-	-	7,491,632
45	Distribution of Line 44	Ln44/44a	26.5440%	4.2379%	0.0052%	0.6148%	22.6042%	0.6217%	-	-	45.3722%

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			Other (j)	Jt MSG TWX Intertoll (j)	Remote (k)
			Inter LATA (c)	Intra LATA (d)	Inter LATA (e)	Intra LATA (f)	User Defined (h)				
TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
46	Equip IX Circ Miles-MSG	Records	50,880.00	-	-	-	-	-	-	-	
47	-PL, TWX&Local	Records	-	-	-	220.50	-	-	-	-	
48	Distribution of Line 45	Ln46/46a	99.5685%	-	-	-	-	-	-	-	
49	Distribution of Line 46	Ln47/47a	-	-	-	0.4315%	-	-	-	-	
50	Cat 3-All Other xWB-MSG	Ln50a/48	784,715	-	-	-	-	-	-	-	
51	-PL, TWX&Local	Ln50a/49	-	-	-	3,386	-	-	-	-	

Note 1: Cost per circuit mile = 15.36

AMORTIZABLE ASSETS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL						
			TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS															
1	Land & Support Assets Distr	S-4, Ln14	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
2	2210 COE-Switch Distr	S-5, Ln37	100.0000%	84.8924%	-	0.1076%	-	-	-	-	-	-	-	-	15.0000%
3	2220 COE-Operator Systems Distr	S-5, Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	S-5, Ln79	100.0000%	22.3783%	26.5460%	0.0074%	-	-	0.4660%	-	17.1341%	0.2068%	-	-	33.2623%
5	2310 IOT Distr	S-6, Ln12	-	-	-	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	S-7, Ln45	100.0000%	26.5440%	4.2379%	0.0652%	-	-	0.6148%	-	22.6042%	0.6217%	-	-	45.3722%
7	2001 TPIS	S-2, Ln8	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
8	2001 TPIS incl 2680	S-2, Ln11	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
TANGIBLE ASSETS-CAPITAL LEASES SEP															
9	2680 Tangible Assets - Capital Leases		-	-	-	-	-	-	-	-	-	-	-	-	-
10	2110 Land & Supt Assets	Ln10a1	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2210 COE-Switching	Ln11a2	-	-	-	-	-	-	-	-	-	-	-	-	-
12	2220 COE-Operator	Ln12a3	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2230 COE-Transmission	Ln13a4	-	-	-	-	-	-	-	-	-	-	-	-	-
14	2310 IOT	Ln14a5	-	-	-	-	-	-	-	-	-	-	-	-	-
15	2410 C&WF	Ln15a6	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Not classified by account	Ln16a7	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
18	TOTAL CAPITAL LEASES	Ln10, 17	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Distribution of Line 18	Ln18/18a	-	-	-	-	-	-	-	-	-	-	-	-	-
TANGIBLE ASSETS-LEASEHLD IMPROVE SEP															
20	2680 Tangible Assets - Leasehold Improve		-	-	-	-	-	-	-	-	-	-	-	-	-
21	2110 Land & Supt Assets	Ln21a1	-	-	-	-	-	-	-	-	-	-	-	-	-
22	2210 COE-Switching	Ln22a2	-	-	-	-	-	-	-	-	-	-	-	-	-
23	2220 COE-Operator	Ln23a3	-	-	-	-	-	-	-	-	-	-	-	-	-
24	2230 COE-Transmission	Ln24a4	-	-	-	-	-	-	-	-	-	-	-	-	-
25	2310 IOT	Ln25a5	-	-	-	-	-	-	-	-	-	-	-	-	-
26	2410 C&WF	Ln26a6	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Not classified by account	Ln27a7	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
29	TOTAL LEASEHOLD IMPROVEMENTS	Ln21, 26	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Distribution of Line 29	Ln29/29a	-	-	-	-	-	-	-	-	-	-	-	-	-
31	TOTAL TANGIBLE ASSETS	Ln18+29	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Distribution of Line 31	Ln31/31a	-	-	-	-	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS SEPARATION															
33	2680 Intangible Assets	Ln33a8	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
35	TOTAL INTANGIBLE ASSETS	Ln33, 34	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Distribution of Line 35	Ln35/35a	-	-	-	-	-	-	-	-	-	-	-	-	-

TELECOMMUNICATIONS PLANT - OTHER ACCOUNTS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL					
			InterLATA MSG (b)	PL (c)	InterLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS														
1	2001 TPIS Distr	S-2, Ln15	28,790.2%	11.0261%	0.0121%	-	0.5303%	-	-	19.4962%	0.4527%	-	-	39.6924%
2	2410 CRAWF Distr	S-7, Ln45	26,544.0%	4.2379%	0.0052%	-	0.6148%	-	-	22.6042%	0.6217%	-	-	45.3722%
3	Equal Access MOU Pct	Records	-	-	-	-	-	-	-	-	-	-	-	-
OTHER ACCOUNTS SEPARATION														
4	2002 Prop Hld Fut Telecom Use	Ln49*1	-	-	-	-	-	-	-	-	-	-	-	-
5	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
6	TOTAL PROP HLD FUT TELECOM USE	Ln4, Ln5	-	-	-	-	-	-	-	-	-	-	-	-
7	Distribution of Line 6	Ln6/6a	-	-	-	-	-	-	-	-	-	-	-	-
8	2003 Ptl Under Constr	Ln6a*1	42,750	16,373	18	-	787	-	-	28,950	672	-	-	58,939
9	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
10	TOTAL PTL UNDER CONSTR	Ln8, Ln9	42,750	16,373	18	-	787	-	-	28,950	672	-	-	58,939
11	Distribution of Line 10	Ln10/10a	28,790.2%	11.0261%	0.0121%	-	0.5303%	-	-	19.4962%	0.4527%	-	-	39.6924%
12	2005 Telecom Plant Adjust	Ln12a*1	-	-	-	-	-	-	-	-	-	-	-	-
13	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
14	TOTAL TELECOM PLANT ADJUST	Ln12, Ln13	-	-	-	-	-	-	-	-	-	-	-	-
15	Distribution of Line 14	Ln14/14a	-	-	-	-	-	-	-	-	-	-	-	-
MISC ACCOUNTS SEPARATION														
16	1402 Class B RTB Stock	Ln16a*1	-	-	-	-	-	-	-	-	-	-	-	-
17	1438 Deferred Charges	Ln17a*1	-	-	-	-	-	-	-	-	-	-	-	-
18	1220 Material & Suppl x/CFE	Ln18a*2	48,830	7,796	9	-	1,131	-	-	41,582	1,144	-	-	83,466
19	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
20	TOTAL MATERIALS AND SUPPLIES	Ln18, Ln19	48,830	7,796	9	-	1,131	-	-	41,582	1,144	-	-	83,466
21	Cash Working Capital	CWC	134,728	35,756	37	-	9,843	-	-	69,928	7,755	-	-	151,882
EQUAL ACCESS INVESTMENT SEPARATION														
22	Equal Access Gross Investment	Ln22a*3	-	-	-	-	-	-	-	-	-	-	-	-
23	Equal Access Gross Investment - DA	Direct	-	-	-	-	-	-	-	-	-	-	-	-
24	Accum Depreciation	Ln24a*3	-	-	-	-	-	-	-	-	-	-	-	-
25	Deferred Oper Inc Taxes	Ln25a*3	-	-	-	-	-	-	-	-	-	-	-	-
26	Unamortized Expenses	Ln26a*3	-	-	-	-	-	-	-	-	-	-	-	-
27	TOTAL NET EQUAL ACCESS INVESTMENT	Ln22-24-25-26	-	-	-	-	-	-	-	-	-	-	-	-
28	Distribution of Line 27	Ln27/27a	-	-	-	-	-	-	-	-	-	-	-	-
INVEST ALLOW/DISALLOW SEPARATION														
29	Investment Allow/Disallowances	Ln29a*1	-	-	-	-	-	-	-	-	-	-	-	-
30	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
31	TOTAL INVEST ALLOW/DISALLOWANCES	Ln29, Ln30	-	-	-	-	-	-	-	-	-	-	-	-

CERTAIN INCOME ACCOUNTS AND ADJUSTMENTS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL						
			TOTAL COMPANY (a)	IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS															
1	2001 TPIS Distr	S-2, Ln15	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
2	2003 PUC-Pct	S-9, Ln11	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
3	Corp Oper Expenses Distr	S-14, Ln17	100.0000%	34.0121%	7.6061%	0.082%	-	-	3.0802%	-	16.3724%	2.4191%	-	-	36.5017%
4	2680 Capital Leases Distr	S-8, Ln19	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-
5	Net Telecom Plant Distrcd 4040, 4310	S-2, Ln37	100.0000%	28.3615%	13.5623%	0.0125%	-	-	0.5129%	-	18.8556%	0.4050%	-	-	38.2899%
6	2110 Support Assets Distr	S-4, Ln9	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
7	2210 COE-Switching Distr	S-5, Ln37	100.0000%	84.8924%	-	0.1076%	-	-	-	-	-	-	-	-	15.0000%
8	2220 COE-Operator Distr	S-5, Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-
9	2230 COE-Transmission Distr	S-5, Ln79	100.0000%	22.3783%	26.5450%	0.0074%	-	-	0.4680%	-	17.1341%	0.2069%	-	-	33.2623%
10	2310 IOT Distr	S-6, Ln12	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-
11	2410 C&WF Distr	S-7, Ln45	100.0000%	26.5440%	4.2379%	0.0052%	-	-	0.6148%	-	22.0042%	0.6217%	-	-	45.3722%
12	COE, IOT, C&WF	S-2, Ln8	100.0000%	28.7902%	11.0261%	0.0121%	-	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%
13	Big Three Expenses Distr	S-3, Ln6	100.0000%	31.8803%	7.8519%	0.0885%	-	-	3.1797%	-	16.8014%	2.4973%	-	-	37.6810%
OTHER INCOME SEPARATION															
14	7300 Nonoper Inc & Expenses														
15	Aw Fds Used Dur Constr	Ln15a2	10.763	3.099	1.187	1	-	-	57	-	2,098	49	-	-	4,272
16	Contributions	Ln16a3	3,000	1,020	228	0	-	-	82	-	481	73	-	-	1,095
17	Abandoned Construction	Ln17a1													
18	Other Nonoperating Expense	Direct	(1,368)												(1,368)
Fixed Charges															
19	Interest on Capital Leases	Ln20a4													
20	Fixed Charges Excl Capital Leases	Ln21a5	155,119	43,995	21,038	19	-	-	796	-	29,249	628	-	-	59,395
21	Amortization of Debt Discount	Ln22a5													
22	Other Interest	Ln23a5													
23	TOTAL FIXED CHARGES	Ln20, 21	155,119	43,995	21,038	19	-	-	796	-	29,249	628	-	-	59,395
25 5240 Rent Revenues															
25	Support Assets	Ln26a6													
26	COE-Switching	Ln27a7													
27	COE-Operator	Ln28a8													
28	COE-Transmission	Ln29a9													
29	Into Orig/term Equip	Ln30a10													
30	C&WF	Ln31a11													
31	Net Classified by Acct	Ln32a1													
UNBUNDLED NETWORK ELEMENTS															
32	C&WF - Unbundled Loop	S-5, Ln41* Ln34													
33	Operator Systems	S-5, Ln24* Ln35													
34	Tandem Switching	S-5, Ln29* Ln36													
35	Local Switching	S-5, Ln34* Ln37													
36	Transport Termination	S-5, Ln66* Ln38													
37	Transport Facility	S-5, Ln66* Ln39													
38	SS7	S-5, Ln77* Ln40													
39	OSS	Ln41a1													
40	Direct Assignment	Direct													
41	TOTAL RENT REVENUES	Ln26- 42													

CERTAIN INCOME ACCOUNTS AND ADJUSTMENTS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
	INCOME TAX ADJUSTMENTS SEPARATIONS												
44	ITC Amortization - Federal	S-14, Ln5*, Ln44	-	-	-	-	-	-	-	-	-	-	-
45	ITC Amortization - State	S-14, Ln5*, Ln45	-	-	-	-	-	-	-	-	-	-	-
46	TOTAL ITC AMORTIZATION	Ln44, 45	-	-	-	-	-	-	-	-	-	-	-
47	Amortization of Excess Def Taxes	Ln47a*1	-	-	-	-	-	-	-	-	-	-	-
48	Capitalized Payroll Taxes	Ln48a*1	-	-	-	-	-	-	-	-	-	-	-
49	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
50	TOTAL CAPITALIZED PAYROLL TAXES	Ln48, 49	-	-	-	-	-	-	-	-	-	-	-
51	Depreciation Adjustments	Ln51a*1	-	-	-	-	-	-	-	-	-	-	-
52	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
53	TOTAL DEPRECIATION ADJUSTMENTS	Ln51, 52	-	-	-	-	-	-	-	-	-	-	-
54	Uncollectibles - Joint Message	Direct	-	-	-	-	-	-	-	-	-	-	-
55	Uncollectibles - End User CCL	Direct	-	-	-	-	-	-	-	-	-	-	-
56	Uncollectibles - Interexchange Carrier	Direct	-	-	-	-	-	-	-	-	-	-	-
57	TOTAL UNCOLLECTIBLES	Ln54, 56	-	-	-	-	-	-	-	-	-	-	-
58	Misc Inc Adjustments		-	-	-	-	-	-	-	-	-	-	-
59	Inc Adj Alloc on 2001	Ln59a*1	-	-	-	-	-	-	-	-	-	-	-
60	Inc Adj Alloc on 2001 - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
61	Inc Adj Alloc on Big 3 Exp	Ln61a*13	-	-	-	-	-	-	-	-	-	-	-
62	Inc Adj Alloc on Big 3 Exp - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL MISC INC ADJUSTMENTS	Ln59, 61	-	-	-	-	-	-	-	-	-	-	-

PLANT SPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS												
1	2110 Land & Supt Assts Distr	S-4, Ln14	28,790.2%	11,026.1%	0,012.1%	0,530.3%	-	19,486.2%	0,452.7%	-	-	39,692.4%
2	Total COE Distr + EA Distr	S-5, Ln80 incl EA	32,502.9%	22,245.9%	0,023.6%	0,390.6%	-	14,359.1%	0,173.3%	-	-	30,304.6%
3	2310 IOT Call 1-Other Distr	S-6, Ln1	25,000.0%	-	-	0,662.0%	-	24,338.0%	-	-	-	50,000.0%
4	2310 IOT Call 2-CPE Distr	S-6, Ln10	-	-	-	-	-	-	-	-	-	-
5	2410 C&WF Distr	S-7, Ln45	26,544.0%	4,237.9%	0,005.2%	0,614.8%	-	22,604.3%	0,621.7%	-	-	45,372.2%
PLANT SPECIFIC EXPENSES SEPARATION												
6	6110 Network Support Expenses	Ln6a*1	-	-	-	-	-	-	-	-	-	-
7	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
8	TOTAL NETWORK SUPPORT EXPENSES	Ln6.7	-	-	-	-	-	-	-	-	-	-
9	6120 General Support Expenses	Ln9a*1	140,490	53,805	59	2,588	-	95,137	2,209	-	-	183,690
10	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
11	TOTAL GENERAL SUPPORT EXPENSES	Ln9.10	140,490	53,805	59	2,588	-	95,137	2,209	-	-	183,690
12	6210 COE Switching Expenses	Ln12a*2	42,539	28,115	31	511	-	18,793	227	-	-	39,662
13	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
14	TOTAL COE SWITCHING EXPENSES	Ln12.13	42,539	28,115	31	511	-	18,793	227	-	-	39,662
15	6220 COE Operator Systems Expenses	Ln15a*2	-	-	-	-	-	-	-	-	-	-
16	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
17	TOTAL COE OPERATOR SYS EXPENSES	Ln15.16	-	-	-	-	-	-	-	-	-	-
18	6230 COE Transmission Expenses	Ln18a*2	102,885	70,417	75	1,236	-	45,452	549	-	-	95,926
19	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
20	TOTAL COE TRANSMISSION EXPENSES	Ln18.19	102,885	70,417	75	1,236	-	45,452	549	-	-	95,926
21	TOTAL COE EXPENSES	Ln14+17+20	145,424	98,532	106	1,747	-	64,245	776	-	-	135,588
22	6310 IOT Equip Expenses	Ln23a*3	-	-	-	-	-	-	-	-	-	-
23	Call 1-Other IOT Eq Expenses	Ln24a*4	-	-	-	-	-	-	-	-	-	-
24	Call 2-Cust Prem Equip Exp	Direct	-	-	-	-	-	-	-	-	-	-
25	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
26	TOTAL IOT EXPENSES	Ln23.25	-	-	-	-	-	-	-	-	-	-
27	6410 C&WF Expenses	Ln27a*5	126,227	20,153	25	2,924	-	107,492	2,956	-	-	215,763
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
29	TOTAL C&WF EXPENSES	Ln27.28	126,227	20,153	25	2,924	-	107,492	2,956	-	-	215,763
30	PIE Spec Exp x6110,6120	Ln21+26+29	271,651	115,685	130	4,671	-	171,737	3,732	-	-	351,351
31	TOTAL PLANT SPEC OPER EXP	Ln8+11+30	1,410,935	412,141	189	7,259	-	266,874	5,941	-	-	545,041
32	Distribution of Line 31	Ln31/31a	100,000.0%	12,296.1%	0,0134%	0,5145%	-	18,914.7%	0,4211%	-	-	38,629.8%

PLANT NONSPECIFIC EXPENSES

Fremont Telecom, Inc.
Study Area: 47222Z
2013

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
TOTAL COMPANY (a)												
SEPARATIONS FACTORS												
1	2001 TPIS Distr	S-2, Ln15	28.7902%	11.0261%	0.0121%	-	0.5303%	-	19.4962%	0.4527%	-	39.6924%
2	Total COE, IOT, CAWF Distr	S-2, Ln7*9	28.7902%	11.0261%	0.0121%	-	0.5303%	-	19.4962%	0.4527%	-	39.6924%
3	2110 Support Assets Distr	S-4, Ln9	28.7902%	11.0261%	0.0121%	-	0.5303%	-	19.4962%	0.4527%	-	39.6924%
4	2210 COE-Switching Distr	S-15, Ln123	84.8024%	-	0.1076%	-	-	-	-	-	-	15.0000%
5	2220 COE-Operator Distr	S-5, Ln24	-	-	-	-	-	-	-	-	-	-
6	2230 COE-Transmission Distr	S-5, Ln19	22.3783%	26.5450%	0.0074%	-	0.4660%	-	17.1541%	0.2068%	-	33.2623%
7	2310 IOT Distr	S-6, Ln12	-	-	-	-	-	-	-	-	-	-
8	2410 CAWF Distr	S-7, Ln45	26.5440%	4.2379%	0.0052%	-	0.6148%	-	22.6942%	0.6217%	-	45.3722%
9	2002 Prop Hld Ft Tel Use Distr	S-9, Ln7	-	-	-	-	-	-	-	-	-	-
10	2680 Capital Leases Distr	S-8, Ln19	-	-	-	-	-	-	-	-	-	-
11	2660 Leasehold Improvements Distr	S-8, Ln30	-	-	-	-	-	-	-	-	-	-
12	2650 Intangible Assets Distr	S-8, Ln36	-	-	-	-	-	-	-	-	-	-
13	2005 Telecom Pft Adjustment	S-9, Ln15	-	-	-	-	-	-	-	-	-	-
PLANT NONSPECIFIC EXP SEPARATION												
14	6510 Oh Prop Plant & Eq Exp	Ln14a*1	-	-	-	-	-	-	-	-	-	-
15	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
16	TOTAL OTH PROP PLANT & EQ EXP	Ln14, 15	-	-	-	-	-	-	-	-	-	-
17	6530 Network Operations Exp	Ln17a*2	34,748	13,308	15	-	640	-	23,531	546	-	47,906
18	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
19	TOTAL NETWORK OPERATIONS EXP	Ln17, 18	34,748	13,308	15	-	640	-	23,531	546	-	47,906
20 6540 Access Expenses												
21	Access Expense w/Federal Support	Direct	-	-	-	-	-	-	-	-	-	-
22	Federal & State Support	Direct	68,514	-	-	-	-	-	-	-	-	-
23	TOTAL ACCESS EXPENSES	Ln21, 22	68,514	-	-	-	-	-	-	-	-	-
24 6560 Depr and Amort Expenses												
24	Depr - Support Assets	Ln25a*3	5,250	2,011	2	-	97	-	3,555	83	-	7,238
25	Depr - Support Assets - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
27	Depr - COE-Switching	Ln27a*4	12,432	-	16	-	-	-	-	-	-	2,197
28	Cat 2-Tandem Switching	S-5, Ln8	-	-	-	-	-	-	-	-	-	-
29	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
30	Cat 3-Local Switching - TS	S-5, Ln9	-	-	-	-	-	-	-	-	-	-
31	Cat 3-Local Switching - NTS	S-5, Ln9	-	-	-	-	-	-	-	-	-	-
32	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
33	Depr - COE-Switching	Ln33a*5	12,432	-	16	-	-	-	-	-	-	2,197
34	Depr - COE-Operator	Ln34a*5	-	-	-	-	-	-	-	-	-	-
35	Cat 1-Operator Systems	S-5, Ln1	-	-	-	-	-	-	-	-	-	-
36	Loc Toll DSADSS and	S-5, Ln2	-	-	-	-	-	-	-	-	-	-
37	Traffic Switchboards	S-5, Ln3	-	-	-	-	-	-	-	-	-	-
38	Aux-Direct Assist	S-5, Ln4	-	-	-	-	-	-	-	-	-	-
39	Aux-Intercept	S-5, Ln5	-	-	-	-	-	-	-	-	-	-
40	JT Exch & Toll SOB	S-5, Ln6	-	-	-	-	-	-	-	-	-	-
41	TSPS-Oper Position	S-5, Ln7	-	-	-	-	-	-	-	-	-	-
42	TSPS-RTA	S-5, Ln8	-	-	-	-	-	-	-	-	-	-
43	TSPS-Other	S-5, Ln9	-	-	-	-	-	-	-	-	-	-
44	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
45	Total Cat 1	Ln35, 44	-	-	-	-	-	-	-	-	-	-
46	Depr - COE-Operator	Ln35, 44	-	-	-	-	-	-	-	-	-	-

PLANT NONSPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
47	PLANT NONSPECIFIC EXP SEPARATION												
48	Depr - COE-Transmission	Ln47a*6	112,395	133,322	37	2,341	86,056	1,039	-	-	-	-	167,060
49	Cat 4.1-Exchange Circuit	S-5, Ln38	-	-	-	-	-	-	-	-	-	-	-
50	4.11 Wideband-Line	Direct	-	-	-	-	-	-	-	-	-	-	-
51	Direct Assignment	Wideband-DSL Line	-	-	-	-	-	-	-	-	-	-	-
52	4.12 Eoch Trunk - EAS	Direct	-	-	-	-	-	-	-	-	-	-	-
53	Ex Trk xWB - Basic	S-5, Ln41	-	-	-	-	-	-	-	-	-	-	-
54	Ex Trk xWB - Basic DA	Direct	-	-	-	-	-	-	-	-	-	-	-
55	Ex Trk WB	S-5, Ln39	-	-	-	-	-	-	-	-	-	-	-
56	Exch Trk WB - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
57	4.13 Ex Line xWB	S-15, Ln49	-	-	-	-	-	-	-	-	-	-	-
58	Joint MSG/PL & Local	Direct	-	-	-	-	-	-	-	-	-	-	-
59	Direct Assignment - Basic/Special	Direct	-	-	-	-	-	-	-	-	-	-	-
60	Cat 4.2-Interexchange	Ln61a*45	-	-	-	-	-	-	-	-	-	-	-
61	4.21 Furn to Others	-	-	-	-	-	-	-	-	-	-	-	-
62	4.22 Wideband	-	-	-	-	-	-	-	-	-	-	-	-
63	Interexchange PL	S-5, Ln43	-	-	-	-	-	-	-	-	-	-	-
64	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
65	4.23 All Other	-	-	-	-	-	-	-	-	-	-	-	-
66	Joint MSG/PL	S-15, Ln57	-	-	-	-	-	-	-	-	-	-	-
67	Interexchange MSG/PL - DA	Direct	-	-	-	-	-	-	-	-	-	-	-
68	PL - DA	Direct	-	-	-	-	-	-	-	-	-	-	-
69	4.22 DSL exchange	Direct	-	-	-	-	-	-	-	-	-	-	-
70	Cat 4.3-Host/Remote MSG	Direct	-	-	-	-	-	-	-	-	-	-	-
71	Joint (xWATS)	S-5, Ln67	-	-	-	-	-	-	-	-	-	-	-
72	WATS	Direct	-	-	-	-	-	-	-	-	-	-	-
73	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
74	Total Cat 4	Ln48, 73	112,395	133,322	37	2,341	86,056	1,039	-	-	-	-	167,060
75	Depr - Info Orig/Term Equip	Ln75a*7	-	-	-	-	-	-	-	-	-	-	-
76	Cat 1-Other IOT	S-6, Ln1	-	-	-	-	-	-	-	-	-	-	-
77	Comis Pub Tel Eq	S-6, Ln2	-	-	-	-	-	-	-	-	-	-	-
78	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
79	Total Category 1	Ln76, 78	-	-	-	-	-	-	-	-	-	-	-
80	Cat 2-Cust Prem Equip	Direct	-	-	-	-	-	-	-	-	-	-	-
81	Depr - Info Orig/Term Equip	Direct	-	-	-	-	-	-	-	-	-	-	-

PLANT NONSPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
82	Depr - Cable & Wire Facilities	Ln623*8	80,637	12,874	16	-	1,868	-	68,668	1,889	-	-	137,834
83	Cat 1-Exch Line xWB	S-15, Ln76	-	-	-	-	-	-	-	-	-	-	-
84	1.1.1.2 - PL, 1.3 Jointly Used	Direct	-	-	-	-	-	-	-	-	-	-	-
85	Direct Assignment	Ln84*85	-	-	-	-	-	-	-	-	-	-	-
86	Total Category 1		-	-	-	-	-	-	-	-	-	-	-
87	Cat 2-WB & Exch Trunk	S-7, Ln2	-	-	-	-	-	-	-	-	-	-	-
88	Ex Trk - Joint message	Direct	-	-	-	-	-	-	-	-	-	-	-
89	Ex Trk - EAS	Direct	-	-	-	-	-	-	-	-	-	-	-
90	Ex Line WB - Data Only DSL	S-7, Ln3	-	-	-	-	-	-	-	-	-	-	-
91	Ex Line WB	S-7, Ln3	-	-	-	-	-	-	-	-	-	-	-
92	WB Line	Direct	-	-	-	-	-	-	-	-	-	-	-
93	WB Trunk	S-7, Ln4	-	-	-	-	-	-	-	-	-	-	-
94	WB Trunk DA	Direct	-	-	-	-	-	-	-	-	-	-	-
95	Total Category 2		-	-	-	-	-	-	-	-	-	-	-
96	Cat 3-Interchange C&W	WB PL - Direct Assignment	-	-	-	-	-	-	-	-	-	-	-
97	WB - Joint Message	S-7, Ln24	-	-	-	-	-	-	-	-	-	-	-
98	Joint MSG, PL, TWX & Local xWB	S-15, Ln90	-	-	-	-	-	-	-	-	-	-	-
99	Joint TWX-IT	S-7, Ln26	-	-	-	-	-	-	-	-	-	-	-
100	Joint TWX-Rmt	S-7, Ln27	-	-	-	-	-	-	-	-	-	-	-
101	Interexchange - DA	Direct	-	-	-	-	-	-	-	-	-	-	-
102	DSL Interexchange	Direct	-	-	-	-	-	-	-	-	-	-	-
103	Total Category 3	Ln95, 102	-	-	-	-	-	-	-	-	-	-	-
104	Cat 4-Host/Remote C&W	S-7, Ln28	-	-	-	-	-	-	-	-	-	-	-
105	Joint (xWATS)	Direct	-	-	-	-	-	-	-	-	-	-	-
106	WATS	Direct	-	-	-	-	-	-	-	-	-	-	-
107	Direct Assignment	Ln105, 107	-	-	-	-	-	-	-	-	-	-	-
108	Total Category 4		-	-	-	-	-	-	-	-	-	-	-
109	Depr - Cable & Wire Facilities		80,637	12,874	16	-	1,868	-	68,668	1,889	-	-	137,834
110	Depr-Prop Hld Ft Tel Use	Ln110a*9	-	-	-	-	-	-	-	-	-	-	-
111	Amort-Capital Leases	Ln111a*10	-	-	-	-	-	-	-	-	-	-	-
112	Amort-Leasehold Improvements	Ln112a*11	-	-	-	-	-	-	-	-	-	-	-
113	Amort-Intangible Assets	Ln113a*12	-	-	-	-	-	-	-	-	-	-	-
114	Amort-Other	Ln114a*13	-	-	-	-	-	-	-	-	-	-	-
115	Amort-Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
116	TOTAL DEPR & AMORT EXPENSES	Ln25, 115	210,714	148,207	71	-	4,305	-	158,279	3,010	-	-	314,329
117	TOTAL PLANT NONSPEC OPER EXP	Ln16*19+23+116	313,976	161,515	85	-	4,945	-	181,810	3,556	-	-	382,235
118	Distribution of Line 117	Ln117*117a	30.5387%	15.7097%	0.0083%	-	0.4810%	-	17.6837%	0.3459%	-	-	35.2327%

CUSTOMER OPERATIONS EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL				
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS													
1	Marketing expense factor	Records	34.0455%	-	-	-	-	-	-	-	-	-	57.4135%
2	WWS-Tel Oper Svcs	Records	-	-	-	-	-	0.1460%	-	-	-	-	100.0000%
3	Subscriber Line MOU	Records	31.5620%	-	0.0400%	-	-	5.3500%	-	-	-	-	62.9020%
4	EU Service Order Contacts	Records	28.2177%	-	-	-	-	0.4692%	-	-	-	-	71.3131%
5	EU Billed Revenue Incl CCL	Records	30.6820%	-	-	-	-	1.4156%	-	-	-	-	42.3370%
6	EU Billed Inquiry Contacts	Records	1.5293%	1.5633%	-	-	-	1.9541%	-	-	-	-	0.3968%
7	IX Svc Ord Proc Contacts	Records	80.9469%	5.3511%	-	-	-	5.6769%	-	-	-	-	-
8	IX Billed Revenue	Records	65.4745%	-	-	-	-	34.5255%	-	-	-	-	-
9	IX Bill Inq Contacts	Records	87.5811%	2.4031%	-	-	-	-	-	-	-	-	-
10	Public Interest Paystation Revenue	Records	-	-	-	-	-	-	-	-	-	-	-
MARKETING EXPENSES SEPARATION													
11	6610 Marketing Expenses	Ln11a*1	35.694	-	-	-	-	-	-	-	-	-	60.193
12	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL MARKETING EXPENSES	Ln11, 12	35,694	-	-	-	-	-	-	-	-	-	60,193
SERVICES EXPENSES SEPARATION													
14	6620 Services Expenses												
15	Telephone Operator Services	Ln16a*2	-	-	-	-	-	-	-	-	-	-	6,125
16	Tel Operator Svc	Direct	-	-	-	-	-	-	-	-	-	-	-
17	Direct Assignment	Ln16, 17	-	-	-	-	-	-	-	-	-	-	6,125
18	Total Tel Oper Svc Exp												
19	Published Direct Listings												
20	Classified	Direct	-	-	-	-	-	-	-	-	-	-	-
21	TWX	Direct	-	-	-	-	-	-	-	-	-	-	-
22	Alpha	Ln22a*3	-	-	-	-	-	-	-	-	-	-	-
23	Foreign	Direct	-	-	-	-	-	-	-	-	-	-	-
24	Total Publ Direct List	Ln20, 23	-	-	-	-	-	-	-	-	-	-	-
25	All Other												
26	Cat 1-LBOE EU Svc Ord Proc	Direct	14,794	-	-	-	-	-	-	-	-	-	-
27	Presubscription	Ln28a*4	14,634	-	-	-	-	-	-	-	243	-	36,963
28	Other												
29	Cat 1-LBOE EU Pmt & Col	Direct	-	-	-	-	-	-	-	-	-	-	-
30	- CII	Ln29a*5	33,728	-	-	-	-	1,556	-	-	-	-	46,539
31	- Other												
32	Cat 1-LBOE EU Bill Inq	Direct	-	-	-	-	-	-	-	-	-	-	-
33	- CII	Ln32a*6	582	595	-	-	-	-	-	-	-	-	149
34	- Other	Ln32a*7	218	14	-	-	-	-	-	-	744	-	22
35	Cat 1-LBOE IX Svc Ord Proc	Ln35a*8	5,227	564	-	-	-	-	-	-	15	-	-
36	Cat 1-LBOE IX Pmt & Col	Ln36a*9	3,422	-	-	-	-	-	-	-	1,805	-	-
37	Cat 1-LBOE IX Bill Inq	Ln37a*10	20,550	584	-	-	-	-	-	-	-	-	2,356
38	Cat 1-LBOE Cn Col & Admin	Ln38a*10	87,928	1,174	-	-	-	1,556	-	-	-	-	38,393
39	Total Cat 1-LBOE	Ln26, 38	243,633	1,174	-	-	-	1,556	-	-	30,911	-	83,671

