

INLAND TELEPHONE COMPANY
Corporate Offices

103 S. 2nd St.
P.O. Box 171
Roslyn, WA 98941

Telephone: (509) 649-2211
Fax: (509) 649-3300

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**INLAND
TELEPHONE**

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IDAHO PUBLIC
UTILITIES COMMISSION

VIA CERTIFIED MAIL
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INC-T

April 12, 2010

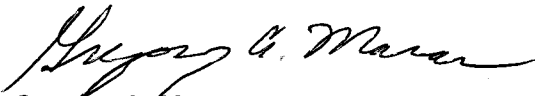
Randy Lobb, Administrator
Utilities Division
Idaho Public Utilities Commission
P. O. Box 83720
Boise, Idaho 83720-0074

Dear Mr. Lobb:

Enclosed please find a hard copy of the Annual Report of Inland Telephone Company ("Company") to the Idaho Public Utilities Commission for the year ended December 31, 2009. Also included are the Company's Idaho separation factors for 2009 and the Idaho Separated Results of Operations (Form I) per your request.

Questions regarding this report should be directed to the attention of either Greta L. Morgan or myself at (509) 649-2211.

Very truly yours,



Gregory A. Maras
Secretary

GAM:gim

Enclosures

cc: Emily Morris – Johnson Stone & Pagano

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2009**

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UTILITIES COMMISSION

COMPANY INFORMATION

Exact name of utility: Inland Telephone Company
 Address of principal office: 103 South Second Street, Roslyn, Washington 98941
 Telephone Number (509) 649-2211
 Cities or towns served: Colton, Dewatto, Prescott, Roslyn, Ronald, & Uniontown, Washington & Gifford, Leon & Lenore, Idaho
 Name and title of officer having custody of the general corporate books of account: _____
James K. Brooks, Treasurer
 Address of office where corporate books are kept and phone number: same as principal office

Organized under the laws of the State of: Washington
 Date of organization: 07/02/63
 Form of organization (proprietorship, association, corporation): Corporation
 If a Subchapter S Corporation, please specify: N/A
 Name and address of controlling company, if any Western Elite Incorporated Services, P.O. Box 687, Roslyn, Washington 98941

Names of affiliated companies. Give address and description of business: (1) Inland Cellular Telephone Co., P.O. Box 688, Roslyn, WA 98941-cellular telephone company, (2) R & R Cable Co., P.O. Box 610, Roslyn, WA 98941-cable television company, (3) Inland Long Distance Telephone Company, P.O. Box 904, Roslyn, WA 98941-long distance resale, (4) Newport Hills Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (5) Easton Ridge Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (6) R & R Heights Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (7) Moses Lake Views Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (8) Central Cascade Land Co., Inc. P.O. Box 687, Roslyn, WA 98941-land company

OFFICERS

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

Title	Name	Address
President	Douglas W. Weis	P.O. Box 171, Roslyn, Washington 98941
Vice President	Nathan R. Weis	P.O. Box 171, Roslyn, Washington 98941
Secretary	Gregory A. Maras	P.O. Box 171, Roslyn, Washington 98941
Treasurer	James K. Brooks	P.O. Box 171, Roslyn, Washington 98941

DIRECTORS

List the name of each person who was a member of the Board of Directors at any given time during the for the year ending December 31, 2009

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Douglas W. Weis	Continuous	1	None
Nathan R. Weis	Continuous	1	None
Gregory A. Maras	Continuous	1	None
James K. Brooks	Continuous	1	None

Name of Chairman of the Board: N/A

Name of Secretary (or Clerk) of Board: Gregory A. Maras

Number of Meetings of the Board during the year: 1

MANAGERS

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

Name	Title	Wages and Bonuses Paid
Douglas W. Weis	President	
Nathan R. Weis	Vice President	
Gregory A. Maras	Secretary	
James K. Brooks	Treasurer	

BALANCE SHEET
Assets and Other Debits
FOR THE YEAR ENDING DECEMBER 31, 2009

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents			
1130 Cash	488,099	103,930	(384,169)
1140 Special Cash Deposits			
1150 Working Cash Advances	2,300	2,300	0
1160 Temporary Investments	48,121	338,057	289,936
1180 Telecommunications Accts. Receivable	117,793	84,581	(33,212)
1181 Accts. Rec. Allow. -Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	11,958,410	765,464	(11,192,946)
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	384,586	335,086	(49,500)
1280 Prepayments	13,060	14,233	1,173
1290 Prepaid Rents			
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	626,540	786,657	160,117
1406 Nonregulated Investments	79,197	631,666	552,469
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	114,463	120,067	5,604
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	20,859,425	21,434,467	575,042
2002 Prop. Held for Future Telecom. Use		20,130	20,130
2003 Telecom. Plant under Constr. - Short Term	53,831	181,128	127,297
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	12,481,335	12,991,047	509,712
3200 Accum. Depre. - Held for Future Use		2,146	2,146
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements		136	136
3500 Accumulated Amortization - Intangible	30,963	61,737	30,774
3600 Accumulated Amortization - Other			
TOTAL ASSETS	22,223,527	11,752,700	(10,470,691)

BALANCE SHEET
Liabilities & Stockholders' Equity
FOR THE YEAR ENDING DECEMBER 31, 2009

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	199,537	128,601	(70,936)
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	5,826	4,097	(1,729)
4050 Current Maturities - Long -Term Debt	574,362	612,700	38,338
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued			
4080 Other Taxes - Accrued	135,573	146,276	10,703
4100 Net Current Defer. Oper. Income Taxes	191,959	218,127	26,168
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	968,228	1,045,297	77,069
4130 Other Current Liabilities	36,217	41,136	4,919
Long-Term Debt			
4210 Funded Debt	3,039,483	2,490,974	(548,509)
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	1,633,284	0	(1,633,284)
4270 Other Long-Term Debt			
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net	710	0	(710)
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	864,185	991,055	126,870
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	93,150	93,150	0
4520 Additional Paid-In Capital	7,175	7,175	0
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	14,473,838	5,974,112	(8,499,726)
TOTAL LIAB. & OTHER CREDITS	22,223,527	11,752,700	(10,470,827)

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE
TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	430,172	221,614			651,786
2112 Motor Vehicles	1,600,251	82,758	65,559		1,617,450
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	698,174	75,220	34,372	13,327	752,349
2121 Buildings	2,055,532	190,547		(42,813)	2,203,266
2122 Furniture	175,126	2,151			177,277
2123 Office Equipment	275,768	6,895	36,435		246,228
2124 General Purpose Computers	817,501	3,205	443,240		377,466
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	2,495,515	211,777		24,456	2,731,748
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	2,604,058	12,648	6,673	120,090	2,730,123
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	38,563	0	0		38,563
2421 Aerial Cable	198,229				198,229
2422 Underground Cable	0				0
2423 Buried Cable	9,266,787	381,321		(141,876)	9,506,232
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,695				6,695
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	3,391	0			3,391
2690 Intangibles	131,526	0			131,526
TOTAL PLANT ACCOUNTS	20,859,425	1,188,136	586,279	(26,816)	21,434,466

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only
FOR THE YEAR ENDING DECEMBER 31, 2009

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	23,428			80,625 *	104,053
2112 Motor Vehicles	0				0
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,812			6 *	1,818
2116 Other Work Equipment	13,119				13,119
2121 Buildings	450,105			71,927 *	522,032
2122 Furniture	25,093			491 *	25,584
2123 Office Equipment	55,367			(4,766) *	50,601
2124 General Purpose Computers	108,352			(56,411) *	51,941
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	415,719			62 *	415,781
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,750			15 *	1,765
2232 Circuit Equipment	291,387			262 *	291,649
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	1,577				1,577
2421 Aerial Cable	29,530				29,530
2422 Underground Cable	0				0
2423 Buried Cable	1,906,193	57,882			1,964,075
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	4,821				4,821
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	0				0
2690 Intangibles	4,764				4,764
TOTAL PLANT ACCOUNTS	3,333,017	57,882	0	92,211 *	3,483,110

*Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional procedures.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100
FOR THE YEAR ENDING DECEMBER 31, 2009
TOTAL Company Basis

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	1,600,190	16.00/12.50	4,321	(65,559)	1,538,952
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295	12.5			25,295
2116 Other Work Equipment	669,596	16.00/12.50	34,095	(33,872)	669,819
2121 Buildings	1,054,630	4.00/2.50	83,170	(2,854)	1,134,946
2122 Furniture	173,189	15.00/6.00	2,098		175,287
2123 Office Equipment	246,039	20.00/5.00 & 6.00	22,965	(36,285)	232,719
2124 General Purpose Computers	816,518	25.00/12.50	1,384	(443,240)	374,662
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	733,389	9.00	235,227	2,854	971,470
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	881,762	11.19	281,914	17,956	1,181,632
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	23,753	7.59/5.00	2,859		26,612
2421 Aerial Cable	178,982	20.40/4.00	1,181		180,163
2422 Underground Cable	0				0
2423 Buried Cable	6,034,455	5.00&6.00/4.00&6.00	427,334	(25,837)	6,435,952
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,696	42.06/8.00			6,696
2441 Conduit Systems	0				0
TOTAL	12,481,336		1,096,548	(586,837)	12,991,047

