

INL-T

# ANNUAL REPORT

OF

INLAND TELEPHONE COMPANY

**NAME**

JOHN COONAN  
GRETA MORGAN  
INLAND TELEPHONE CO  
PO BOX 171  
ROSLYN WA 98941

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED December 31, 2010

RECEIVED  
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UTILITIES COMMISSION

**INLAND TELEPHONE COMPANY**

Corporate Offices

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

**INLAND  
TELEPHONE**

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

VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

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April 15, 2011

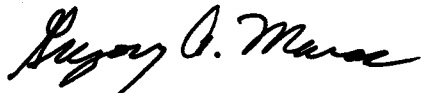
Randy Lobb, Administrator  
Utilities Division  
Idaho Public Utilities Commission  
P. O. Box 83720  
Boise, Idaho 83720-0074

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, 2010. Also included are the Company's Idaho separation factors for 2010 and the Idaho Separated Results of Operations (Form I) per your request.

Questions regarding this report should be directed to the attention of either LuAnn K. Stine or myself at (509) 649-2211.

Very truly yours,



Gregory A. Maras  
Secretary

GAM:lks

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, 2010**

**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

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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.

<b>Title</b>	<b>Name</b>	<b>Address</b>
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, 2010

<b>Name and Address</b>	<b>Term Expired or Current Term Will Expire</b>	<b>Meetings Attended This year</b>	<b>Fees Paid During Year</b>
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.)

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
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, 2010**

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents			
1130 Cash	103,930	936,184	832,254
1140 Special Cash Deposits			
1150 Working Cash Advances	2,300	2,400	100
1160 Temporary Investments	338,057	229,100	(108,957)
1180 Telecommunications Accts. Receivable	84,581	89,690	5,109
1181 Accts. Rec. Allow. -Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	765,464	1,097,226	331,762
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	335,086	316,815	(18,271)
1280 Prepayments	14,233	425	(13,808)
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies			
1402 Investment in Nonaffiliated Companies	786,657	33,652	(753,005)
1406 Nonregulated Investments	631,666	617,406	(14,260)
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	120,067	125,752	5,685
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	21,434,467	22,169,973	735,506
2002 Prop. Held for Future Telecom. Use	20,130	20,131	1
2003 Telecom. Plant under Constr. - Short Term	181,128	87,289	(93,839)
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	12,991,047	13,910,772	919,725
3200 Accum. Depre. - Held for Future Use	2,146	3,153	1,007
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements	136	271	135
3500 Accumulated Amortization - Intangible	61,737	92,513	30,776
3600 Accumulated Amortization - Other			
<b>TOTAL ASSETS</b>	<b>11,752,700</b>	<b>11,709,334</b>	<b>(43,366)</b>

**BALANCE SHEET**  
**Liabilities & Stockholders' Equity**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	128,601	151,995	23,394
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	4,097	2,846	(1,251)
4050 Current Maturities - Long -Term Debt	612,700	627,900	15,200
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued			
4080 Other Taxes - Accrued	146,276	163,848	17,572
4100 Net Current Defer. Oper. Income Taxes	218,127	495,199	277,072
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	1,045,297	950,678	(94,619)
4130 Other Current Liabilities	41,136	44,604	3,468
<b>Long-Term Debt</b>			
4210 Funded Debt	2,490,974	1,860,166	(630,808)
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	0	0	0
4270 Other Long-Term Debt			
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net	0	0	0
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	991,055	771,736	(219,319)
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
<b>Stockholders' Equity</b>			
4510 Capital Stock	93,150	93,150	0
4520 Additional Paid-In Capital	7,175	7,175	0
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	5,974,112	6,540,037	565,925
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>11,752,700</b>	<b>11,709,334</b>	<b>(43,366)</b>

**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
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	651,786				651,786
2112 Motor Vehicles	1,617,450	63,898	210,638	22,555	1,493,265
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	752,349	14,716	6,970	(22,184)	737,911
2121 Buildings	2,203,266	281,007		36,207	2,520,480
2122 Furniture	177,277	2,090			179,367
2123 Office Equipment	246,228	29,061			275,289
2124 General Purpose Computers	377,466	21,358			398,824
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	2,731,748	48,485			2,780,233
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	2,730,123	31,524			2,761,647
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				38,563
2421 Aerial Cable	198,229	282,280			480,509
2422 Underground Cable	0				0
2423 Buried Cable	9,506,232	142,118			9,648,350
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				3,391
2690 Intangibles	131,526				131,526
<b>TOTAL PLANT ACCOUNTS</b>	<b>21,434,466</b>	<b>916,537</b>	<b>217,608</b>	<b>36,578</b>	<b>22,169,973</b>



**ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS**  
**IDAHO Operations Only**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	104,053			864 *	104,917
2112 Motor Vehicles	0			191,859	191,859
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0			17 *	1,835
2115 Garage Work Equipment	1,818			94,392	107,511
2116 Other Work Equipment	13,119			115,431 *	637,463
2121 Buildings	522,032			519 *	26,103
2122 Furniture	25,584			4,114 *	54,715
2123 Office Equipment	50,601			3,188 *	55,129
2124 General Purpose Computers	51,941				
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	415,781			358 *	416,139
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,765			27 *	1,792
2232 Circuit Equipment	291,649			3,122 *	294,771
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	1,964,075			36,030	2,000,105
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
<b>TOTAL PLANT ACCOUNTS</b>	<b>3,483,110</b>	<b>0</b>	<b>0</b>	<b>449,921 *</b>	<b>3,933,031</b>

\*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, 2010**  
**TOTAL Company Basis**

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles	1,538,952		17,069	(178,951)	1,377,070
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	669,819		15,345	(29,154)	656,010
2121 Buildings	1,134,946		92,156	15,462	1,242,564
2122 Furniture	175,287		480		175,767
2123 Office Equipment	232,719		7,115		239,834
2124 General Purpose Computers	374,662		3,471		378,133
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	971,470		248,039		1,219,509
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	1,181,632		295,141		1,476,773
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	26,612		2,860		29,472
2421 Aerial Cable	180,163		8,238		188,401
2422 Underground Cable	0				0
2423 Buried Cable	6,435,952		422,454		6,858,406
2424 Submarine Cable	0				0
2426 Intra-building Network Cable	0				0
2431 Aerial Wire	6,696				6,696
2441 Conduit Systems	0				0
<b>TOTAL</b>	<b>12,991,047</b>		<b>1,112,368</b>	<b>(192,643)</b>	<b>13,910,772</b>

\*Please list individual depreciation rate for each account.

**ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION**

Account 3100

FOR THE YEAR ENDING DECEMBER 31, 2010

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles	0			176,356	176,356
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,818	12.50		17 **	1,835
2116 Other Work Equipment	13,119	12.50		92,910	106,029
2121 Buildings	246,748	2.50	3,147	22,022 **	271,917
2122 Furniture	25,338	15.00		316 **	25,654
2123 Office Equipment	47,127	5.00		2,039 **	49,166
2124 General Purpose Computers	51,595	25.00		956 **	52,551
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	189,060	9.00	35,321	2,236 **	226,617
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,765	13.00		27 **	1,792
2232 Circuit Equipment	164,968	11.19	28,740	(2,348) **	191,360
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	1,291	5.00	79		1,370
2421 Aerial Cable	11,465	4.00	1,181		12,646
2422 Underground Cable	0				0
2423 Buried Cable	1,253,731	4.00	78,544	4,145 **	1,336,420
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	4,821	8.00			4,821
2441 Conduit Systems	0				0
<b>TOTAL</b>	<b>2,012,846</b>		<b>147,012</b>	<b>298,676 **</b>	<b>2,458,534</b>

\* 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, 2010

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	0
1402-Verizon	2005		30,562
1406-Paging Equip./CPE/ Mobile CPE	Various		617,406
Rural Telephone Finance Cooperative Capital Certificates			3,061
<b>Totals</b>		<u>755,270</u>	<u>651,029</u>

**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		89,690
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		783,574
1190-Other A/R-Affiliated Companies		313,651
<b>Totals</b>		<u>1,186,915</u>

**NOTES PAYABLE**  
FOR THE YEAR ENDING DECEMBER 31, 2010

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

**ACCOUNTS PAYABLE**

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	151,995
<b>Totals</b>	<u>151,995</u>

**LONG - TERM DEBT**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**  
**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	Amortized	Rate	Amount
RUS 12060	May 1976	May 2011	578,000	6,240	1		2%	438
RUS 12070	May 1983	May 2018	1,129,000	337,479	1		2%	7,206
RUS 12140	Oct. 1979	Oct. 2014	581,000	186,482	1		5%	10,148
RUS 12150	Apr. 1995	Apr. 2014	947,000	275,956	1		7%	22,102
RUS 12151	Apr. 1995	Apr. 2014	270,000	78,315	1		6.91%	6,196
RUS 12152	Apr. 1995	Apr. 2014	329,000	93,138	1		6.26%	6,685
RTB S010	Oct. 1979	Oct. 2014	345,450	101,895	1		8%	9,196
RTB S020	Dec. 1986	Apr. 2011	439,950	148,781	1		8%	13,181
RTB S030	Apr. 1995	Jan. 2018	324,952	95,774	1		5.54%	6,096
RUS 12153	Apr. 1995	Apr. 2014	451,478	126,243	1		4.86%	7,065
RUS 12154	Apr. 1995	Apr. 2014	289,522	85,966	1		5.71%	5,637
RTB S031	Apr. 1995	Jan. 2018	729,611	352,665	1		5.49%	22,236
RTB S032	Apr. 1995	Jan. 2018	1,158,911	539,438	1		5.10%	31,619
RTB S033	Apr. 1995	Jan. 2018	74,858	50,069	1		5.13%	2,952
			<u>7,648,732</u>	<u>2,478,441</u>				<u>150,757</u>



## INCOME & RETAINED EARNINGS STATEMENT

FOR T Item	Total Company	Idaho Only
Total Operating Income (from page 15)	6,431,553	810,903
Total Operating Expenses (from page 17)	5,414,985	890,308
<hr/>		
7100 Other Operating Income and Expense		
<hr/>		
7210 Operating Investment Tax Credits-Net	0	0
7220 Operating Federal Income Taxes	496,089	(24,592)
7230 Operating State and Local Income Taxes	40	40
7240 Operating Other Taxes	130,194	26,317
7250 Provision for Deferred Operating Income Taxes-Net	28,476	951
7200 <b>Operating Taxes (Total)</b>	<b>654,799</b>	<b>2,716</b>
<hr/>		
7310 Dividend Income	2,292	286
7320 Interest Income	8,530	640
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	902,444	0
7360 Other Nonoperating Income	18,187	2,249
7370 Special Charges	(43,843)	(4,420)
7300 <b>Nonoperating Income and Expense</b>	<b>887,610</b>	<b>(1,245)</b>
<hr/>		
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	5,521	0
7400 <b>Nonoperating Taxes</b>	<b>5,521</b>	<b>0</b>
<hr/>		
7510 Interest on Funded Debt	150,757	25,605
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	3,436	7
7500 <b>Interest and Related Items</b>	<b>154,193</b>	<b>25,612</b>
<hr/>		
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 <b>Extraordinary Items</b>	<b>0</b>	<b>0</b>
<hr/>		
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(32,008)	66,250
<hr/>		
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	<b>1,057,657</b>	<b>(42,728)</b>



**OPERATING REVENUES**

FOR 1 Item

**Total Company**

**Idaho Only**

	<b>Total Company</b>	<b>Idaho Only</b>
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	649,359	103,836
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	95,195	10,710
5069 Other Local Exchange Settlements	165,543	0
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	215,758	25,832
5082 Switched Access Revenue (Interstate)	2,630,467	538,853
5083 Special Access Revenue	1,305,384	60,193
5084 State Access Revenue (Intrastate)	1,229,329	62,265
<b>Long Distance Network Services Revenues</b>		
5100 Long Distance Message Revenue - All	2,216	43
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	8,907	1,259
5240 Rent Revenue	19,200	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	36,206	3,604
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	170	80
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	82,859	4,211
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	9,146	(17)
5302 Uncollectible Revenue - Other		
<b>TOTAL OPERATING REVENUES</b>	<b>6,431,553</b>	<b>810,903</b>

Please identify the following revenues:

NECA USF \$534,592 To what account were they booked?  
A/C 5082.13-Interstate Switched Access Revenue-USF (Idaho only)

State USF \$27,604 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	102,564	6,971
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	58,633	3,985
6116 Other Work Equipment Expense	0	0
6120 General Support Expenses		
6121 Land and Building Expenses	589,793	131,638
6122 Furniture and Artworks Expense	1,274	284
6123 Office Equipment Expense	30,178	6,736
6124 General Purpose Computers Expense	252,455	56,346
6210 Central Office Switching Expenses	505,647	76,317
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	200,261	20,857
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	0	0
6411 Pole Expense	7,959	1,612
6421 Aerial Cable Expense	65,872	13,344
6422 Underground Cable Expense		
6423 Buried Cable Expense	521,070	105,555
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	0	0
6441 Conduit Systems Expense		
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>2,335,706</b>	<b>423,645</b>

**OPERATING REVENUES**

FOR 1 Item

**Total Company**

**Idaho Only**

	<b>Total Company</b>	<b>Idaho Only</b>
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense	511	90
6530 Network Operations Expense		
6531 Power Expense	36,091	6,342
6532 Network Administration Expense	14,469	2,542
6533 Testing Expense	31,123	5,469
6534 Plant Operations Administration Expense	103,994	18,274
6535 Engineering Expense	66,202	11,633
6540 Access Expense	69,756	7,988
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,113,374	176,113
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible	30,911	0
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
<b>Total Plant Nonspecific Operations Expenses</b>	<b>1,466,431</b>	<b>228,451</b>
<b>Customer Operations Expense</b>		
6610 Marketing	43,745	5,449
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	15,948	1,987
6623 Customer Services	437,458	54,495
<b>Total Customer Operations Expense</b>	<b>497,151</b>	<b>61,931</b>
<b>Corporate Operations Expense</b>		
6710 Executive and Planning	152,889	24,157
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	442,066	69,847
6722 External Relations	27,036	4,272
6723 Human Resources	79,968	12,635
6724 Information Management		
6725 Legal	28,908	4,567
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	384,830	60,803
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	<b>1,115,697</b>	<b>176,281</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>5,414,985</b>	<b>890,308</b>

**CENTRAL OFFICE DATA**  
as of December 31, 2010 (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:      Check one:      Check one:  
Stand Alone X      Digital X      Electronic X  
Host \_\_\_\_\_      Analog \_\_\_\_\_      Electro-Mechanical \_\_\_\_\_  
Remote \_\_\_\_\_      Other: \_\_\_\_\_

**Access Line Capacity**  
Design: 10,000      **Access Lines in Use**  
Customer Lines: \_\_\_\_\_      (Include Centrex, PAL, Semi-Pub.) 25

Installed/Equipped: 764  
Public Telephone Lines 0  
Company Official Lines 3  
Company Test Lines 3

	Residence				Business				Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Subtotal Residence	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Subtotal Business	
Beginning of Year	0	28	0	28	0	1	0	1	29
New Connects	0	2	0	2	0	0	0	0	2
Disconnects	0	5	0	5	0	0	0	0	5
End of Year	0	25	0	25	0	0	0	1	26

**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: 0

**Custom Calling:**  
Number of customers with at least one feature: 9  
Total number of features subscribed to: 4

**CENTRAL OFFICE DATA**  
as of December 31, 2010 (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 \_\_\_\_\_      Digital X      Electro-Mechanical \_\_\_\_\_  
Remote \_\_\_\_\_      Analog \_\_\_\_\_      Other: \_\_\_\_\_

**Access Line Capacity**  
Design: 10,000      **Access Lines in Use**  
Customer Lines: 283  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 375      Public Telephone Lines 0  
Company Official Lines 10  
Company Test Lines 5

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi- Line	Single Line	Subtotal	Multi- Line	Single Line	Subtotal	
	1-Party	1-Party	Residence	1-Party	1-Party	Business	
Beginning of Year	0	281	0	0	14	0	21
New Connects	0	23	0	0	1	0	1
Disconnects	0	42	0	0	0	1	1
End of Year	0	262	0	0	15	6	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: 247  
Total number of features subscribed to: 15

**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2010**

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	Avg./ Line
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, 2010

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603  
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers	Yes _____	No <u> X </u>
Included in directory	Yes <u> X </u>	No _____
Date of notification	<u>December, 2009 through December, 2010</u>	
Alternate method of notification	<u>None</u>	

---

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  0

Carrier Selection/Assignment  2

Miscellaneous  0

Rev 3/02

CERTIFICATE

FOR THE YEAR ENDING DECEMBER 31, 2011 )  
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 15 day of April, 2011

Judith P. Sellers  
Notary Public  
Judith P. Sellers



My Commission expires 8/01/2011



**ANNUAL REPORT  
OF  
IDAHO SEPARATED RESULTS OF OPERATIONS  
(Telecommunications Utilities Form I)**

**OF**

**INLAND TELEPHONE COMPANY**

**Name of Respondent**

**TO THE  
IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 38720  
BOISE, ID 83720-0074**

**RECEIVED  
2011 APR 18 PM 2:48  
IDAHO PUBLIC  
UTILITIES COMMISSION**

FORM I INPUT MASTER		For The Year Ended: December 31, 2010				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
<b>SUMMARY</b>										
<b>Operating Revenues</b>										
50XX Local -Billed	(1)	1.	114,546		0				114,546	114,546
-EAS Billed	(1)	2.	0		0					0
-EAS Settlement	(1)	3.	0		0					0
508X Access-SLC (End User)	(2)	4.	25,831		25,831					
-Switched (TS+NTS)	(2)	5.	538,853		538,853					
-Special	(2)	6.	71,239		71,239					62,265
51XX Toll -Message	(3a)	7.	0		0					0
-Private Line	(3b)	8.	0		0					0
-Settlement	(3c)	9.	43		0					43
52XX Misc. -Billing & Collection	(4)	10.	4,211		1,369					2,842
-Directory Advertising		11.	1,259		0					1,259
-Operating Rents		12.	0		0					0
-Other Misc.		13.	3,684		0					3,684
530X Less: Uncollectible Rev. (-)		14.	17		0					17
<b>Total Revenues</b>		15.	<b>821,948</b>		<b>637,292</b>			<b>0</b>	<b>119,506</b>	<b>184,656</b>
<b>Operating Expenses</b>										
61XX-64XX Plant Specific Oper.	(5a)	16.	359,694		160,255					199,439
65XX Plant Nonspecific Operations	(5a)	17.	44,746		17,571					27,175
656X Depreciation & Amortization	(5a)	18.	166,671		78,507					88,164
66XX Customer Operations	(5a)	19.	52,783		22,242					30,541
67XX Corporate Operations	(5a)	20.	175,250		81,791					93,459
---- Other Operating	(5a)	21.	7,919		7,919					0
<b>Total Expenses</b>	(5a)	22.	<b>807,063</b>		<b>368,285</b>			<b>150,093</b>	<b>286,823</b>	<b>438,778</b>
<b>Operating Taxes:</b>	(6)									
7240 General Taxes		23.	25,101		9,809					15,292
7230 State/Local Inc. Tax (Current)		24.	-2,052		16,534					-18,586
7220 Federal Income Tax (Current)		25.	52,011		83,384					-31,373
7250 Net Deferred Income Taxes		26.	0		0					0
7210 Net Investment Tax Credits		27.	0		0					0
<b>Total Taxes</b>		28.	<b>75,060</b>		<b>108,727</b>			<b>-31,787</b>	<b>-712</b>	<b>-2,168</b>
<b>Net Operating Income</b>		29.	<b>-60,175</b>		<b>169,280</b>			<b>-53,156</b>	<b>-1,150</b>	<b>-219,455</b>

**FORM I INPUT MASTER**

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2010

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	EAS		
<b>SUMMARY (continued)</b>											
Average Rate Base											
2001 Telecom. Plant in Service	(5b)	1.	3,415,018	1,098,078	243,204	1,341,282	667,420	9,340	0	1,396,976	2,073,736
2005 Plant Acquisition Adjustment		2.	0			0					0
3100 Less: Accumulated Depr. (-)	(5c)	3.	-2,094,174	-652,815	-143,128	-795,943	-418,983	-5,884	0	-873,364	-1,298,231
34xx-36xx Accumulated Amort. (-)	(5)	4.	0	0	0	0	0	0	0	0	0
4100-4340 Accum. Deferred Tax (-)		5.	-182,972	-59,172	-12,941	-72,113	-35,621	-497		-74,741	-110,859
1220 Materials and Supplies		6.	0			0					0
--- Equal Access Equipment	(7)	7.	0			0					0
--- Other Rate Base		8.	27,340	10,073	2,228	12,301				15,039	15,039
<b>Total Average Rate Base</b>		9.	<b>1,165,212</b>	<b>396,164</b>	<b>89,363</b>	<b>485,527</b>	<b>212,816</b>	<b>2,959</b>	<b>0</b>	<b>463,910</b>	<b>679,685</b>

FORM I INPUT MASTER		For The Year Ended: December 31, 2010				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
<b>PLANT IN SERVICE DETAIL</b>										
21XX General Support Facilities		1.	694,328	49,447	272,704	135,697	1,899	0	284,028	421,624
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.	380,008		309,572	13,434			57,002	70,436
CAT 3-Local Switching		6.	9,448		0				9,448	9,448
CAT 4.12 -Exch. Trunk (Joint Use)		7.	0		0				0	0
CAT 4.12 -Exch. Trunk (Ded. Use)		8.	134,171		33,447	33,447	381		0	100,724
CAT 4.13 -Subscr. Line (Joint Use)		9.	0		0				66,896	66,896
CAT 4.13 -Subscr. Line (Ded. Use)		10.	15,003		10,391	4,395	217		0	4,612
CAT 4.23 -IX Trunk (Joint Use)		11.	0		0					0
CAT 4.23 -IX Trunk Ckt. (Ded. Use)		12.	0		0					0
CAT 4.3 -Host/Remote Trunk Ckt.		13.	157,620		157,620					0
Other COE		14.	696,250	158,490	511,030	51,276	598	0	133,346	185,220
<b>Total COE</b>										
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
<b>Total IOT</b>										
24XX Cable & Wire Facilities:		18.	1,787,418		446,855	446,855			893,708	1,340,563
CAT 1.3-Subscriber Line (Common)		19.	5,093		0		5,093			5,093
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.	115,238	6,946	80,840	32,661	1,737			34,398
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.	2,019,676	34,928	555,677	479,516	6,830	0	977,653	1,463,999
<b>Total C&amp;WF</b>										
26XX Other Assets:		27.	0		0					0
Capital Leases		28.	0		0					0
Leasehold Improvements		29.	4,764	339	1,871	931	13		1,949	2,893
Intangibles		30.	4,764	339	1,871	931	13	0	1,949	2,893
<b>Total Other Assets</b>										
<b>Total Telecom. Plant in Service (5b)</b>		31.	3,415,018	243,204	1,341,282	667,420	9,340	0	1,396,976	2,073,736

FORM I INPUT MASTER		For The Year Ended: December 31, 2010				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
<b>Depreciation &amp; Amortization</b>										
<b>Accumulated Depreciation Detail</b>										
311X General Support Facilities		1.	-398,389		-156,472	-77,860	-1,090		-162,967	-241,917
312X Central Office Switching		2.	-197,322		-160,748	-6,976			-29,598	-36,574
312X Operator Systems		3.	0		0					0
312X Central Office Transmission		4.	-183,606		-116,964	-21,971	-348		-44,323	-66,642
313X Information Orig./Term. Equip.		5.	0		0					0
314X Cable & Wire Facilities		6.	-1,314,857		-361,759	-312,176	-4,446		-636,476	-953,098
<b>Total Accumulated Depreciation</b>	(5c)	7.	<b>-2,094,174</b>		<b>-795,943</b>	<b>-418,983</b>	<b>-5,884</b>	<b>0</b>	<b>-873,364</b>	<b>-1,298,231</b>
<b>Accumulated Amortization Detail</b>										
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
<b>Total Accumulated Amortization</b>	(5c)	12.	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

FORM I INPUT MASTER		For The Year Ended: December 31, 2010				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										
<b>61XX-64XX Plant Specific Operations</b>										
6110-20 General Support Facilities		1.	142,009	10,113	55,775	28,054	388		57,792	86,234
621X Central Office Switching		2.	76,317	17,372	56,015	5,621	66		14,615	20,302
6220 Operator Systems		3.	0		0					0
623X Central Office Transmission		4.	20,857	4,748	15,309	1,536	18		3,994	5,548
63XX Information Orig./Term. Equip.		5.	0		0					0
64XX Cable & Wire Facilities		6.	120,511	2,084	33,156	28,612	408		58,335	87,355
<b>Total Plant Specific</b>	(5a)	7.	<b>359,694</b>	<b>34,317</b>	<b>160,255</b>	<b>63,823</b>	<b>880</b>	<b>0</b>	<b>134,736</b>	<b>199,439</b>
<b>65XX Plant Nonspecific Operations</b>										
6512 Provisioning	(8)	8.	90	6	32	18			40	58
653X Network Operations		9.	44,656	3,180	17,539	8,727	122		18,268	27,117
6540 Access Paid to LECs	(9)	10.	0		0					0
<b>Total Plant Nonspecific</b>	(5a)	11.	<b>44,746</b>	<b>3,186</b>	<b>17,571</b>	<b>8,745</b>	<b>122</b>	<b>0</b>	<b>18,308</b>	<b>27,175</b>
<b>656X Depreciation &amp; Amortization</b>										
6561 General Support Facilities	(8)	12.	19,194	1,367	7,539	3,751	52		7,852	11,655
6561 Central Office Switching		13.	33,290		27,120	1,177			4,993	6,170
6561 Operator Systems		14.	0		0					0
6561 Central Office Transmission		15.	34,350	17,215	21,882	4,110	65		8,293	12,468
6561 Information Orig./Term. Equip.		16.	0		0					0
6561 Cable & Wire Facilities		17.	79,837	1,381	21,966	18,955	270		38,646	57,871
6563 Capital Leases		18.	0		0					0
6563 Leasehold Improvements		19.	0		0					0
6564 Intangibles		20.	0		0					0
6565 Acquisition Adjustment		21.	0		0					0
<b>Total Depreciation &amp; Amortization</b>	(5a)	22.	<b>166,671</b>	<b>19,963</b>	<b>78,507</b>	<b>27,993</b>	<b>387</b>	<b>0</b>	<b>59,784</b>	<b>88,164</b>

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2010

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	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Local (other)	
<b>OPERATING EXPENSE (continued)</b>										
<b>66XX Customer Operations</b>										
661X Marketing		1.	5,449	3,459			1,901	89		1,990
662X Operator Services		2.	0							0
662X Directory Publishing-Alpha		3.	1,987	481		215			1,291	1,506
662X Directory Publishing-Classified		4.	0							0
662X Directory Publishing-Foreign		5.	0							0
6623 Service Order Proc.-End User		6.	9,070	2,607		1,812			4,651	6,463
6623 Payment & Collection-End User		7.	7,142	2,917		1,496			2,729	4,225
6623 Billing Inquiry-End User		8.	2,754	1,625		1,129				1,129
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.	36	19		17				17
6623 Rev. Acctg.-Local Mess. Proc.		14.	0							0
6623 Rev. Acctg.-Other Bill & Coll.		15.	5,515	1,630		1,496			2,389	3,885
6623 Rev. Acctg.-SLC Billing		16.	290	290						0
6623 Rev. Acctg.-CXR B & C	(9)	17.	7,240	3,620		3,620				3,620
6623 B & C Amts Paid to LECs	(9)	18.	0							0
6623 Other Customer Service		19.	13,300	5,594		4,479			3,227	7,706
<b>Total Customer Operations</b>	(5a)	20.	<b>52,783</b>	<b>22,242</b>	<b>0</b>	<b>16,165</b>	<b>89</b>	<b>0</b>	<b>14,287</b>	<b>30,541</b>
<b>67XX Corporate Operations:</b>										
671X Executive & Planning		21.	24,157	8,960	2,099	4,676	54		8,368	13,098
672X General & Administrative		22.	151,093	57,852	12,880	28,691	330		51,340	80,361
6728 EAS Settlement Expense		23.	0							0
<b>Total Corporate Operations</b>	(5a)	24.	<b>175,250</b>	<b>66,812</b>	<b>14,979</b>	<b>33,367</b>	<b>384</b>	<b>0</b>	<b>59,708</b>	<b>93,459</b>
<b>Other Operating Expenses:</b>										
Equal Access Provision	(10)	25.	0							0
Universal Service Fund	(11)	26.	7,919	7,919						0
Lifeline Connection Assistance	(12)	27.	0							0
<b>Total Other</b>	(5a)	28.	<b>7,919</b>	<b>7,919</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Operating Expenses</b>	(5a)	29.	<b>807,063</b>	<b>295,840</b>	<b>72,445</b>	<b>150,093</b>	<b>1,862</b>	<b>0</b>	<b>286,823</b>	<b>438,773</b>

**FORM I INPUT MASTER**

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2010

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	
<b>OPERATING TAXES DETAIL</b>										
7240 General Taxes										
7240 Property		1.	0							0
7240 Gross Receipts		2.	0							0
7240 PUC Fee		3.	451	128						323
7240 Franchise Fees		4.	0							0
7240 Other		5.	24,650	7,926	1,755	9,681	4,818	67	10,084	14,969
<b>Total General Taxes</b>		6.	<b>25,101</b>	<b>8,054</b>	<b>1,755</b>	<b>9,809</b>	<b>5,141</b>	<b>67</b>	<b>10,084</b>	<b>15,292</b>
72XX Income Taxes (Calculated)										
Net Income Before SIT & FIT	(13)	7.	-10,216	262,159	-2,961	259,198	-90,084	-1,929	0	-177,401
Less Fixed Charges (-)	(14)	8.	20,876	7,084	1,599	8,683	3,904	54	8,235	12,193
<b>Subtotal (lines 7-8)</b>	(15)	9.	<b>-31,092</b>	<b>255,075</b>	<b>-4,560</b>	<b>250,515</b>	<b>-93,988</b>	<b>-1,983</b>	<b>0</b>	<b>-185,636</b>
Other SIT Base Add/Ded. (+-)		10.	0			0				0
<b>SIT Taxable Inc. (lines 9+-10)</b>		11.	<b>-31,092</b>	<b>255,075</b>	<b>-4,560</b>	<b>250,515</b>	<b>-93,988</b>	<b>-1,983</b>	<b>0</b>	<b>-185,636</b>
7230 SIT-Current (at 6.6%)	(16)	12.	-2,052	16,835	-301	16,534	-6,203	-131	0	-12,252
Other FIT Base Add/Ded. (+-)	(17)	13.	0	0	0	0	0	0	0	0
<b>FIT Taxable Inc. (lines 9-12+-13)</b>		14.	<b>-29,040</b>	<b>238,240</b>	<b>0</b>	<b>233,981</b>	<b>-87,785</b>	<b>-1,852</b>	<b>0</b>	<b>-89,637</b>
Gross FIT		15.	52,011	83,384	0	83,384	-30,725	-648	0	0
7210P Claimed ITC (-)		16.	0	0	0	0	0	0	0	0
Surtax Elimination (-)		17.	0	0	0	0	0	0	0	0
<b>7220 FIT-Current (lines 15-16-17)</b>	(18)	18.	<b>52,011</b>	<b>83,384</b>	<b>0</b>	<b>83,384</b>	<b>-30,725</b>	<b>-648</b>	<b>0</b>	<b>-31,373</b>



<b>FORM I INPUT MASTER</b>		For The Year Ended: December 31, 2010				Seperated Results of Idaho Operations					
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		TOLL PLS		Local (other)	
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	Total	

<b>FORM I INPUT MASTER</b>		For The Year Ended: December 31, 2010				Seperated Results of Idaho Operations					
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		TOLL PLS		Local (Other)	
Description		Note No.	Line No.	Interstate Toll	Intrastate Toll	EAS	Interstate Toll	Intrastate Toll	EAS	Total	
<b>Separation Parameters</b>		(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			5.	0.250000	0.250000		0.500000				
1996 Weighted DEM		(20)	6.	0.858807			0.141193				
Current Composite DEM			7.	0.286269	0.125012		0.588719				
1996 Unweighted DEM			8.	2,114,479	943,313		5,675,799				
Current CAT 3 Dial Equipment Minutes		(21)	9.	0.814647	0.035353		0.15				
Current Composite DEM Factor			10.								
Exchange Trunk - Joint Use MOU		(22)	11.								
Host/Remote MOU Kilometers		(23)	12.								
Equal Access MOU		(24)	13.								
Operator Standard Work Seconds		(25)	14.								
Tandem Switching MOU		(26)	15.	1,112,344	513,445						
IX Conversation MOU			16.	17,352,786	5,318,990						
IX Conversation Minute Kilometers			17.								
<b>Other Parameters</b>			18.								
Access Lines			19.								
Unseparated Loop Cost @ 11.1 ROR		(27)	20.	75,272	38,609		70,400				
<b>Gross Billed Revenues</b>			21.								
-Marketing Allocation Basis		(28a)	22.								
-Payment & Collection-End User		(28b)	23.								
-Payment & Collection-CXR		(28c)	24.								
<b>Service Order Contacts</b>			25.	195	135		347				
-Service Order Proc.-End User		(29a)	26.								
-Service Order Proc.-CXR		(29b)	27.								
<b>Billing Inquiry Contacts</b>			28.								
-Billing Inquiry-End User		(30a)	29.	224	156						
-Billing Inquiry-CXR		(30b)	30.								
SP+RC Toll Messages		(31)	31.	54,286	46,394						
EAS/Local Messages (Msg. Proc.)											
'BIG 3' Expense Factor-Message		(32)		90,865	56,693		96,426				
-PLS & Special Access					1,623						
Operator Services Expense -- Factor											
Access Minutes of Use (End Office)											