CUSTOMER OPERATIONS EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
SEPARATIONS FACTORS												
40	Relative Toll & Local Msgs Pct	Records	70.2092%	-	-	1.0857%	-	28.7052%	-	-	-	-
41	CABS Pct	Records	50.0000%	-	-	1.3282%	-	48.6718%	-	-	-	-
SERVICES EXP SEPARATION (CONTD)												
42	Cat 2-CSE Msg Proc		-	-	-	-	-	-	-	-	-	-
43	Joint Message	Ln42a*40	-	-	-	-	-	-	-	-	-	-
44	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
45	Cat 2-CSE Other B&C		80,428	-	-	47,309	-	47,309	-	-	-	94,618
46	Direct Assignment	Direct	14,183	-	-	-	-	-	-	-	-	-
47	End User Common Line	Ln48a*41	5,897	-	-	157	-	5,740	-	-	-	-
48	Cat 2-CSE CABS	Ln42, 48	100,517	-	-	47,466	-	53,049	-	-	-	94,618
49	Total Cat 2-CSE		188,445	-	-	90,902	-	83,560	-	-	-	178,289
50	Total All Other Cat 1 & 2	Ln50/50a	34,9437%	0.2177%	-	9.0902%	-	15.5668%	7.1193%	-	-	33.0604%
51	Distribution of Line 50		-	-	-	-	-	-	-	-	-	-
52	Cat 3-All Other CSE	Ln52a*51	-	-	-	-	-	-	-	-	-	-
53	Direct Assignment	Direct	14,208	-	-	-	-	616	-	-	-	-
54	Total All Other Cat 3	Ln52, 53	14,208	-	-	-	-	616	-	-	-	-
55	Total All Other-Cat 1,2,3	Ln50-54	202,654	1,174	-	49,022	-	84,576	38,393	-	-	178,289
56	TOTAL SERVICES EXPENSES	Ln18*24+55	202,654	1,174	-	49,022	-	84,576	38,393	-	-	184,414
57	TOTAL CUSTOMER OPER EXPENSES	Ln13+56	665,075	238,348	1,174	49,022	-	93,531	38,393	-	-	244,608
58	Distribution of Line 57	Ln57/57a	35.8377%	0.1765%	-	7.3709%	-	14.0632%	5.7727%	-	-	36.7750%

CORPORATE OPERATIONS, TAXES, & EQUAL ACCESS EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE				INTRASTATE				LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS														
1	Big Three Expenses Distr	S-3, Ln6	31,860.3%	7,851.9%	0.0085%	-	3,179.7%	-	16,901.4%	2,497.3%	-	-	-	37,681.0%
2	2001 TPIIS Distr	S-2, Ln15	28,790.2%	11,026.1%	0.0121%	-	0.5303%	-	19,496.2%	0.4527%	-	-	-	39,692.4%
3	Equal Access Invest Distr	S-9, Ln28	-	-	-	-	-	-	-	-	-	-	-	-
4	Net Telecom Plant Distr exd 1220, EA	S-2, Ln36	28,476.4%	14,149.5%	0.0129%	-	0.5094%	-	18,619.6%	0.3913%	-	-	-	37,843.8%
5	Income Tax Distribution	S-3, Ln 28	31,407.5%	10,439.6%	0.0090%	-	2,041.7%	-	17,344.9%	1.6000%	-	-	-	37,157.3%
CORPORATE OPER EXP SEPARATIONS														
6	Exec & Planning Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-
7	EAS	Ln8a*1	10,536	2,595	3	-	1,051	-	5,586	825	-	-	-	12,453
8	All Other	Direct	-	-	-	-	-	-	-	-	-	-	-	-
9	Direct Assignment	Ln7 .9	10,536	2,595	3	-	1,051	-	5,586	825	-	-	-	12,453
10	TOTAL EXEC & PLANNING EXPENSES													
11	6720 Gen'l and Admin Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-
12	EAS	Ln13a*1	183,538	45,204	49	-	18,306	-	97,303	14,377	-	-	-	216,934
13	All Other	Direct	19,667	-	-	-	-	-	-	-	-	-	-	-
14	Direct Assignment	Ln12 .14	203,205	45,204	49	-	18,306	-	97,303	14,377	-	-	-	216,934
15	TOTAL GEN'L & ADMIN EXPENSES													
16	TOTAL CORPORATE OPER EXPENSES	Ln10*15	628,427	47,799	52	-	19,357	-	102,889	15,202	-	-	-	229,387
17	Distribution of Line 16	Ln16*16a	34,012.1%	7,606.1%	0.0082%	-	3,080.2%	-	16,372.9%	2,419.1%	-	-	-	36,501.7%
OPERATING TAXES SEPARATIONS														
18	7200 Operating Taxes (Actual)	Ln19a*5	86,379	29,709	26	-	5,810	-	49,360	4,553	-	-	-	105,742
19	Federal Income Taxes	Ln20a*5	75,310	7,862	7	-	1,538	-	13,062	1,205	-	-	-	27,983
20	State & Local Income Taxes	Ln20a*5	23,653	7,862	32	-	7,348	-	62,422	5,758	-	-	-	133,725
21	OP FED, STATE, LOCAL TAXES - CWC	Ln22a*2	359,887	37,571	-	-	-	-	-	-	-	-	-	-
22	Schedule M Income Tax Adjustments	Ln23a*2	-	-	-	-	-	-	-	-	-	-	-	-
23	Operating Taxes - Property	Ln23a*2	134,866	14,884	16	-	716	-	26,317	611	-	-	-	53,579
24	Operating Taxes - Other	Ln24a*2	1,249	138	0	-	7	-	244	6	-	-	-	496
25	Operating Taxes - Direct Assignment	Direct	1,921	-	-	-	-	-	-	-	-	-	-	-
26	TOTAL OPER TAXES x/FIT, SIT	Ln23 .25	138,156	15,021	17	-	722	-	26,561	617	-	-	-	54,075
OPERATING REVENUE SEPARATIONS														
27	5000 Basic Local Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
28	5000 Interstate Access/End User Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
29	5064 State Access/End User Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
30	5100 Long Distance Message Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
31	5200 Miscellaneous Operating Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
32	7100 Other Operating Income	Direct	-	-	-	-	-	-	-	-	-	-	-	-
33	TOTAL OPERATING REVENUE	Ln27 .32	3,154	-	-	-	-	-	3,154	-	-	-	-	-
EQUAL ACCESS EXPENSES SEPARATION														
34	Equal Access Expenses	Ln34a*3	-	-	-	-	-	-	-	-	-	-	-	-
35	TOTAL EQUAL ACCESS EXPENSES	Ln34 .34	-	-	-	-	-	-	-	-	-	-	-	-
ALLOWANCES AND DISALLOWANCES														
36	Expense Allowances/Disallowances	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-	-
37	Interest on Customer Deposits	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-	-
38	Other Interest Deduction	Direct	-	-	-	-	-	-	-	-	-	-	-	-
39	Direct Assignment	Ln37 .38	-	-	-	-	-	-	-	-	-	-	-	-
40	TOTAL EXPENSE ALLOW/DISALLOWANCES													

Note 1: FIT and SIT Calculated on the S-1

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
SEPARATIONS FACTORS												
1	2110 Support Assets Distr	S-4, Ln9	28,7902%	11,0261%	0,0121%	-	0,5303%	-	19,4962%	0,4527%	-	39,6924%
2	2210 COE-Switching, incl EA Distr	S-5, Ln36+S-9, Ln27	84,8924%	-	0,1076%	-	-	-	-	-	-	15,0000%
3	2220 COE-Operator Distr	S-5, Ln24	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	S-5, Ln79	22,3783%	26,5450%	0,0074%	-	0,4660%	-	17,1341%	0,2068%	-	33,2623%
5	2310 IOT Distr	S-6, Ln12	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	S-7, Ln45	26,5440%	4,2379%	0,0052%	-	0,6148%	-	22,6042%	0,6217%	-	45,3722%
7	2001 TPIS X/Land	S-2, Ln18	28,7902%	11,0261%	0,0121%	-	0,5303%	-	19,4962%	0,4527%	-	39,6924%
8	General Support, COE, IOT, C&WF	S-2, Ln1+7+9	28,7902%	11,0261%	0,0121%	-	0,5303%	-	19,4962%	0,4527%	-	39,6924%
9	2002 Prop Hld Ft Tel Use Distr	S-9, Ln7	-	-	-	-	-	-	-	-	-	-
10	2680 Capital Leases Distr	S-8, Ln19	-	-	-	-	-	-	-	-	-	-
11	2680 Leasehold Improvements	S-8, Ln30	-	-	-	-	-	-	-	-	-	-
12	2690 Intangible Assets Distr	S-8, Ln36	-	-	-	-	-	-	-	-	-	-
13	2005 Telecom Pft Adjustment	S-9, Ln15	-	-	-	-	-	-	-	-	-	-
RESERVES & DEFERRALS SEPARATION												
14	1500 Other Juris Assets - Net	Direct	-	-	-	-	-	-	-	-	-	-
15	3100 Accum Depr-Tel Pft in Svc	Ln16a+1	407,011	155,877	171	-	7,487	-	275,620	6,400	-	561,137
16	Support Assets	Direct	-	-	-	-	-	-	-	-	-	-
17	Support Assets - Direct Assignment		-	-	-	-	-	-	-	-	-	-
18	COE - Switching	Ln18a+2	1,259,013	-	1,596	-	-	-	-	-	-	222,460
19	Cat 2-Tandem Switching	S-5, Ln8	-	-	-	-	-	-	-	-	-	-
20	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
21	Cat 3-Local Switching - TS	S-5, Ln9	-	-	-	-	-	-	-	-	-	-
22	Cat 3-Local Switching - NTS	S-5, Ln9	-	-	-	-	-	-	-	-	-	-
23	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
24	COE - Switching		1,259,013	-	1,596	-	-	-	-	-	-	222,460
25	COE - Operator		-	-	-	-	-	-	-	-	-	-
26	Cat 1-Operator Systems		-	-	-	-	-	-	-	-	-	-
27	Loc, Toll, DSA, DSB and		-	-	-	-	-	-	-	-	-	-
28	Traffic Switchboards		-	-	-	-	-	-	-	-	-	-
29	Aux-Direct Assist		-	-	-	-	-	-	-	-	-	-
30	Aux-Intercept		-	-	-	-	-	-	-	-	-	-
31	Jt Exch & Toll SOB		-	-	-	-	-	-	-	-	-	-
32	TSPS-Oper Position		-	-	-	-	-	-	-	-	-	-
33	TSPS-RTA		-	-	-	-	-	-	-	-	-	-
34	TSPS-Other		-	-	-	-	-	-	-	-	-	-
35	Direct Assignment		-	-	-	-	-	-	-	-	-	-
36	Total Cat 1		-	-	-	-	-	-	-	-	-	-
37	COE - Operator		-	-	-	-	-	-	-	-	-	-

RESERVES & DEFERRALS

LINE	DESCRIPTION	INTERSTATE			INTRASTATE			LOCAL			Other (I)
		InterLATA MSG (b)	PL (c)	IntraLATA MSG (g)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	
38	COE-Transmission	1,641,065	1,946,619	544	34,176	-	1,256,490	15,168	-	-	2,439,214
39	Cat 4.1-Exchange Circuit	-	-	-	-	-	-	-	-	-	-
40	4.11 Wideband-Line	-	-	-	-	-	-	-	-	-	-
41	Direct Assignment	-	-	-	-	-	-	-	-	-	-
42	4.11 Wideband-DSL Line	-	-	-	-	-	-	-	-	-	-
43	4.12 Exch Trunk- EAS	-	-	-	-	-	-	-	-	-	-
44	Ex Trk xWB - Basic	-	-	-	-	-	-	-	-	-	-
45	Ex Trk xWB - Basic DA	-	-	-	-	-	-	-	-	-	-
46	Ex Trk WB	-	-	-	-	-	-	-	-	-	-
47	Exch Trk WB - Direct Assignment	-	-	-	-	-	-	-	-	-	-
48	4.13 Ex Line xWB	-	-	-	-	-	-	-	-	-	-
49	Joint MSG/PL & Local	-	-	-	-	-	-	-	-	-	-
50	Direct Assignment - Basic/Special	-	-	-	-	-	-	-	-	-	-
51	Cat 4.2-Interexchange	-	-	-	-	-	-	-	-	-	-
52	4.21 Furn to Others	-	-	-	-	-	-	-	-	-	-
53	4.22 Wideband	-	-	-	-	-	-	-	-	-	-
54	Interexchange PL	-	-	-	-	-	-	-	-	-	-
55	Direct Assignment	-	-	-	-	-	-	-	-	-	-
56	4.23 All Other	-	-	-	-	-	-	-	-	-	-
57	Joint MSG/PL	-	-	-	-	-	-	-	-	-	-
58	Interexchange MSG/PL - DA	-	-	-	-	-	-	-	-	-	-
59	PL - DA	-	-	-	-	-	-	-	-	-	-
60	4.11 DSL exchange	-	-	-	-	-	-	-	-	-	-
61	Cat 4.3-Host/Remote MSG	-	-	-	-	-	-	-	-	-	-
62	Joint (x/WATS)	-	-	-	-	-	-	-	-	-	-
63	WATS	-	-	-	-	-	-	-	-	-	-
64	Direct Assignment	-	-	-	-	-	-	-	-	-	-
65	Total Cat 4	1,641,065	1,946,619	544	34,176	-	1,256,490	15,168	-	-	2,439,214
66	COE-Transmission	-	-	-	-	-	-	-	-	-	-
67	Info Orig/Term Equip	-	-	-	-	-	-	-	-	-	-
68	Cat 1-Other IOT	-	-	-	-	-	-	-	-	-	-
69	Coins Pub Tel Eq	-	-	-	-	-	-	-	-	-	-
70	Direct Assignment	-	-	-	-	-	-	-	-	-	-
71	Total Category 1	-	-	-	-	-	-	-	-	-	-
72	Cat 2-Cust Prem Equip	-	-	-	-	-	-	-	-	-	-
73	Info Orig/Term Equip	-	-	-	-	-	-	-	-	-	-

RESERVES & DEFERRALS

LINE	DESCRIPTION	INTERSTATE			INTRASTATE			LOCAL					
		TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
74	C&WF	15,700,195	4,167,454	665,364	810	-	96,529	-	3,548,900	97,608	-	-	7,123,530
75	Cat 1-Exch Line xWB	-	-	-	-	-	-	-	-	-	-	-	-
76	1,1,1,2 - PL, 1,3 Jointly Used	-	-	-	-	-	-	-	-	-	-	-	-
77	Direct Assignment	-	-	-	-	-	-	-	-	-	-	-	-
78	Total Category 1	-	-	-	-	-	-	-	-	-	-	-	-
79	Cat 2-WB & Exch Trunk	-	-	-	-	-	-	-	-	-	-	-	-
80	Ex Trk - Joint message	-	-	-	-	-	-	-	-	-	-	-	-
81	Ex Trk - EAS	-	-	-	-	-	-	-	-	-	-	-	-
82	Ex Line WB - Data Only DSL	-	-	-	-	-	-	-	-	-	-	-	-
83	Ex Line WB	-	-	-	-	-	-	-	-	-	-	-	-
84	WB Line	-	-	-	-	-	-	-	-	-	-	-	-
85	WB Trunk	-	-	-	-	-	-	-	-	-	-	-	-
86	WB Trunk DA	-	-	-	-	-	-	-	-	-	-	-	-
87	Total Category 2	-	-	-	-	-	-	-	-	-	-	-	-
88	Cat 3-Interchange C&WF	-	-	-	-	-	-	-	-	-	-	-	-
89	WB PL - Direct Assignment	-	-	-	-	-	-	-	-	-	-	-	-
90	WB - Joint Message	-	-	-	-	-	-	-	-	-	-	-	-
91	Joint MSG, PL, TWX & Local xWB	-	-	-	-	-	-	-	-	-	-	-	-
92	Joint TWX-IT	-	-	-	-	-	-	-	-	-	-	-	-
93	Joint TWX-Rmt	-	-	-	-	-	-	-	-	-	-	-	-
94	Interexchange - DA	-	-	-	-	-	-	-	-	-	-	-	-
95	DSL Interexchange	-	-	-	-	-	-	-	-	-	-	-	-
96	Total Category 3	-	-	-	-	-	-	-	-	-	-	-	-
97	Cat 4-Host/Remote C&WF	-	-	-	-	-	-	-	-	-	-	-	-
98	Joint (KWATS)	-	-	-	-	-	-	-	-	-	-	-	-
99	WATS	-	-	-	-	-	-	-	-	-	-	-	-
100	Direct Assignment	-	-	-	-	-	-	-	-	-	-	-	-
101	Total Category 4	15,700,195	4,167,454	665,364	810	-	96,529	-	3,548,900	97,608	-	-	7,123,530
102	C&WF	25,930,251	7,474,543	2,767,860	3,121	-	138,201	-	5,081,009	119,176	-	-	10,346,341
103	TOTAL ACCUMULATED DEPRECIATION	-	-	-	-	-	-	-	-	-	-	-	-
104	Ln104a*9	-	-	-	-	-	-	-	-	-	-	-	-
105	Ln105a*10	-	-	-	-	-	-	-	-	-	-	-	-
106	Ln106a*11	-	-	-	-	-	-	-	-	-	-	-	-
107	Ln107a*12	-	-	-	-	-	-	-	-	-	-	-	-
108	Ln108a*13	-	-	-	-	-	-	-	-	-	-	-	-
109	Ln109a*7	37,117	10,886	4,093	5	-	197	-	7,236	168	-	-	14,733
110	Direct Assignment	-	-	-	-	-	-	-	-	-	-	-	-
111	Ln109a*10	37,117	10,886	4,093	5	-	197	-	7,236	168	-	-	14,733
112	TOTAL CUSTOMER DEPOSITS	-	-	-	-	-	-	-	-	-	-	-	-
113	Net Cur Def Op Inc Taxes	-	-	-	-	-	-	-	-	-	-	-	-
114	Support Assets	-	-	-	-	-	-	-	-	-	-	-	-
115	Ln114a*2	-	-	-	-	-	-	-	-	-	-	-	-
116	COE-Switching	-	-	-	-	-	-	-	-	-	-	-	-
117	Ln115a*3	-	-	-	-	-	-	-	-	-	-	-	-
118	COE-Operator	-	-	-	-	-	-	-	-	-	-	-	-
119	Ln116a*4	-	-	-	-	-	-	-	-	-	-	-	-
120	COE-Transmission	-	-	-	-	-	-	-	-	-	-	-	-
121	Ln117a*5	-	-	-	-	-	-	-	-	-	-	-	-
122	Info Orig/Term Equip	-	-	-	-	-	-	-	-	-	-	-	-
123	Ln118a*6	-	-	-	-	-	-	-	-	-	-	-	-
124	C&WF	-	-	-	-	-	-	-	-	-	-	-	-
125	Ln119a*8	-	-	-	-	-	-	-	-	-	-	-	-
126	Net Classified by Act	-	-	-	-	-	-	-	-	-	-	-	-
127	Ln119a*8	-	-	-	-	-	-	-	-	-	-	-	-
128	TOTAL NET CUR DEF OP INC TAXES	-	-	-	-	-	-	-	-	-	-	-	-

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE			INTRASTATE			LOCAL			
			InterLATA MSG (b)	PL (c)	InterLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)
121	Big Three Expenses Distr	S-3, Ln6	31,880.3%	7,851.9%	0.0085%	-	3,179.7%	16,901.4%	2,497.3%	-	-	37,681.0%
122	2110 Support Assets Distr	S-4, Ln9	28,790.2%	11,026.1%	0.0121%	-	0.5303%	19,496.2%	0.4527%	-	-	39,692.4%
123	2210 COE-Switching Distr	S-15, Ln2	84,892.4%	-	0.1076%	-	-	-	-	-	-	15,000.0%
124	2220 COE-Operator Distr	S-5, Ln24	-	-	-	-	-	-	-	-	-	-
125	2230 COE-Transmission Distr	S-5, Ln79	22,378.3%	26,545.0%	0.0074%	-	0.4650%	17,134.1%	0.2068%	-	-	33,262.3%
126	2310 IOT Distr	S-6, Ln12	-	-	-	-	-	-	-	-	-	-
127	2410 C&WF Distr	S-7, Ln45	26,544.0%	4,237.9%	0.0522%	-	0.6148%	22,604.2%	0.6217%	-	-	45,372.2%
128	2001 THIS XLand	S-2, Ln18	28,790.2%	11,026.1%	0.0121%	-	0.5303%	19,496.2%	0.4527%	-	-	39,692.4%
129	2001 THIS Distr	S-2, Ln15	28,790.2%	11,026.1%	0.0121%	-	0.5303%	19,496.2%	0.4527%	-	-	39,692.4%
130	General Support, COE, IOT, C&WF	S-2, Ln177-9	28,790.2%	11,026.1%	0.0121%	-	0.5303%	19,496.2%	0.4527%	-	-	39,692.4%
RESERVES & DEFERRALS SEPARATION												
131	4310 Other Long-Term Liabilities	Ln131a*121	-	-	-	-	-	-	-	-	-	-
132	4340 Net Noncurrent Def Taxes	Ln133a*122	-	-	-	-	-	-	-	-	-	-
133	Support Assets	Ln134a*123	-	-	-	-	-	-	-	-	-	-
134	COE-Switching	Ln135a*124	-	-	-	-	-	-	-	-	-	-
135	COE-Operator	Ln136a*125	-	-	-	-	-	-	-	-	-	-
136	COE-Transmission	Ln137a*126	-	-	-	-	-	-	-	-	-	-
137	Into Orig/term Equip	Ln138a*127	-	-	-	-	-	-	-	-	-	-
138	C&WF	Ln139a*128	(212,569)	(81,410)	(90)	-	(3,915)	(143,947)	(3,342)	-	-	(293,063)
139	Not Classified by Acct	Ln133, 139	(738,336)	(81,410)	(90)	-	(3,915)	(143,947)	(3,342)	-	-	(293,063)
140	TOTAL NET NONCURRENT DEF TAXES		(738,336)	(81,410)	(90)	-	(3,915)	(143,947)	(3,342)	-	-	(293,063)
141	4360 Other Deferred Credits-Net	Ln141a*129	-	-	-	-	-	-	-	-	-	-
142	4370 Other Juris Liabilities		-	-	-	-	-	-	-	-	-	-
143	Deferred Credits - Net	Direct	-	-	-	-	-	-	-	-	-	-
ACCUM DEPR & AMORT ALLOW/DISALLOW												
144	Accum Dep't & Amort Allow/Disallow	Ln144a*128	-	-	-	-	-	-	-	-	-	-
145	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
146	TOTAL ACC DEPR/AMORT ALLOW/DISALLOW	Ln144, 145	-	-	-	-	-	-	-	-	-	-

LINE	DESCRIPTION	SOURCE	INTERSTATE				INTRASTATE				LOCAL			
			IntraLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	IntraLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	Use Defined (k)	Other (l)	
CASH WORKING CAPITAL														
1	Plant Specific Expenses	S-11, Ln131	412,141	173,480	189	-	7,259	-	-	266,874	5,941	-	-	546,041
2	Plant Nonspecific exp excl depreciation & amortization	S-12, Ln16a*23	103,262	13,308	15	-	640	-	-	23,531	546	-	-	47,906
3	Customer Operations Expense - Marketing	S-13, Ln13	35,694	-	-	-	-	-	-	8,955	-	-	-	60,193
4	Customer Operations Expense - Services	S-13, Ln56	202,654	1,174	-	-	49,022	-	-	84,576	38,393	-	-	184,414
5	Corporate Operations Expense	S-14, Ln16	213,741	47,799	52	-	19,357	-	-	102,889	15,202	-	-	229,387
6	Equal Access Expense	S-14, Ln34	1,020	-	-	-	82	-	-	491	73	-	-	1,095
7	Other Nonoperating Expense - Contributions	S-10, Ln16	-	-	0	-	-	-	-	-	-	-	-	-
8	Interest on Capital Leases	S-10, Ln20	-	-	-	-	-	-	-	-	-	-	-	-
9	Fixed Charges excl Capital Leases	S-10, Ln21	45,995	21,038	19	-	796	-	-	29,249	628	-	-	59,395
10	Interest on Customer Deposits	S-10, Ln17	-	-	-	-	-	-	-	-	-	-	-	-
11	Other Operating Tax - Property	S-10, Ln23	38,863	14,864	16	-	716	-	-	26,317	611	-	-	53,579
12	Other Operating Tax - Other	S-10, Ln24	360	138	0	-	7	-	-	244	6	-	-	496
13	Other Operating Tax - Direct Assignment	S-10, Ln25	1,921	-	-	-	-	-	-	-	-	-	-	-
14	Federal Income Tax (Actual)	S-10, Ln19	89,379	29,709	26	-	5,810	-	-	48,360	4,553	-	-	105,742
15	State Income Tax (Actual)	S-10, Ln20	23,653	7,862	7	-	1,538	-	-	13,062	1,205	-	-	27,983
16	Total Cash Working Capital Expenses	Ln1, Ln15	1,166,682	309,629	324	-	85,236	-	-	605,547	67,158	-	-	1,315,232
17	Cash Working Capital Factor	Records	11,5479%	11,5479%	11,5479%	-	11,5479%	-	-	11,5479%	11,5479%	-	-	11,5479%
18	Cash Working Capital	Ln15 * Ln17	134,728	35,756	37	-	9,843	-	-	69,928	7,755	-	-	151,882
19	Minimum Bank Balance	Records	-	-	-	-	-	-	-	-	-	-	-	-
20	Working Cash Advances	Records	134,728	35,756	37	-	9,843	-	-	69,928	7,755	-	-	151,882
21	Total Cash Working Capital	Ln21	32,8657%	8,7224%	0,0091%	-	2,4012%	-	-	17,0566%	1,8919%	-	-	37,0598%
22	Distribution of Line 21	Ln21/21a	-	-	-	-	-	-	-	-	-	-	-	-

TAX FORM

LN	DESCRIPTION	SOURCE	Taxable	INCOME TAX	Su/Tax
			TOTAL	TOTAL	
1	AVERAGE NET INVESTMENT	S-1, Ln1	3,477,732		
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE	S-1, Ln4	10.2045%		
3	RETURN ON INVESTMENT	Ln1a*2	354,887		
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		155,119		
5	INVESTMENT TAX CREDIT AMORTIZATION		-		
6	AFTER TAX INCOME BEFORE TAX CREDITS		199,768		
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)		102,911		
8	TAXABLE INCOME		302,678		
9	FIT ON 0 to 50,000 @ 15%	15%	50,000	7,500	
10	FIT ON 50,000 to 75,000 @ 25%	25%	25,000	6,250	5,000
11	FIT ON 75,000 to 100,000 @ 34%	34%	25,000	8,500	11,750
12	FIT ON 100,000 to 335,000 @ 39%	39%	202,678	79,044	16,750
13	FIT ON 335,000 to 10,000,000 @ 34%	34%	-	-	-
14	FIT ON 10,000,000 to 15,000,000 @ 35%	35%	-	-	100,000
15	FIT ON 15,000,000 to 18,333,333 @ 38%	38%	-	-	550,000
16	FIT ON OVER 18,333,333 @ 35%	35%	-	-	-
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	LN 9, 16	302,678	101,294	
18	EFFECTIVE FIT TAX RATE			33.4661%	

DISTRIBUTION RATIOS FOR RATE BASE AND EXPENSES

ALLOCATION RATIOS	INTERSTATE				INTRASTATE				LOCAL			
	InterLATA MSG (b)	PL (c)	InterLATA MSG (g)	PL (e)	InterLATA MSG (f)	PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
Capital Investment Summary												
General Support Facilities	2110											
COE Switching Equipment	2210	11 0261%	0.0121%	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%	
Operator Systems Equipment	2220	84.8924%	0.1076%	-	-	-	-	-	-	-	15.0000%	
COE Transmission Equipment	2230	26.5460%	0.0074%	-	0.4660%	-	17.1341%	0.2068%	-	-	33.2623%	
Information Orig/Term Equipment	2310	-	-	-	-	-	-	-	-	-	-	-
Cable & Wire Facilities	2410	4.2379%	0.0052%	-	0.6148%	-	22.6042%	0.6217%	-	-	45.3722%	
Tangible Assets	2680	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	2690	-	-	-	-	-	-	-	-	-	-	-
Total Plant in Service A/C 2001		11 0261%	0.0121%	-	0.5303%	-	19.4962%	0.4527%	-	-	39.6924%	
Property Held for Future Use	2002	-	-	-	-	-	-	-	-	-	-	-
Plant Under Construction	2003	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Telephone Plant Adjustment	2005	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Total Property, Plant and Equipment		28.7902%	10.6743%	0.0120%	-	0.5303%	19.5649%	0.4595%	-	-	39.9007%	
Accumulated Depreciation - Plant in Service	3100	28.8256%	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation - Property held for Future Use]	3200	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation - Tangible Property	3400	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation - Intangible Property	3500	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Telephone Plant Adjustment	3600	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Intangible Plant Adjustment	3800	-	-	-	-	-	-	-	-	-	-	-
Deferred Operating Taxes	4340	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Other Long Term Liabilities	4310	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Credits	4370	-	-	-	-	-	-	-	-	-	-	-
Customer Deposits	4370	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Net Telephone Plant		28.3619%	13.5623%	0.0125%	-	0.5129%	18.6566%	0.4050%	-	-	38.2899%	
Investment Allow/Disallow		-	-	-	-	-	-	-	-	-	-	-
Accum Depri/Amort Allow/Disallow		-	-	-	-	-	-	-	-	-	-	-
Materials and Supplies	1220	26.5440%	0.0652%	-	0.6148%	-	22.6042%	0.6217%	-	-	45.3722%	
Investment in Nonaffiliated Companies	1402	-	-	-	-	-	-	-	-	-	-	-
Equal Access Equipment	1439	-	-	-	-	-	-	-	-	-	-	-
Other Jurisdictional Assets	1500	32.8661%	8.7224%	0.0091%	-	2.4012%	17.0586%	1.8919%	-	-	37.0508%	
Cash Working Capital	XXXX	28.8883%	13.0189%	0.0121%	-	0.7353%	18.6370%	0.5797%	-	-	38.1288%	
Net Telephone Plant, M&S and CWC		-	-	-	-	-	-	-	-	-	-	-
Operating Expenses and Taxes Summary												
Network Support	6110	-	-	-	-	-	-	-	-	-	-	-
General Support	6120	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Central Office	6210	32.5029%	22.2459%	0.0236%	-	0.3966%	14.3591%	0.1733%	-	-	30.3046%	
Information Orig/Term	6310	-	-	-	-	-	-	-	-	-	-	-
Cable and Wire Facilities	6410	26.5440%	4.2379%	0.0052%	-	0.6148%	22.6042%	0.6217%	-	-	45.3722%	
Plant Specific Operations		29.2105%	12.2961%	0.0134%	-	0.5145%	18.9147%	0.4211%	-	-	38.6256%	
Other Plant	6510	-	-	-	-	-	-	-	-	-	-	-
Network Operations	6530	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	
Access Charge	6540	-	-	-	-	-	-	-	-	-	-	-
Federal Support	6540	-	-	-	-	-	-	-	-	-	-	-
Marketing	6610	100.0000%	7.0334%	0.0077%	-	0.3383%	12.4364%	0.2888%	-	-	25.3194%	
Plant Nonspecific Operations (excluding Depreciation)		54.5760%	34.0455%	0.0077%	-	8.7503%	15.0966%	6.8530%	-	-	57.4135%	
Customer Operations	6620	36.1731%	0.2095%	-	8.7503%	-	15.0966%	6.8530%	-	-	32.9174%	
Corporate Operations - Executive and Planning	6710	35.6377%	0.1765%	0.0085%	-	7.3709%	14.0632%	5.7727%	-	-	36.7790%	
Corporate Operations - General and Administrative	6720	31.8803%	7.8519%	0.0085%	-	3.1979%	16.9014%	2.6973%	-	-	37.6810%	
Corporate Operations		34.1305%	7.5925%	0.0082%	-	3.0747%	16.3431%	2.4148%	-	-	36.4363%	
Subtotal Operations Expense		34.0121%	7.6061%	0.0082%	-	3.0802%	16.3724%	2.4191%	-	-	36.5017%	
Depreciation and Amortization	6660	17.6665%	0.0084%	-	0.5132%	-	18.8671%	0.3588%	-	-	37.4685%	
Other Operating	7240	29.7804%	0.0120%	-	0.5229%	-	19.2251%	0.4464%	-	-	39.1405%	
Equal Access	7500	-	-	-	-	-	-	-	-	-	-	-
Fixed Charges	7500	28.3619%	13.5623%	0.0125%	-	0.5129%	18.6566%	0.4050%	-	-	38.2899%	
Rent Revenue	5240	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expense and Tax		31.5038%	10.3061%	0.0089%	-	2.1013%	17.3517%	1.6465%	-	-	37.0817%	
Nonoperating Expense	7370	-	-	-	-	-	-	-	-	-	-	-
Abandoned Construction		-	-	-	-	-	-	-	-	-	-	-
Contributions		34.0121%	7.6061%	0.0082%	-	3.0802%	16.3724%	2.4191%	-	-	36.5017%	
Other Nonoperating		-	-	-	-	-	-	-	-	-	-	-
Allowance for Funds Used During Construction	7340	28.7902%	11 0261%	0.0121%	-	0.5303%	19.4962%	0.4527%	-	-	39.6924%	

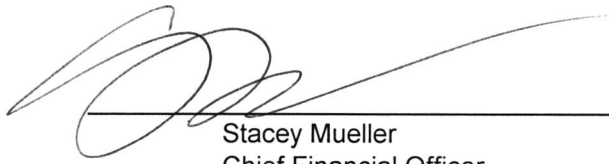
CERTIFICATE

State of Kansas)
) ss
County of Ford)

WE, the undersigned Chief Financial Officer

of the Fremont Telcom utility,

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



Stacey Mueller
Chief Financial Officer

Subscribed and Sworn to Before Me this 23rd day of March, (Year) 2015.


Notary Public

My Commission expires March 20, (Year) 2018.

Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt