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION

Account 3100

FOR THE YEAR ENDING DECEMBER 31, 2009

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	0				0
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,812	12.50		6 **	1,818
2116 Other Work Equipment	13,119	12.50			13,119
2121 Buildings	227,961	2.50	3,147	15,640 **	246,748
2122 Furniture	24,512	6.00		826 **	25,338
2123 Office Equipment	49,191	5.00/6.00		(2,064) **	47,127
2124 General Purpose Computers	108,116	12.50		(56,521) **	51,595
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	151,594	9.00	35,321	2,145 **	189,060
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,750			15 **	1,765
2232 Circuit Equipment	132,437	11.19	28,065	4,466 **	164,968
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	1,212	5.00	79		1,291
2421 Aerial Cable	10,284	4.00	1,181		11,465
2422 Underground Cable	0				0
2423 Buried Cable	1,177,211	4.00/6.00	77,206	(686) **	1,253,731
2424 Submarine Cable	0				0
2426 Intra-building Network Cable	0				0
2431 Aerial Wire	4,821	8.00			4,821
2441 Conduit Systems	0				0
TOTAL	1,904,020		144,999	(36,173) **	2,012,846

* Please list individual depreciation rate for each account.

**Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional separation procedures.

INVESTMENTS
FOR THE YEAR ENDING DECEMBER 31, 2009

account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
1402-Illuminet	1981		755,270
1402-Verizon	2005		28,326
1402-RTB Class C Stock	1974		0
1406-Paging Equip./CPE/ Mobile CPE	Various		631,666
Rural Telephone Finance Cooperative Capital Certificates			3,061
Totals		0	1,418,323

RECEIVABLES

Itemize amounts show in Accounts 1180, 1190 and 1200. For notes receivable list each note separately and include the maturity date and interest rate. Minor amounts in Account 1210 may be combined.

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
1180-Due From Customers		84,581
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		765,464
1190-Other A/R-Western Elite Inc. Services		0
Totals		850,045

NOTES PAYABLE
FOR THE YEAR ENDING DECEMBER 31, 2009

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
None				
Totals				

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	128,601
Totals	128,601

LONG - TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2009
Accounts 4210, 4240, 4250, 4260, 4270 and 4310

List the required data for each obligation included in these accounts, grouping them by account number and showing totals for each account. If any obligations mature serially or otherwise at various dates, give particulars in a note.

Class & Series of Obligation	Date of Issue	Date of Maturity	Fact Amount Authorized	Outstanding Year-End	Premium/ Discount		Interest for year	
					Total	Year Amortized	Rate	Amount
RUS 12060	May 1976	May 2011	578,000	31,326	1		2%	872
RUS 12070	May 1983	May 2018	1,129,000	379,848	1		2%	8,012
RUS 12140	Oct. 1979	Oct. 2014	581,000	212,821	1		5%	11,268
RUS 12150	Apr. 1995	Apr. 2014	947,000	349,311	1		7%	26,846
RUS 12151	Apr. 1995	Apr. 2014	270,000	99,173	1		6.91%	7,525
RUS 12152	Apr. 1995	Apr. 2014	329,000	118,313	1		6.26%	8,147
RTB S010	Oct. 1979	Oct. 2014	345,450	122,712	1		8%	10,586
RTB S020	Dec. 1986	Apr. 2011	439,950	178,228	1		8%	15,346
RTB S023	Dec. 1986	Dec. 2011	324,952	122,117	1		5.54%	7,456
RUS 12153	Apr. 1995	Apr. 2014	451,478	161,328	1		4.86%	8,653
RUS 12154	Apr. 1995	Apr. 2014	289,522	109,547	1		5.71%	6,891
RTB S031	Dec. 1986	Dec. 2011	729,611	449,414	1		5.49%	27,187
RTB S032	Dec. 1986	Apr. 2014	1,158,911	688,332	1		5.10%	38,713
RTB S033	Apr. 1995	Apr. 2014	74,858	63,878	1		5.13%	3,840
			<u>7,648,732</u>	<u>3,086,348</u>				<u>181,342</u>

**CAPITAL STOCK
FOR THE YEAR ENDING DECEMBER 31, 2009**

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 Stock	10,000	10	9,315	93,150

INCOME & RETAINED EARNINGS STATEMENT

FOR T Item	Total Company	Idaho Only
Total Operating Income (from page 15)	6,603,307	819,145
Total Operating Expenses (from page 17)	5,124,201	787,179
<hr/>		
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net	(710)	0
7220 Operating Federal Income Taxes	219,057	4,504
7230 Operating State and Local Income Taxes	(8,733)	(8,733)
7240 Operating Other Taxes	107,775	13,655
7250 Provision for Deferred Operating Income Taxes-Net	73,243	6,860
7200 Operating Taxes (Total)	390,632	16,286
7310 Dividend Income	2,141	264
7320 Interest Income	40,543	(1,750)
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	0	0
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	8,319	0
7370 Special Charges	(55,259)	(6,014)
7300 Nonoperating Income and Expense	(4,256)	(7,500)
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes		
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net	(812)	0
7400 Nonoperating Taxes	(812)	0
7510 Interest on Funded Debt	182,288	29,378
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	54,904	27
7500 Interest and Related Items	237,192	29,405
7610 Extraordinary Income Credits		
7620 Extraordinary Income Charges		
7630 Current Income Tax Effect of Extraordinary Items-Net		
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net		
7600 Extraordinary Items	0	0
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(251,595)	14,304
AMOUNT TRANSFERRED TO RETAINED EARNINGS	596,243	(6,921)

OPERATING REVENUES

FOR 1 Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	658,725	92,987
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	106	0
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	103,505	11,871
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	220,574	26,878
5082 Switched Access Revenue (Interstate)	3,468,478	577,084
5083 Special Access Revenue	519,089	25,442
5084 State Access Revenue (Intrastate)	1,497,163	77,939
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	8,512	(22)
Miscellaneous Revenues		
5230 Directory Revenue	8,715	1,515
5240 Rent Revenue	12,000	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	33,608	3,600
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	160	0
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	89,557	3,946
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	16,885	2,095
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	6,603,307	819,145

Please identify the following revenues:

NECA USF \$547,822 To what account were they booked?
A/C 5082.13-Interstate Switched Access Revenue-USF (Idaho only)

State USF \$41,865 To what account were they booked?
A/C 5084.12-Intrastate Switched Access Revenue-USF (Idaho only)

OPERATING REVENUES

FOR T Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	110,681	13,199
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	58,960	7,031
6116 Other Work Equipment Expense	0	0
6120 General Support Expenses		
6121 Land and Building Expenses	405,398	48,344
6122 Furniture and Artworks Expense	3,790	451
6123 Office Equipment Expense	39,575	4,719
6124 General Purpose Computers Expense	127,681	15,226
6210 Central Office Switching Expenses	401,439	57,422
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	238,044	34,050
6231 Radio Systems Expense		
6232 Circuit Equipment Expense		
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses	2,137	255
6411 Pole Expense	1,291	264
6421 Aerial Cable Expense	84,159	17,226
6422 Underground Cable Expense		
6423 Buried Cable Expense	554,428	113,480
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	0	0
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,027,583	311,667

OPERATING REVENUES

FOR 1 Item

	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense	903	166
6530 Network Operations Expense		
6531 Power Expense	37,047	6,814
6532 Network Administration Expense	3,917	721
6533 Testing Expense	32,820	6,038
6534 Plant Operations Administration Expense	120,471	22,163
6535 Engineering Expense	47,255	8,694
6540 Access Expense	29,205	5,373
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,097,623	170,441
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible	30,775	0
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,400,016	220,410
Customer Operations Expense		
6610 Marketing	40,712	5,020
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	22,028	2,716
6623 Customer Services	460,584	56,790
Total Customer Operations Expense	523,324	64,526
Corporate Operations Expense		
6710 Executive and Planning	189,842	30,836
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	433,747	70,454
6722 External Relations	23,975	3,894
6723 Human Resources	91,239	14,820
6724 Information Management		
6725 Legal	56,329	9,150
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	378,146	61,422
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1,173,278	190,576
TOTAL OPERATING EXPENSES	5,124,201	787,179

CENTRAL OFFICE DATA
as of December 31, 2009 (unless otherwise indicated)

Name of Central Office: Leon, Idaho (shares Uniontown, Washington switch)
Prefix (es): (208)224

Central Office Switch Type: Metaswitch

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

Access Line Capacity
Design: 10,000

Access Lines in Use
Customer Lines: 29
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 764

Public Telephone Lines 0

Company Official Lines 1

Company Test Lines 3

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	
Beginning of Year	0	28	0	0	1	0	29
New Connects	0	4	0	0	0	0	4
Disconnects	0	4	0	0	0	0	4
End of Year	0	28	0	0	0	0	29

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

Directory Listings:
Number of Customers with Nonpublished or Nonlisted: 1

Custom Calling:
Number of customers with at least one feature: 12
Total number of features subscribed to: 5

CENTRAL OFFICE DATA
as of December 31, 2009 (unless otherwise indicated)

Name of Central Office: Lenore, Idaho
 Prefix (es): (208)836

Central Office Switch Type: Metaswitch

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

Access Line Capacity
 Design: 10,000
 Installed/Equipped: 375

Access Lines in Use
 Customer Lines: 302
 (Include Centrex, PAL, Semi-Pub.)
 Public Telephone Lines 1
 Company Official Lines 10
 Company Test Lines 4

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Business	
Beginning of Year	0	284	0	0	15	8	23
New Connects	0	40	40	0	0	0	0
Disconnects	0	43	43	0	1	1	2
End of Year	0	281	0	0	14	7	21

Foreign Exchange:

Dial Tone from this C.O.: 0
 Dial Tone from another C.O.: 0
Directory Listings: Number of Customers with Nonpublished or Nonlisted: 18

Custom Calling:

Number of customers with at least one feature: 268
 Total number of features subscribed to: 21

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2008

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 Leon, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2 Lenore, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

**ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2009**

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 <u> X </u>
Included in directory	Yes <u> X </u>	No _____
Date of notification	<u>December, 2008 through December, 2009</u>	
Alternate method of notification	<u>None</u>	

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 8

Category of complaints (if known):

Deposit Disputes	<u> 0 </u>
Charges on Bill	<u> 3 </u>
Denial/Termination	<u> 0 </u>
Quality or Availability of Service	<u> 0 </u>
Carrier Selection/Assignment	<u> 3 </u>
Miscellaneous	<u> 2 </u>

Rev 3/02

CERTIFICATE

FOR THE YEAR ENDING DECEMBER 31, 2009)
County of Kittitas) ss
)

WE, the undersigned Gregory A. Maras, Secretary

and James K. Brooks, Treasurer

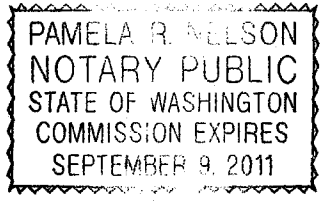
of the Inland Telephone Company utility,

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.

Gregory A. Maras
Secretary
Gregory A. Maras
James K. Brooks
Treasurer
James K. Brooks

Subscribed and Sworn to Before Me this 7 day of April, 2010

Pamela R. Nelson
Notary Public
Pam Nelson



My Commission expires Sept 9, 2011

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2009

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	
SUMMARY										
Operating Revenues										
50XX Local-Billed	(1)	1.	104,857							104,857
-EAS Billed	(1)	2.	0							0
-EAS Settlement	(1)	3.	0							0
508X Access-SLC (End User)	(2)	4.	26,878	26,878						26,878
-Switched (TS+NTS)	(2)	5.	655,024	577,084			77,940			77,940
-Special	(2)	6.	25,442	25,442						25,442
51XX Toll -Message	(3a)	7.	0							0
-Private Line	(3b)	8.	0							0
-Settlement	(3c)	9.	-22							-22
52XX Misc. -Billing & Collection	(4)	10.	3,946	1,185			2,761			2,761
-Directory Advertising		11.	1,515							1,515
-Operating Rents		12.	0							0
-Other Misc.		13.	3,600							3,600
530X Less: Uncollectible Rev. (-)		14.	-2,095							-2,095
Total Revenues		15.	819,145	605,147	25,442	630,589	80,579	0	107,877	188,556
Operating Expenses										
61XX-64XX Plant Specific Oper.	(5a)	16.	295,070	103,358	28,371	131,729	51,998	719	0	110,624
65XX Plant Nonspecific Operations	(5a)	17.	45,055	14,479	3,224	17,703	8,800	122	0	18,430
656X Depreciation & Amortization	(5a)	18.	162,402	57,261	19,726	76,987	27,092	374	0	57,949
66XX Customer Operations	(5a)	19.	57,626	24,404	0	24,404	17,970	98	0	15,154
67XX Corporate Operations	(5a)	20.	190,229	71,961	15,140	87,101	37,039	425	0	65,664
--- Other Operating	(5a)	21.	6,958	6,958	0	6,958	0	0	0	6,958
Total Expenses	(5a)	22.	757,340	278,421	66,461	344,882	142,899	1,738	0	267,821
Operating Taxes:	(6)									
7240 General Taxes		23.	13,209	4,166	902	5,068	2,955	34	0	5,152
7230 State/Local Inc. Tax (Current)		24.	1,511	20,708	-2,908	17,800	-4,613	-121	0	-11,554
7220 Federal Income Tax (Current)		25.	79,118	102,565	0	102,565	-22,846	-601	0	-23,447
7250 Net Deferred Income Taxes		26.	0	0	0	0	0	0	0	0
7210 Net Investment Tax Credits		27.	0	0	0	0	0	0	0	0
Total Taxes		28.	93,839	127,438	-2,006	125,432	-24,504	-688	0	-6,402
Net Operating Income		29.	-32,034	199,288	-39,013	160,275	-37,716	-1,050	0	-153,542
										-192,308

FORM INPUT MASTER		For The Year Ended: December 31, 2009										Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations				Interstate Operation				Intrastate Operation					
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total		
SUMMARY (continued)															
Average Rate Base	(5b)	1.	1,027,227	228,736	1,255,963	624,322	8,715	0	1,307,454	1,940,491					
2001 Telecom. Plant in Service		2.			0										
2005 Plant Acquisition Adjustment		3.	-562,729	-117,505	-680,234	-372,202	-5,220	0	-774,594	-1,152,016					
3100 Less: Accumulated Depr. (-)	(5c)	4.	0	0	0	0	0	0	0	0					
34xx-36xx Accumulated Amort. (-)	(5)	5.	-59,004	-12,787	-71,791	-35,879	-499	0	-73,210	-109,588					
4100-4340 Accum. Deferred Tax (-)		6.			0										
1220 Materials and Supplies		7.			0										
Equal Access Equipment	(7)	8.	9,414	1,999	11,413				13,953	13,953					
Other Rate Base		9.	414,908	100,443	515,351	216,241	2,986	0	473,603	692,840					
Total Average Rate Base															

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2009

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations		Interstate Operation			Intrastate Operation			Total
			MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total		
PLANT IN SERVICE DETAIL											
21XX General Support Facilities		1.	537,723	172,905	38,479	211,284	105,027	1,466	0	219,946	326,439
22XX Central Office Equipment:		2.	0			0					0
CAT 1-Operator Systems		3.	0			0					0
CAT 2-Tandem Switching (Alloc.)		4.	0			0					0
CAT 2-Tandem Switching (Assign.)		5.	369,544	301,048		301,048	13,064			55,432	68,496
CAT 3-Local Switching		6.	10,019			10,019				10,019	10,019
CAT 4.12-Exch. Trunk (Joint Use)		7.	150,746		150,746	150,746				0	0
CAT 4.12-Exch. Trunk (Ded. Use)		8.	130,390	32,506		32,506	32,506	366		65,012	97,884
CAT 4.13-Subscr. Line (Joint Use)		9.	0			0					0
CAT 4.13-Subscr. Line (Ded. Use)		10.	15,758	10,000	914	10,914	4,616	228		0	4,844
CAT 4.23-IX Trunk (Joint Use)		11.	3,340		3,340	3,340					0
CAT 4.23-IX Trunk Ckt. (Ded. Use)		12.	0			0					0
CAT 4.3 -Host/Remote Trunk Ckt.		13.	0			0					0
Other COE		14.	679,797	343,554	155,000	488,554	50,186	594	0	130,463	181,243
Total COE											
23XX Information Orig./Term. Equipment:		15.	0			0					0
CAT 1-Regulated CPE		16.	0			0					0
Other IOT		17.	0	0	0	0	0	0	0	0	0
Total IOT											
24XX Cable & Wire Facilities:		18.	1,742,303	435,576		435,576	435,576	0		871,151	1,306,727
CAT 1.3-Subscriber Line (Common)		19.	4,908			0		4,908			4,908
CAT 1.1,2-Subscriber Line (Ded.)		20.	0			0					0
CAT 2-Exch. Trunk (Joint Use)		21.	111,927		27,982	27,982				83,945	83,945
CAT 2-Exch. Trunk (Ded. Use)		22.	115,032	73,761	6,934	80,695	32,603	1,734			34,337
CAT 3-IX Trunk (Joint Use)		23.	0			0					0
CAT 3-IX Trunk (Ded. Use)		24.	0			0					0
CAT 4-Host/Remote Trunk		25.	0			0					0
Other C&WF		26.	1,974,170	509,337	34,916	544,253	468,179	6,642	0	955,096	1,429,917
Total C&WF											
26XX Other Assets:		27.	0			0					0
Capital Leases		28.	0			0					0
Leasehold Improvements		29.	4,764	1,531	341	1,872	930	13		1,949	2,892
Intangibles		30.	4,764	1,531	341	1,872	930	13		1,949	2,892
Total Other Assets											
Total Telecom. Plant in Service	(5b)	31.	3,196,454	1,027,227	228,736	1,255,963	624,322	8,715	0	1,307,454	1,940,491

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2009

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Local (other)	Total
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total		
Depreciation & Amortization											
Accumulated Depreciation Detail											
311X General Support Facilities		1.	-285,820	-91,852	-20,453	-112,305	-55,826	-779	-116,910	-173,515	
312X Central Office Switching		2.	-161,992	-131,885		-131,885	-5,723		-24,284	-30,007	
312X Operator Systems		3.	0			0				0	
312X Central Office Transmission		4.	-150,579	-20,630	-75,228	-95,858	-18,017	-289	-36,415	-54,721	
313X Information Orig./Term. Equip.		5.	0			0				0	
314X Cable & Wire Facilities		6.	-1,233,959	-318,362	-21,824	-340,186	-292,636	-4,152	-596,985	-893,773	
Total Accumulated Depreciation	(5c)	7.	-1,832,250	-562,729	-117,505	-680,234	-372,202	-5,220	-774,594	-1,152,016	
Accumulated Amortization Detail											
3410 Capital Leases		8.	0			0				0	
3420 Leasehold Improvements		9.	0			0				0	
3500 Intangibles		10.	0			0				0	
3600 Acquisition Adjustment		11.	0			0				0	
Total Accumulated Amortization	(5c)	12.	0	0	0	0	0	0	0	0	

FORM I INPUT MASTER		For The Year Ended: December 31, 2009				Separated Results of Idaho Operations				
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation				
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
OPERATING EXPENSE DETAIL										
61XX-64XX Plant Specific Operations										
6110-20 General Support Facilities		1.	23,340	5,198	28,538	14,185	198		29,707	44,090
621X Central Office Switching		2.	29,020	13,093	42,113	4,239	50		11,020	15,309
6220 Operator Systems		3.			0					0
623X Central Office Transmission		4.	17,208	7,764	24,972	2,514	30		6,534	9,078
63XX Information Orig./Term. Equip.		5.			0					0
64XX Cable & Wire Facilities		6.	33,790	2,316	36,106	31,060	441		63,363	94,864
Total Plant Specific	(5a)	7.	103,358	28,371	131,729	51,998	719	0	110,624	163,341
65XX Plant Nonspecific Operations										
6512 Provisioning	(8)	8.	53	12	65	32			69	101
653X Network Operations		9.	14,426	3,212	17,638	8,768	122		18,361	27,251
6540 Access Paid to LECs	(9)	10.			0					0
Total Plant Nonspecific	(5a)	11.	14,479	3,224	17,703	8,800	122	0	18,430	27,352
656X Depreciation & Amortization										
6561 General Support Facilities	(8)	12.	5,110	1,138	6,248	3,106	43		6,504	9,653
6561 Central Office Switching		13.	27,101		27,101	1,176			4,990	6,166
6561 Operator Systems		14.			0					0
6561 Central Office Transmission		15.	4,715	17,194	21,909	4,118	66		8,323	12,507
6561 Information Orig./Term. Equip.		16.			0					0
6561 Cable & Wire Facilities		17.	20,335	1,394	21,729	18,692	265		38,132	57,089
6563 Capital Leases		18.			0					0
6563 Leasehold Improvements		19.			0					0
6564 Intangibles		20.			0					0
6565 Acquisition Adjustment		21.			0					0
Total Depreciation & Amortization	(5a)	22.	57,261	19,726	76,987	27,092	374	0	57,949	85,415

FORM INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2009

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	
OPERATING EXPENSE (continued)										
66XX Customer Operations										
661X Marketing		1.	5,986	3,800		3,800	2,088	98		2,186
662X Operator Services		2.	0							0
662X Directory Publishing-Alpha.		3.	2,716	658		658	293		1,765	2,058
662X Directory Publishing-Classified		4.	0							0
662X Directory Publishing-Foreign		5.	0							0
6623 Service Order Proc.-End User		6.	9,995	2,873		2,873	1,997		5,125	7,122
6623 Payment & Collection-End User		7.	8,145	3,327		3,327	1,706		3,112	4,818
6623 Billing Inquiry-End User		8.	3,159	1,864		1,864	1,295		0	1,295
6623 Service Order Proc.-CXR		9.	0							0
6623 Payment & Collection-CXR		10.	0							0
6623 Billing Inquiry-CXR		11.	0							0
6623 Coin Administration		12.	0							0
6623 Rev. Acctg.-Toll Ticket Proc.		13.	38	20		20	18		0	18
6623 Rev. Acctg.-Local Mess. Proc.		14.	0							0
6623 Rev. Acctg.-Other Bill & Coll.		15.	4,841	1,431		1,431	1,614		1,796	3,410
6623 Rev. Acctg.-SLC Billing		16.	255	255		255				0
6623 Rev. Acctg.-CXR B & C		17.	8,440	4,220		4,220	4,220			4,220
6623 B & C Amts Paid to LECs		(9)	0							0
6623 Other Customer Service		(9)	14,051	5,956		5,956	4,739		3,356	8,095
6623 Total Customer Operations		(5a)	57,626	24,404	0	24,404	17,970	98	15,154	33,222
67XX Corporate Operations:										
671X Executive & Planning		21.	30,836	11,278	2,504	13,782	6,125	70	10,859	17,054
672X General & Administrative		22.	159,393	60,683	12,636	73,319	30,914	355	54,805	86,074
6728 EAS Settlement Expense		23.	0			0				0
6728 Total Corporate Operations		(5a)	190,229	71,961	15,140	87,101	37,039	425	65,664	103,128
Other Operating Expenses:										
Equal Access Provision		(10)	0			0				0
Universal Service Fund		(11)	6,958	6,958		6,958				0
Lifeline Connection Assistance		(12)	0			0				0
Total Other		(5a)	6,958	6,958	0	6,958	0	0	0	0
Total Operating Expenses		(5a)	757,340	278,421	66,461	344,882	142,899	1,738	267,821	412,458

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2009

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	
7240 General Taxes										
7240 Property		1.	0			0				0
7240 Gross Receipts		2.	0			0				0
7240 PUC Fee		3.	611	117		117			494	494
7240 Franchise Fees		4.	0			0				0
7240 Other		5.	12,598	4,049	902	4,951			2,461	7,647
Total General Taxes		6.	13,209	4,166	902	5,068	34	34	2,955	8,141
72XX Income Taxes (Calculated)										
Net Income Before SIT & FIT	(13)	7.	48,596	322,560	-41,921	280,639			-65,175	-232,043
Less Fixed Charges (-)		8.	25,698	8,810	2,139	10,949			4,712	14,749
Subtotal (lines 7-8)	(14)	9.	22,898	313,750	-44,060	269,690			-69,887	-246,792
Other SIT Base Add/Ded. (+-)	(15)	10.	0			0				0
SIT Taxable Inc. (lines 9+-10)		11.	22,898	313,750	-44,060	269,690			-69,887	-246,792
7230 SIT-Current (at 6.6%)	(16)	12.	1,511	20,708	-2,908	17,800			-4,613	-16,288
Other FIT Base Add/Ded. (+-)	(17)	13.	0	0	0	0			0	0
FIT Taxable Inc. (lines 9-12+-13)		14.	21,387	293,043	0	251,890			-65,274	-86,990
Gross FIT		15.	79,118	102,565	0	102,565			-22,846	-23,447
7210P Claimed ITC (-)		16.	0	0	0	0			0	0
Surtax Elimination (-)		17.	0	0	0	0			0	0
7220 FIT-Current (lines 15-16-17)	(18)	18.	79,118	102,565	0	102,565			-22,846	-23,447

FORM I INPUT MASTER		For The Year Ended: December 31, 2009				Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		Total	
FCC Account and Description		Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other) Total

FORM I INPUT MASTER		For The Year Ended: December 31, 2009				Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		Total	
Description		Note No.	Line No.	Interstate Toll	Intrastate Toll	Interstate Toll	Intrastate Toll	EAS	Local (Other)
Separation Parameters		(19)							
Plant									
SLU Minutes of Use (MOU)			1.	2,114,479	943,313				5,675,799
SLU Factor			2.	0.242109	0.108009				0.649882
Base SPF - January 1			3.						
Base SPF - December 31			4.						
Current Composite SPF		(20)	5.	0.250000	0.250000				0.500000
1996 Weighted DEM			6.	0.858807					0.141193
1996 Unweighted DEM			7.	0.286269	0.125012				0.388719
Current CAT 3 Dial Equipment Minutes		(21)	8.	2,114,479	943,313				5,675,799
Current Composite DEM Factor			9.	0.814647	0.035353				0.15
Exchange Trunk - Joint Use MOU		(22)	10.						
Host/Remote MOU Kilometers		(23)	11.						
Equal Access MOU		(24)	12.						
Operator Standard Work Seconds		(25)	13.						
Tandem Switching MOU		(26)	14.						
IX Conversation MOU			15.	1,112,344	513,445				
IX Conversation Minute Kilometers			16.	12,033,796	5,318,990				
Other Parameters									
Access Lines			17.						
Unseparated Loop Cost @ 11.1 ROR		(27)	18.						
Gross Billed Revenues									
-Marketing Allocation Basis		(28a)	19.						
-Payment & Collection-End User		(28b)	20.	75,272	38,609				70,400
-Payment & Collection-CXR		(28c)	21.						
Service Order Contacts									
-Service Order Proc.-End User		(29a)	22.	195	135				347
-Service Order Proc.-CXR		(29b)	23.						
Billing Inquiry Contacts									
-Billing Inquiry-End User		(30a)	24.	224	156				
-Billing Inquiry-CXR		(30b)	25.						
SP+RC Toll Messages		(31)	26.	54,286	46,394				
EAS/Local Messages (Msg. Proc.)			27.						
'BIG 3' Expense Factor-Message		(32)	28.	90,865	56,693				96,426
-PLS & Special Access			29.		1,623				
Operator Services Expense - Factor			30.						
Access Minutes of Use (End Office)			31.						