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# *ANNUAL REPORT*

OF

Albion Telephone Company, Inc.

**NAME**

225 West North Street, Albion, ID 83311

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED December 31, 2002

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING DECEMBER 31, 2002**

**COMPANY INFORMATION**

Exact name of utility: Albion Telephone Company, Inc.

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

Telephone Number (Area Code 208 673-5335)

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

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

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

ODEen K. Redman, President

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

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

Organized under the laws of the State of: Idaho

Date of organization: 1929 - Incorporated September 11, 1953

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

If a Subchapter S Corporation, please specify: \_\_\_\_\_

Name and address of controlling company, if any: \_\_\_\_\_

Names of affiliated companies. Give address and description of business: Telsat Systems, Inc.

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

**OFFICERS**

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

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

**DIRECTORS**

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

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

Name of Chairman of the Board: \_\_\_\_\_  
 Name of Secretary (or Clerk) of Board: \_\_\_\_\_  
 Number of Meetings of the Board during the year: \_\_\_\_\_

**MANAGERS**

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

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
ODEen K. Redman	President	189750
Richard L. Redman	Vice-President	149212



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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents	1619126	896985	-722141
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances			
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	431882	409904	-21978
1181 Accts. Rec. Allow. -Telecommunications	-21662	-20495	1167
1190 Other Accounts Receivable	302430	472893	170463
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	664991	191484	-473507
1280 Prepayments	50387	76596	26209
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies	90000	90000	0
1402 Investment in Nonaffiliated Companies	159136	246795	87659
1406 Nonregulated Investments	458648	1321539	862891
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets			
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges	659307	879193	219886
1500 Other Jurisdiction Assets - Net			
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	22415274	25158890	2743616
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	951660	312766	-638894
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill	4324455	4324455	0
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	-13708532	-15382902	-1674370
3200 Accum. Depre. - Held for Future Use			
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements			
3500 Accumulated Amortization - Intangible	-1453998	-1453998	0
3600 Accumulated Amortization - Other			
<b>TOTAL ASSETS</b>	<b>16943104</b>	<b>17524105</b>	<b>581001</b>

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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	548486	132944	-415542
4020 Notes Payable			
4030 Advance Billings and Payments	190864	190756	-108
4040 Customer Deposits	410	500	90
4050 Current Maturities - Long -Term Debt	821424	824109	2685
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	170811	5013	-165798
4080 Other Taxes - Accrued	64432	67784	3352
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities			
4130 Other Current Liabilities	308279	339203	30924
<b>Long-Term Debt</b>			
4210 Funded Debt	7670949	6844155	-826794
4220 Premium on Long-Term Debt			
4230 Discount on Long-Term Debt			
4240 Reacquired Debt			
4250 Obligations Under Capital Leases			
4260 Advances from Affiliated Companies			
4270 Other Long-Term Debt	22050	1043864	1021814
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities	194153	172009	-22144
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	637965	658168	20203
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
<b>Stockholders' Equity</b>			
4510 Capital Stock	40200	40200	0
4520 Additional Paid-In Capital			
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	6273081	7205400	932319
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>16943104</b>	<b>17524105</b>	<b>581001</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE**

**TOTAL Company Basis**

	<b>Balance Beginning of Year</b>	<b>Additions During year</b>	<b>Plant Retired or Sold</b>	<b>Transfers and Adjustments</b>	<b>Balance End of Year</b>
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	58363	6450			64813
2112 Motor Vehicles	622880	3820	166615		460085
2113 Aircraft	362337				362337
2114 Special Purpose Vehicles	393686	75388	74707		394367
2115 Garage Work Equipment					
2116 Other Work Equipment	122857	2423			125280
2121 Buildings	835037	84721	41872		877886
2122 Furniture	86644	1095			87739
2123 Office Equipment					
2124 General Purpose Computers	306220	25600	69289		262531
2211 Analog Electronic Switching	15162				15162
2212 Digital Electronic Switching	4166691	270867	29084		4408474
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	206680				206680
2232 Circuit Equipment	4167827	772417	102139		4838105
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56832				56832
2362 Other Terminal Equipment	35788				35788
2411 Poles	100677				100677
2421 Aerial Cable					
2422 Underground Cable	213437	9882			223319
2423 Buried Cable	10401624	2000640	27937		12374327
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327				19327
2431 Aerial Wire	243205	2348	392		245161
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</b>	<b>22415274</b>	<b>3255651</b>	<b>512035</b>	<b>0</b>	<b>25158890</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS**  
**IDAHO Operations Only**

**Analysis of Telecommunications Plant in Service**

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land	58363	6450			64813
2112 Motor Vehicles	622880	3820	166615		460085
2113 Aircraft	362337				362337
2114 Special Purpose Vehicles	393686	75388	74707		394367
2115 Garage Work Equipment					
2116 Other Work Equipment	122857	2423			125280
2121 Buildings	835037	84721	41872		877886
2122 Furniture	86644	1095			87739
2123 Office Equipment					
2124 General Purpose Computers	306220	25600	69289		262531
2211 Analog Electronic Switching	15162				15162
2212 Digital Electronic Switching	4166691	270867	29084		4408474
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	193707				193707
2232 Circuit Equipment	4167827	772417	102139		4838105
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56832				56832
2362 Other Terminal Equipment	35788				35788
2411 Poles	100677				100677
2421 Aerial Cable					
2422 Underground Cable	213437	9882			223319
2423 Buried Cable	10359763	1998897	27937		12330723
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327				19327
2431 Aerial Wire	243205	2348	392		245161
2441 Conduit Systems					
2681 Capital Leases	0				
2682 Leasehold Improvements	0				
2690 Intangibles	0				
<b>TOTAL PLANT ACCOUNTS</b>	<b>22360440</b>	<b>3253908</b>	<b>512035</b>	<b>0</b>	<b>25102313</b>



**ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION**  
Account 3100

		TOTAL Company Basis				Balance
		Balance	Depreciation	Credits	Retirements	Balance
		Beginning	Rate*	During	and	End
		of Year		Year	Adjustments	of Year
<b>Analysis of Entries in Accumulated Depreciation</b>						
2112	Motor Vehicles	877386	0.250	201709	231938	847157
2113	Aircraft	70117	0.100	36234		106351
2114	Special Purpose Vehicles	204873	0.125	50109		254982
2115	Garage Work Equipment					
2116	Other Work Equipment	57990	0.125	14787	1138	71639
2121	Buildings	426148	0.030	25522		451670
2122	Furniture	86644	0.125	1177	82	87739
2123	Office Equipment					
2124	General Purpose Computers	280903	0.200	45222	65464	260661
2211	Analog Electronic Switching	13758	0.125	1404		15162
2212	Digital Electronic Switching	2103964	0.125	526895	29084	2601775
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	206680	0.200			206680
2232	Circuit Equipment	2468096	0.100	356853	3841	2821108
2311	Station Apparatus					
2321	Customer Premises Wiring					
2341	Large Private Branch Exchanges					
2351	Public Telephone Terminal Equipment	56833	0.230			56833
2362	Other Terminal Equipment	35788	0.200			35788
2411	Poles	100677	0.075			100677
2421	Aerial Cable					
2422	Underground Cable	140424	0.065	13981		154405
2423	Buried Cable	6387982	0.065	743120	27936	7103166
2424	Submarine Cable					
2426	Intrabuilding Network Cable	19327	0.200			19327
2431	Aerial Wire	170942	0.086	17232	392	187782
2441	Conduit Systems					
	<b>TOTAL</b>	13708532		2034245	359875	15382902

\*Please list individual depreciation rate for each account.

**ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION**  
Account 3100

IDAHO Operations Only

**Analysis of Entries in Accumulated Depreciation**

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles	877386	0.250	201709	231938	847157
2113 Aircraft	70117	0.100	36234		106351
2114 Special Purpose Vehicles	204873	0.125	50109		254982
2115 Garage Work Equipment	57990	0.125	14787	1138	71639
2116 Other Work Equipment	426148	0.030	25522		451670
2121 Buildings	86644	0.125	1177	82	87739
2122 Furniture		0.125			
2123 Office Equipment					
2124 General Purpose Computers	280903	0.200	45222	65464	260661
2211 Analog Electronic Switching	13758	0.125	1404		15162
2212 Digital Electronic Switching	2103964	0.125	526895	29084	2601775
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	193707	0.200			193707
2232 Circuit Equipment	2468096	0.100	356853	3841	2821108
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	56833	0.230			56833
2362 Other Terminal Equipment	35788	0.200			35788
2411 Poles	100677	0.075			100677
2421 Aerial Cable					
2422 Underground Cable	140424	0.065	13981		154405
2423 Buried Cable	6364306	0.065	740155	27936	7076525
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0.200			19327
2431 Aerial Wire	170942	0.086	17232	392	187782
2441 Conduit Systems					
<b>TOTAL</b>	<b>13671883</b>		<b>2031280</b>	<b>359875</b>	<b>15343288</b>

\*Please list individual depreciation rate for each account.

## INVESTMENTS

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

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
Telsat	_____	_____	90000
CoBank Patronage	_____	_____	246795
Rocky Mountain Wireless	_____	_____	148
Syringa Networks	_____	_____	892990
Internet	_____	_____	67582
Syringa Electronic Equip.	_____	_____	333240
Syringa Fiber	_____	_____	147010
<b>Totals</b>	_____	_____	<b>1777765</b>

## RECEIVABLES

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

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Customers	_____	409904
Qwest	_____	3698
CABS	_____	138773
NSF Checks	_____	177
NECA	_____	225075
Telsat	_____	6882
Idaho USF	_____	85706
Misc.	_____	12581
<b>Totals</b>	_____	<b>882796</b>

**NOTES PAYABLE**

For Notes Payable, list each note separately and include the maturity date and interest rate.

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
NA	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Totals</b>	_____	_____	_____	_____

**ACCOUNTS PAYABLE**

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

<u>Name of Creditor</u>	<u>Amount</u>
Federal Excise Tax	15776
Misc	23852
AT&T	18371
Illuminet	6994
Subscriber	741
ATC Long Distance	67210
_____	_____
_____	_____
<b>Totals</b>	132944

LONG - TERM DEBT

Accounts 4210, 4240, 4250, 4260, 4270 and 4310

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

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 Notes	Various	Various		1430546			2% to 5%	37836
CoBank	10-1996	12-2011		6237718			Variable	344934
DL Evans Bank	Various	Various		1002600			Variable	18822



**INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	6778629	6750412
Total Operating Expenses (from page 18)	4740789	4718599
7100 Other Operating Income and Expense	<hr/>	<hr/>
7210 Operating Investment Tax Credits-Net	20716	20716
7220 Operating Federal Income Taxes	468871	468871
7230 Operating State and Local Income Taxes	307	20
7240 Operating Other Taxes	142481	142481
7250 Provision for Deferred Operating Income Taxes-Net	22123	22123
7200 Operating Taxes (Total)	654498	654211
7310 Dividend Income	<hr/>	<hr/>
7320 Interest Income	4060	4060
7330 Income from Sinking and Other Funds	<hr/>	<hr/>
7340 Allowance for Funds Used During Construction	<hr/>	<hr/>
7350 Gains/Losses from the Disposition of Certain Property	-198095	-198095
7360 Other Nonoperating Income	84946	84946
7370 Special Charges	<hr/>	<hr/>
7300 Nonoperating Income and Expense	-109089	-109089
7410 Nonoperating Investment Tax Credits-Net	<hr/>	<hr/>
7420 Nonoperating Federal Income Taxes	<hr/>	<hr/>
7430 Nonoperating State and Local Income Taxes	<hr/>	<hr/>
7440 Nonoperating Other Taxes	<hr/>	<hr/>
7450 Provision for Deferred Nonoperating Income Taxes-Net	<hr/>	<hr/>
7400 Nonoperating Taxes	<hr/>	<hr/>
7510 Interest on Funded Debt	394387	394387
7520 Interest Expense-Capital Leases	<hr/>	<hr/>
7530 Amortization of Debt Issuance Expense	<hr/>	<hr/>
7540 Other Interest Deductions	8412	8412
7500 Interest and Related Items	402799	402799
7610 Extraordinary Income Credits	<hr/>	<hr/>
7620 Extraordinary Income Charges	<hr/>	<hr/>
7630 Current Income Tax Effect of Extraordinary Items-Net	<hr/>	<hr/>
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net	<hr/>	<hr/>
7600 Extraordinary Items	<hr/>	<hr/>
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	<hr/>	<hr/>
7990 Nonregulated Net Income	178757	178757
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	1050211	1044471

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	1788464	1760247
5002 Optional Extended Area Revenue	_____	_____
5003 Cellular Mobile Revenue	_____	_____
5004 Other Mobile Services Revenue	_____	_____
5010 Public Telephone Revenue	_____	_____
5040 Local Private Line Revenue	_____	_____
5050 Customer Premises Revenue	_____	_____
5060 Other Local Exchange Revenue	155221	155221
5069 Other Local Exchange Settlements	_____	_____
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	364108	364108
5082 Switched Access Revenue (Interstate)	3346778	3346778
5083 Special Access Revenue	246907	246907
5084 State Access Revenue (Intrastate)	838169	838169
Long Distance Network Services Revenues	-214	-214
5100 Long Distance Message Revenue - All	_____	_____
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	_____	_____
5240 Rent Revenue	1200	1200
5250 Corporate Operations Revenue	_____	_____
5261 Special Billing Arrangements Revenue	_____	_____
5262 Customer Operations Revenue	_____	_____
5263 Plant Operations Revenue	_____	_____
5264 Other Incidental Regulated Revenue	1346	1346
5269 Other Revenue Settlements	_____	_____
5270 Carrier Billing & Collection Revenue	53750	53750
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	17100	17100
5302 Uncollectible Revenue - Other	_____	_____
<b>TOTAL OPERATING REVENUES</b>	<b>6778629</b>	<b>6750412</b>

Please identify the following revenues:

NECA USF \$ 1197752 . To what account were they booked? 5082.12

State USF \$ 514238 . To what account were they booked? 5084.5



**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses		
6112 Motor Vehicle Expense		
6113 Aircraft Expense	23447	23447
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses	27592	27592
6121 Land and Building Expenses	56772	56772
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense		
6210 Central Office Switching Expenses	464734	460234
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	214532	214532
6231 Radio Systems Expense	4044	4044
6232 Circuit Equipment Expense		
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense	17956	17956
6422 Underground Cable Expense		
6423 Buried Cable Expense	721631	716969
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>1530708</b>	<b>1521546</b>

## OPERATING REVENUES

Item	Total Company 1530708	Idaho Only 1521546
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense		
6530 Network Operations Expense	95626	94305
6531 Power Expense		
6532 Network Administration Expense		
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense		
6540 Access Expense	22128	22128
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1908791	1905826
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
<b>Total Plant Nonspecific Operations Expenses</b>	<b>2026545</b>	<b>2022259</b>
<b>Customer Operations Expense</b>		
6610 Marketing	18306	18306
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services	90951	90951
6621 Call Completion Services		
6622 Number Services		
6623 Customer Services	162730	160806
<b>Total Customer Operations Expense</b>	<b>271987</b>	<b>270063</b>
<b>Corporate Operations Expense</b>		
6710 Executive and Planning		
6711 Executive	330659	330659
6712 Planning		
6720 General and Administrative	192289	192289
6721 Accounting and Finance	362632	355814
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal	25969	25969
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative		
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	<b>911549</b>	<b>904731</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>4740789</b>	<b>4718599</b>

**CENTRAL OFFICE DATA**  
as of December 31, 2002 (unless otherwise indicated)

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

Central Office Switch Type: Nortel DMS - 10

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

**Access Line Capacity**  
Design: 10244 \_\_\_\_\_  
**Access Lines in Use**  
Customer Lines: 4867 \_\_\_\_\_  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 5796 \_\_\_\_\_  
Public Telephone Lines 35 \_\_\_\_\_  
Company Official Lines 57 \_\_\_\_\_  
Company Test Lines 128 \_\_\_\_\_

	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	3896	3896	3896	1046	1046	1046	4942
New Connects	355	355	355	24	24	24	379
Disconnects	421	421	421	33	33	33	454
End of Year	3830	3830	3830	1037	1037	1037	4867

**Foreign Exchange:**  
Dial Tone from this C.O.: 2 \_\_\_\_\_  
Dial Tone from another C.O.: 2 \_\_\_\_\_

**Directory Listings:**  
Number of Customers with Nonpublished or Nonlisted: 187 \_\_\_\_\_

**Custom Calling:**  
Number of customers with at least one feature: 1406 \_\_\_\_\_  
Total number of features subscribed to: 17 \_\_\_\_\_

**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) \_\_\_\_\_.**

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 ALL	4856			246897	365725	612622	126
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

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

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603  
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers                      Yes  No

Included in directory                                      Yes  No

Date of notification                      3-Apr-02

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

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company                      70

Category of complaints (if known):

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

Charges on Bill    X

Denial/Termination                                      X

Quality or Availability  
of Service    \_\_\_\_\_

Carrier Selection/Assignment                      X

Miscellaneous    \_\_\_\_\_

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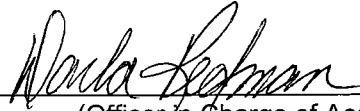
CERTIFICATE

State of Idaho )  
 ) ss  
County of Cassia )

WE, the undersigned, Odeen K. Redman - President and Darla Redman - Secretary of Albion Telephone Company, Inc. located at 225 W. North Street, Albion, ID 83311, on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

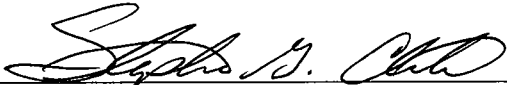


(Chief Officer)



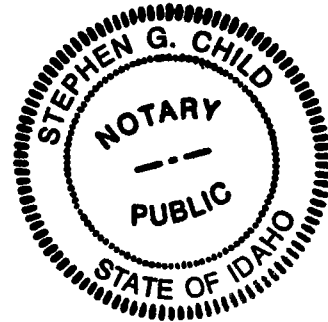
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 11<sup>th</sup> day of April, (Year) 2003.



Notary Public

My Commission expires April 16, (Year) 2007.



Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt